CONDOMINIUM OFFERING PLAN

242 BROOME STREET CONDOMINIUM

242 BROOME STREET
NEW YORK, NEW YORK 10002

55 Residential Units	**$119,243,711.00**
35 Storage Lockers	**$1,073,000.00**
Total Offering Amount	**$120,316,711.00**

The Residential Units will consist of 44 Market Rate Units and 11 Affordable Units. The Condominium will also include: 4 Retail Units and 1 Community Facility Unit which are not being offered for sale at this time.

SPONSOR:

Site 1 DSA Owner LLC
c/o Taconic Investment Partners LLC
111 Eighth Avenue, Suite 1500
New York, New York 10011

SALES CENTER:

92 Orchard Street
New York, New York 10002
(212) 254-0242

MARKET RATE UNIT SELLING AGENT:

Douglas Elliman Real Estate
575 Madison Avenue
New York, New York 10022
(212) 891-7102

AFFORDABLE UNIT SELLING AGENT:

Michael E. Reed
1770 Bruckner Boulevard
Bronx, New York 10473

Filing Date of this Offering Plan: _____, 2016. This Offering Plan may not be used after _____, 2017, unless this Offering Plan is extended by amendment.

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

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

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

TABLE OF CONTENTS

PART I

Section		Page
SPECIAL RISKS		1
INTRODUCTION		21
DEFINITIONS		30
DESCRIPTION OF PROPERTY AND IMPROVEMENTS		43
LOCATION AND AREA INFORMATION		48
SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION		51
SCHEDULE B – BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION		59
SCHEDULE B-1 - PROJECTED INDIVIDUAL ENERGY COSTS BUDGET		71
OPINION OF COUNSEL RE: REAL PROPERTY LAW SECTION 339-i		85
REAL PROPERTY LAW SECTION 339-i COMPLIANCE LETTER		89
AFFORDABLE UNITS		92
NON-RESIDENTIAL UNITS		94
CHANGES IN PRICES AND UNITS		98
USE AND OCCUPANCY AGREEMENTS		100
PROCEDURE TO PURCHASE		101
ESCROW AND TRUST FUND REQUIREMENTS		108
ASSIGNMENT OF PURCHASE AGREEMENTS		112
EFFECTIVE DATE		113
TERMS OF SALE		114
CLOSING COSTS AND ADJUSTMENTS		117
RIGHTS AND OBLIGATIONS OF SPONSOR		126
CONTROL BY SPONSOR		138
CONDOMINIUM BOARD		140
RIGHTS AND OBLIGATIONS OF UNIT OWNERS		142
RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD/ SUMMARY OF BY-LAWS		153
INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM		159
REAL ESTATE TAXES		161
ANTICIPATED REAL ESTATE TAX EXEMPTION BENEFITS (421-A)		163
WORKING CAPITAL FUND AND APPORTIONMENTS		165
RESERVE FUND		167
MANAGEMENT AGREEMENT		168
IDENTITY OF PARTIES		170
REPORTS TO UNIT OWNERS		174
GENERAL		175
SPONSOR'S STATEMENT OF BUILDING CONDITION		176

TABLE OF CONTENTS

PART II

Section	Page
DESCRIPTION OF PROPERTY AND IMPROVEMENTS	179
FLOOR PLANS	221
PURCHASE AGREEMENT	301
UNIT DEED – AFFORDABLE UNITS	339
UNIT DEED – MARKET RATE UNITS	347
USE AND OCCUPANCY AGREEMENT	355
STORAGE LOCKER LICENSE	367
ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE	373
DECLARATION OF CONDOMINIUM	377
BY-LAWS OF THE CONDOMINIUM	423
UNIT POWER OF ATTORNEY	491
UNIT OWNER'S SPECIMEN TITLE POLICY	501
ATTORNEY'S INCOME TAX OPINION	513
REAL ESTATE TAX PROJECTION OPINION	519
421-a REAL ESTATE TAX EXEMPTION BENEFITS OPINION	529
FORM W-8 (CERTIFICATION OF FOREIGN STATUS)	543
FORM W-9 (REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)	547
ESCROW AGREEMENT	553
RESERVE FUND STUDY	563
CERTIFICATION OF SPONSOR AND PRINCIPALS	609
CERTIFICATION OF ARCHITECT	617
CERTIFICATION OF BUDGET EXPERT	621
CERTIFICATION OF BUDGET EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE NON-RESIDENTIAL UNIT OWNERS	625
REAL PROPERTY LAW SECTION 339-kk	629
AFFORDABLE HOUSING DECLARATION	633
HPD RESERVE AGREEMENT	683
ADMINISTERING AGENT AGREEMENT	699
ENFORCEMENT NOTE AND ENFORCEMENT MORTGAGE	713

PART I

CONDOMINIUM OFFERING PLAN

242 BROOME STREET CONDOMINIUM

242 BROOME STREET
NEW YORK, NEW YORK 10002

SPECIAL RISKS

Sponsor Control of the Condominium Board

1. (a) Sponsor will have voting control over the Condominium Board until the earlier of: (i) the fifth anniversary of the First Closing; (ii) the Closing of Title to all Units (including the Non-Residential Units); or (iii) the date on which Sponsor otherwise exercises its right to relinquish voting control of the Condominium Board ("Sponsor Control Period"). Notwithstanding the relinquishment of control by Sponsor, the Condominium Board cannot take any action whatsoever which would interfere to any degree with Sponsor's rights under the Plan or Sponsor's ability to meet its obligations under the Plan, including, without limitation, Sponsor's obligation to procure a PCO for the Building.

(b) After the Sponsor Control Period, Sponsor shall have the right to designate 2 Residential Members to the Condominium Board for so long as Sponsor continues to own at least 1 Unsold Residential Unit.

(c) During the Sponsor Control Period, Sponsor will designate a majority of the Residential Members and shall have voting control of the Condominium Board. Therefore, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the Condominium, and will determine the Common Charges to be paid by all Unit Owners. Sponsor may continue to exercise veto power over certain actions of, or contemplated by, the Condominium Board after the Sponsor Control Period. For so long as Sponsor shall continue to own Unsold Residential Units representing at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges or Special Assessment for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees from those described in the First Year's Budget, or (d) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer; or (iv) ensure the health and safety of the occupants of the Condominium.

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

Purchase of a Condominium Unit

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

(b) At the time of execution of a Purchase Agreement, Market Rate Unit Purchasers are required to deliver an Initial Deposit in an amount equal to 10% of the Purchase Price. Market Rate Unit

Purchasers are required to deliver an Additional Deposit in an amount equal to 5% of the Purchase Price upon the earlier to occur of (i) 6 months after such Market Rate Purchaser executes the Purchase Agreement or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective. A Market Rate Unit Purchaser executing a Purchase Agreement on or after the date the Plan is declared effective is required to make the full Deposit in an amount equal to 15% of the Purchase Price. Eligible Buyers of Affordable Units are only required to make a single Deposit equal to 5% of the Purchase Price which sum shall be payable at the time of execution of the Purchase Agreement.

(c) In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel the Purchase Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) the entire Deposit and any interest earned on the Deposit and (b) Unit Upgrade Funds. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with the Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection). (See the Section of the Plan entitled "Procedure to Purchase" for details.

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

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

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

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

(iv) if Purchaser is permitted to become the tenant or occupant of the Unit, Purchaser's failure to pay rent or to otherwise comply with some other lease or occupancy obligation; or

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

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

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

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

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

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

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

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

(g) Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Units, the Storage Lockers, the Building or the Common Elements, except as may otherwise be set forth in the Plan. (See the Sections of the Plan entitled "Procedure to Purchase" and "Rights and Obligations of Sponsor" for details.)

(h) Unit Upgrade Funds will initially be placed in the Master Escrow Account. However, Purchasers should note that such Unit Upgrade Funds may be released from the Master Escrow Account by Escrow Agent to Sponsor to pay, or reimburse Sponsor, for such upgrades or extras. As a result, in the event Sponsor cancels the Purchase Agreement or Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, Purchaser will not receive a refund of any expended Unit Upgrade Funds, except if Sponsor abandons or withdraws the Plan, in which case the Unit Upgrade Funds (whether expended or not) will be returned to Purchaser. Escrow Agent shall be under no duty to verify that Sponsor used or committed such funds for such special work (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

(i) Prior to the Closing of Title to a Residential Unit, the Purchase Agreement prohibits a Purchaser from advertising or otherwise offering, listing, promoting or publicizing the availability of the

Residential Unit for sale or rental. (See the Section of the Plan entitled "Procedure to Purchase" and the Purchase Agreement set forth in Part II of the Plan for details.)

Conveyance of Title

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

Sponsor's Right to Rent Unsold Residential Units

4. (a) Sponsor intends, in good faith, to sell rather than rent Residential Units. However, Sponsor reserves the unconditional right to rent rather than sell Residential Units after the consummation of the Plan. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium.

(b) Sponsor intends to offer Unsold Market Rate Units for sale both to Purchasers for personal occupancy and Purchasers who are purchasing for investment or resale. Purchasers for investment or resale may rent such Market Rate Units rather than use such Market Rate Units for personal occupancy. As a result, some and possibly many Market Rate Units may be occupied by renters instead of Market Rate Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers of Market Rate Units, the Condominium Board is unable to limit the number of Purchasers who purchase Market Rate Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Market Rate Unit Owners who are not occupants. It is possible that Market Rate Unit Owners who occupy Market Rate Units may have different interests than those Market Rate Unit Owners who do not occupy Market Rate Units.

(c) Sponsor reserves the unconditional right to make Bulk Sales of Market Rate Units. Purchasers of Bulk Sales of Market Rate Units shall be bound by Sponsor's representations in the Plan with regard to Sponsor's commitment to sell Market Rate Units. Sponsor also reserves the unconditional right to make bulk leases of Market Rate Units.

(d) As set forth in Special Risk 34(f), Sponsor reserves the right to rent Affordable Units in the event that they cannot be sold to persons whose annual Household income is no greater than 130% of AMI. The rents shall be determined by HPD as a percentage of prescribed income.

Closing Fees

5. Purchasers shall be required to pay (i) certain closing fees to Attorneys for Sponsor at Closing, and (ii) all New York City Real Property Transfer Tax ("RPT Tax"), New York State Real Estate Transfer Tax ("State Transfer Tax") and New York State Additional Real Estate Transfer Tax, commonly referred to as the "Mansion Tax," imposed on their purchase. The New York City Department of Finance has taken the position that where the purchaser of property assumes the obligation for the payment of the

State Transfer Tax and the RPT Tax, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to tax. The State Transfer Tax is currently equal to $2 per $500 of the bulked up consideration, the Mansion Tax is currently equal to 1% of the bulked up consideration and the RPT Tax is currently equal to 1% of the bulked up consideration where the bulked up consideration is $500,000 or less, and 1.425% where the bulked up consideration is greater than $500,000. See the Section of the Plan entitled "Closing Costs and Adjustments" for details.

Reserve Fund and Working Capital Fund

6. (a) Schedule B - First Year's Budget includes a line item for a Reserve Fund for the sole purpose of costs and expenses related to capital repairs, replacements and improvements. The Reserve Fund amount was the product of a Reserve Fund Study undertaken by Sponsor. For so long as Sponsor continues to own at least 1 Unsold Residential Unit, the Condominium Board must maintain the Reserve Fund and any change in the amount of the Reserve Fund shall be made only with Sponsor's prior written consent. Sponsor makes no guarantee or representation that the Reserve Fund will satisfy the requirements of a Purchaser's lender. Because the Building will be entirely new construction, Sponsor does not anticipate the imminent need for such capital repairs, replacements or improvements. However, no assurance or guaranty is given that such needs will not arise in the future. Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Common Elements as the need for such arises in accordance with the terms of the Plan.

(b) Pursuant to the Affordable Housing Declaration, an HPD Reserve Account has been established by Sponsor. Purchasers are advised that there is no provision in either the Affordable Housing Declaration or the HPD Reserve Agreement which requires the HPD Reserve Account to be replenished after one or more withdrawals. Therefore, once one or more withdrawals are made from the HPD Reserve Account, such funds will no longer be available.

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

(d) Each Purchaser of a Market Rate Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium at Closing, in an amount equal to 2 months' Common Charges with respect to the Market Rate Unit based on the Condominium budget in effect as of the Closing Date. The payment to the Working Capital Fund shall be required of all Purchasers of Market Rate Units, whether purchased from Sponsor or from a Market Rate Unit Owner on a resale.

(e) See the Sections of the Plan entitled "Working Capital Fund and Apportionments" and "Reserve Fund" for details.

Foreign Government Purchaser

7. Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (.i.e., diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase

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

Storage Locker Licenses

8. Sponsor is offering Purchasers of Residential Units the opportunity to purchase Storage Locker Licenses for the exclusive use of Purchaser for so long as Purchaser owns a Residential Unit in the Building pursuant to the terms of a license ("Storage Locker License"), the form of which is set forth in Part II of the Plan. Although the Storage Locker Area is a Residential Common Element, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell Storage Locker Licenses located therein and retain all proceeds from such sale. The Condominium will not be entitled to any of the proceeds from the sale of the Storage Lockers. (See the Sections of the Plan entitled "Terms of Sale" and "Rights and Obligations of Unit Owners" subsection "Use of Units and Common Elements and Storage Lockers "for details.)

No Bond or Other Security Posted

9. Sponsor has sufficient resources to fund its obligations set forth in the Plan. No bond or other security has been posted by Sponsor to secure Sponsor's obligation under the Plan. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

Services and Facilities

10. (a) Purchasers are advised that some of the services and facilities described in the Plan (such as a full staff of Building personnel and usage of certain amenity areas) may not be available until approximately 12 months after the First Closing. Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators, will be restricted during the period that Sponsor is performing work in the Building. However, at all times after the First Closing of a Residential Unit, the residential lobby will be attended 24 hours a day, 7 days a week by a lobby attendant. The Condominium Board shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to reduce the Common Charges for the period in which such services and/or facilities are not available.

(b) Purchasers will not be entitled to any credit or abatement against the Purchase Price or Common Charges if any services and/or facilities are not available on or after the First Closing.

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

Temporary Certificate of Occupancy

11. (a) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("PCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and PCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property 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 DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance units, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario will occur. No closing of a Residential Unit will occur prior to the issuance of a TCO for the particular Residential Unit. Sponsor will undertake the responsibility for extending each TCO prior to its expiration, and ultimately for obtaining a PCO covering the entire Building within 2 years from the date of the issuance of the first TCO, subject, however, to (i) Force Majeure, (ii) actions by Unit Owners or tenants of Unit Owners, (iii) work undertaken in a Unit by a Unit Owner, except in instances where Sponsor or Sponsor-controlled Condominium Board have given its consent to a Unit Owner to perform alterations, (iv) work undertaken in Common Elements by the Condominium Board after Sponsor no longer controls the Condominium Board (v) work undertaken in the Non-Residential Units or (vi) any other cause over which Sponsor has no control. Sponsor makes no representation or guarantee that the DOB will issue the PCO within such 2 year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the PCO for the Building, and shall exercise best efforts to obtain the PCO within such 2 year period while keeping the TCO current. Unit Owners and the Condominium Board shall be obligated to cooperate with, and refrain from obstructing, Sponsor in these undertakings.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations prior to the procurement of a PCO, such renovations may cause additional delays in the issuance of a PCO. Nevertheless, Sponsor and its principals are obligated to procure the PCO. However, Sponsor or the Condominium Board may refuse to permit a Residential Unit Owner to perform alterations until such time as a PCO has been obtained.

Additionally, since more than 50% of the square footage of the Building is comprised of commercial space which will likely be leased to retail tenants in "white box" condition (i.e. with minimally finished or unfinished interiors), DOB will not issue a PCO for the entire Building until such time as the retail tenants have completed customization of such retail unit. As such, the issuance of a PCO for the Building will likely experience significant delays.

Purchasers are advised to visit the DOB website for further recommendations when purchasing a Unit in a building that does not have a PCO. A Factsheet on Certificates of Occupancy is currently available on the DOB website at: http://www1.nyc.gov/site/buildings/homeowner/certificate-of-occupancy.page. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

(b) The only construction prerequisite to Closing is the issuance of a TCO for the Unit or a PCO for the Building. As such, each Purchaser shall be required to close title to their particular Residential Unit once a TCO is issued irrespective of outstanding items of work, provided Sponsor has satisfied the closing conditions set forth in the Section of the Plan entitled "Terms of Sale."

(c) Notwithstanding anything to the contrary, Purchasers will be required to consummate the purchase of the Residential Unit and the Storage Locker License simultaneously at Closing even if a TCO has not been issued for the Storage Locker Area. In such event, Purchasers will not be able to

access or use the Storage Locker until such time as a TCO has been issued for the Storage Locker Area. Additionally, the proceeds from the sale of the Storage Locker will be held in escrow ("Storage Locker Escrow") by Escrow Agent until such time as a TCO has been issued for the Storage Locker Area. The Storage Locker Escrow will not be held in an interest bearing escrow account, and, therefore, Purchaser will earn no interest on the Storage Locker Escrow.

On-Going Construction

12. (a) It is anticipated that for a significant period of time following the First Closing through, including and beyond the Closing of Title to any Residential Unit, work should be expected to be undertaken and performed by or on behalf of Sponsor to complete construction of the Building, including without limitation, the Residential Units, the amenities and facilities, Storage Lockers, the decoration or finishing of the residential lobby, corridors, elevator finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create a noisy or otherwise disruptive condition in the Building. The Condominium 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 PCO has been obtained. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services shall not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. In addition, the presence of scaffolding, hoists or construction elevator shafts or similar temporary construction facilities may delay the Closing of Title to certain Residential Units or lines of Residential Units until such scaffolding, hoists, elevators or temporary facilities are no longer needed and are removed. (See the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities" for details.)

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

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

(d) The Building will contain certain major mechanical equipment, including, but not limited to, elevator machine rooms, fans, pumps, emergency generator, domestic water tanks, chillers, packaged units and cooling towers (collectively, "Equipment") located on the 4th Floor, roof levels and throughout the Building which may cause noise and vibration. While Sponsor will endeavor to reduce excessive noise and vibration emanating from the Equipment, it will be impossible to eliminate such noise

and vibration entirely. As a result, Residential Units and amenity areas in close proximity may be affected. Notwithstanding the foregoing, any noise or vibration shall not violate any building code related thereto.

(e) The Condominium Board and Sponsor shall have the right to operate the emergency generator as necessary, as well as to activate the emergency generator for testing on a periodic basis, normally once per month. During such testing periods, which may occur at any time, occupants of Residential Units may experience substantial noise and vibration, which may exceed applicable NYC noise requirements on a temporary basis.

(f) As is typical and customary in newly constructed or renovated buildings, the Building will be subject to normal settling, deflection, expansion and shifting. Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Unit Owner for any cracks in the crown moldings, minor gapping in the flooring, uneven ceilings or floors, floor buckling or other conditions resulting from any such deflection, expansion, settling or shifting. Additionally, Purchasers should note that since the ceramic, marble, stone, wood and other natural finishing materials (if and to the extent applicable in any particular Unit) installed throughout the Units (in areas including, but not limited to, flooring, walls, countertops, backsplash and vanity tops) are cut from different slabs and are comprised of natural materials, there will be variations in the tone and color of such finishes. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

Section 421-a Tax Exemption

13. (a) Sponsor has applied for partial exemption from real estate taxes attributable to the Residential Units pursuant to Section 421-a of the New York Real Property Tax Law and has been advised that the Residential Units are expected to qualify for such 421-a benefits. Nevertheless, there can be no assurance that such application will be granted or that such 421-a benefits will be received, or if received, that such 421-a benefits will be in effect as of the First Closing. In addition, Sponsor also reserves the right to withdraw its 421-a application. If such approval is not obtained or if Sponsor withdraws such application, there will be no exemption from real estate taxes on the Residential Units and Purchasers will have no right to rescind under their Purchase Agreements. Based on the opinion of Sponsor's Real Estate Tax Counsel, the 421-a exemption, if granted, will be for a limited period of 20 years and will decrease progressively during such period. Neither Sponsor, Attorney for Sponsor, Real Estate Tax Counsel, Selling Agent, Managing Agent or any other Person makes any representation or guaranty that the partial exemption from real estate taxes under 421-a will be granted or as to the amount, if any, of the minimum tax that will be assessed against the Residential Units or the amount of real estate taxes payable at any time by any Residential Unit Owner.

(b) Purchasers should note that a property which is granted a partial real estate tax exemption under Section 421-a of the New York Real Property Tax Law and is to be converted to condominium use subject to an offering plan which is not declared effective within 15 months of the issuance by HPD of the 421-a final certificate of eligibility becomes subject to rent regulations under the Rent Stabilization Laws and Code ("Code"). The Code imposes registration requirements on owners and grants tenants the right to reside in the premises, provided that they abide by their lease terms, for the duration of the 421-a partial real estate taxes exemption. Leases given to tenants must contain language advising of when the 421-a partial real estate exemption will expire. Tenant's rents cannot be increased over and above Rent Guidelines Board restrictions plus 2.2% annually. Further, an individual who takes possession pursuant to a lease with Sponsor will have the aforementioned rights of continued possession and rent increase protection but a tenant of a Unit Owner unrelated to Sponsor would not enjoy these protections. (See the Section of the Plan entitled "Anticipated Real Estate Tax Exemption Benefits," and the "Real Estate Tax Exemption Benefits Opinion" set forth in Part II of the Plan for details.)

(c) The Building is located within the Manhattan "geographic exclusion area" under Section 421-a (7)(a)(ii). The Building will meet the affordability requirements of Section 421-a (7)(c) in that

not less than 20% of the Residential Units are Affordable Units (11 out of 55 Units) with owners who have an annual Household income of no more than 130% of AMI.

(d) Since it is anticipated that the Building will receive Section 421-a benefits, employees of the Condominium will be paid the prevailing wage as set forth in Section 421-a (8)(b).

(e) See the Section of the Plan entitled "Anticipated Real Estate Tax Exemption Benefits," and the "421-a Real Estate Tax Exemption Benefits Opinion" set forth in Part II of the Plan for details.

Non-Residential Units

14. The Condominium will contain 5 Non-Residential Units consisting of 4 Retail Units and 1 Community Facility Unit. The Non-Residential Units are not being offered for sale at this time but may (i) be transferred to an entity affiliated with Sponsor, or (ii) be offered or transferred pursuant to a "No-Action," "No Jurisdiction," or similar ruling issued by the Department of Law. Except as set forth in the Acquisition Documents, the sale or transfer of the Non-Residential Units requires the consent of the New York City Economic Development Corporation ("EDC") for a period of 10 years from November 25, 2015. Following such 10 year period or, prior to such time, upon the consent of EDC, the Non-Residential Units or any additional condominium units created as a result of a subdivision of a Non-Residential Unit may be offered for sale pursuant to a "No-Action," "No Jurisdiction," or similar ruling issued by the Department of Law. The Community Facility Unit shall be used as a community facility in perpetuity and as a cultural facility for a period of 20 years from November 25, 2015. The Non-Residential Units may not be used as a dormitory for a period of 10 years from November 25, 2015.

(a) The Retail Units

No representation is made with respect to the future owners or tenants of any of the Retail Units. Sponsor currently anticipates that Retail Unit 3 and a portion of the Community Facility Unit may comprise a catering facility/event space ("Event Space") which shall be regularly utilized for parties and events that may last until the early morning hours with food and beverage service, music, noise, lights, odors, vibrations and other disturbances potentially affecting the residents of the Building. The Retail Unit 3 Owner and its Permitted Users shall have a perpetual easement in and through the Community Facility Unit (as reflected on the Tax Lot Drawings). It is anticipated that the Event Space will be operated daily. The Event Space shall also include and have exclusive use of the 5th Floor terrace adjacent to Retail Unit 3 which may be open air and/or tented. The Event Space and the use thereof will comply with all Laws, including those regarding noise and liquor licensing.

The Event Space may be operated as a joint venture between the owner of Retail Unit 3 and its Permitted Users and they shall have a license to use, lease, maintain and operate the Event Space.

(b) The Community Facility Unit

The Community Facility Unit will be developed and used in accordance with the Acquisition Documents with the expectation that at least 15,000 square feet of the Community Facility Unit will be used as a museum or other not-for-profit use. There may be additional restrictions on the use of the Community Facility Unit pursuant to the documents entered into with the Owner of such Unit.

(c) General

Each Non-Residential Unit Owner shall have the right and easement (i) for ingress and egress through all Common Elements or any portion of the Property for the purpose of accessing any portion of such Non-Residential Unit or any portions of the Building servicing such Non-Residential Unit; (ii) for the purpose of exiting the Building in the event of an emergency, and (iii) to erect, maintain, replace and/or repair

any sign and/or lighting on the exterior façade of the Building immediately adjacent to such Non-Residential Unit of such size and content as the Non-Residential Unit Owner shall determine, in the storefronts (if any) and windows of such Non-Residential Unit for the purposes of advertising the sale or lease of all or any portion of such Non-Residential Unit and/or operation of any business of a tenant or occupant of such Non-Residential Unit. Each Non-Residential Unit Owner shall each be entitled to utilize such rights and easements for their own account or the account of their respective Permitted Users.

Each Non-Residential Unit Owner (subject to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit) shall have the right, but not the obligation, at such Non-Residential Unit Owner's sole cost and expense to alter, modify, and/or restore the exterior façade of the Building appurtenant to such Non-Residential Unit (including storefronts (if any) and windows of such Non-Residential Unit) and to create additional means of egress and ingress to such Non-Residential Unit, provided that such alterations, modifications and/or restorations are in compliance with Law and the terms of the Declaration and By-Laws, including, without limitation, the Condominium's right to approve in its reasonable discretion any structural changes or changes which alter the Building's architectural standards.

Each Non-Residential Unit Owner and its Permitted Users shall have an easement to use the sidewalks (if any) immediately adjacent to such Non-Residential Unit for any purposes permitted by Law, including without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalks adjacent thereto provided the entrances and loading berths to the Building are not impeded by such use. In the event a Non-Residential Unit Owner or its Permitted Users utilizes such sidewalks, the cost of maintenance and repair of such sidewalk during the period of such use or resulting from such usage shall be borne by such Non-Residential Unit Owner.

No representation is made with respect 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 purpose permitted by Law other than the Prohibited Uses and in accordance with the Condominium Documents and the Acquisition Documents, including, without limitation, additional residential units, retail stores, banks, restaurants, theaters, bars, spas, health clubs, bowling alleys, event space, catering facility, museums, art galleries and commercial and professional office space which uses may result in increased noise, vibrations and traffic. No assurance, representation, or warranty is given that any of the tenants, occupants, or users of the Non-Residential Units will not be objectionable to Residential Unit Owners or other parties. The uses of the Non-Residential Units may generate noise, traffic, fumes, vibrations or other disturbances over which the Residential Unit Owners will have no control.

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

Each Non-Residential Unit Owner shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units, and without amendment to the Plan, (i) to subdivide and/or combine any Non-Residential Unit(s) and/or (ii) to change any Non-Residential Units in size by relocating a boundary wall between Non-Residential Units. In the event of a subdivision, combination, and/or change in size of any Non-Residential Units, each Non-Residential Unit shall additionally have the right to reapportion among the affected Units their respective Common Interest. Any additional condominium units created as a result of a subdivision of a Non-Residential Unit (x) may be offered for sale at any time by a duly filed amendment to the Plan or pursuant to a "No-Action," "No Jurisdiction," or similar ruling issued by the Department of Law and (y) will retain the same rights afforded the Non-Residential Unit Owners as set forth herein with the exception that, notwithstanding any subdivision, only one Non-Residential Unit Owner board member may be designated to the Condominium Board for the subdivided Units in question.

(d) See the Section of the Plan entitled "Non-Residential Units" for details.

Special Allocation of Certain Common Expenses

15. Each Unit Owner must pay Common Charges to cover the cost of the operation and maintenance of the Condominium and Building in accordance with the New York Condominium Act (Real Property Law §§339-i(1)(iv) and 339(m)). These costs will generally be borne by the Unit Owners in proportion to their respective Common Interest. The Condominium Act and the Condominium By-Laws do, however, provide authority for the Condominium Board to set and collect Common Charges payable by the Affordable Unit Owners in a manner that (i) is not proportional to the respective Common Interests of such Affordable Units, (ii) limits the amount charged to such Affordable Unit Owners as prescribed by Law, or (iii) limits the rate at which the amount charged to the Affordable Unit Owners may increase which currently is capped at the percentage increase in rents approved by the Rent Guidelines Board for two (2) year rent stabilized leases for the year in which the increase is being levied. As such, the Common Charges listed in Schedule A have been allocated in favor of the Affordable Units in order for Sponsor to be in compliance with the Affordable Housing Declaration resulting in higher Common Charges payable by the Market Rate Unit Owners and the Non-Residential Unit Owners. The allocation of the Common Charges in favor of the Affordable Units may negatively impact the market value of the Market Rate Units. Additionally, with respect to the Non-Residential Units, certain budgeted items are allocated between the Residential Units and the Non-Residential Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements. The Condominium Board may not modify these allocations without the unanimous consent of the affected Non-Residential Unit Owners. See the Section of the Plan entitled "Schedule B – First Year's Budget" and Section 6.2 of the By-Laws for details.

Apportionments with the Condominium

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

Effectiveness of the Plan

17. Pursuant to Law, Sponsor may declare the Plan effective by entering into Purchase Agreements for the sale of a minimum of 15% of the Units offered for sale (i.e. 9 Units based on 55 Residential Units offered for sale). Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to create a Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately close title to their Units. See the Section of the Plan entitled "Effective Date" for details. In the event that all Purchase Agreements are rescinded or terminated prior to the date of the First Closing, Sponsor will re-declare the Plan effective by submission of an amendment to the Department of Law. (See the Section of the Plan entitled "Effective Date" for details.)

Purchase Agreement Not Contingent on Financing

18. (a) Although a Purchaser may obtain financing from any lending institution or other source, Purchaser's obligation to purchase a Residential Unit is not contingent on Purchaser obtaining financing, except for Eligible Buyers of Affordable Units under the limited conditions set forth in the Section of the Plan entitled "Procedure to Purchase" subsection "Affordable Unit Purchasers" and the Purchase Agreement. Neither Sponsor nor Selling Agent makes any representation as to the availability or terms of any form of financing. Purchasers may want to finalize their financing arrangements before signing a

Purchase Agreement. While the First Closing is projected to occur on or around July 1, 2018, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(b) Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include, among others, requiring that a certain percentage (such as 70% or more) of the units in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulties in obtaining a loan in a building or group of buildings where the percentage of units purchased and owner-occupancy is lower than a lender's particular sales or owner-occupancy minimum. It also may be difficult for a Purchaser to resell a Residential Unit if prospective buyers are unable to obtain a loan due to the same sales or owner-occupancy minimum requirements of lenders.

(c) Even after the Building has been submitted to a condominium regime, lenders may still impose minimum sales and/or owner-occupancy requirements before granting a loan. It then may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales and/or owner-occupancy requirements.

Special Rights of Sponsor and Non-Residential Unit Owners

19. (a) Sponsor, Non-Residential Unit Owners, and each of their Permitted Users, shall have a right and easement (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building (subject to the Condominium's right to approve in its reasonable discretion any structural changes or changes which are inconsistent with the Building's architectural standards and elsewhere on the Common Elements (excluding Terraces appurtenant to Residential Units) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Non-Residential Unit. Sponsor reserves onto itself and the Non-Residential Unit Owners and each of their Permitted Users, the right to install additional fireplace flues, venting and mechanical equipment on the roof of the Building. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

(b) Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Unit Owner any non-material portion of the Common Elements for the exclusive use of such Unit Owner provided that such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan, and the Declaration and Tax Lot Drawings will be amended, if required. Additionally, Sponsor reserves the right, in its sole and absolute discretion, to reconfigure and reallocate the size, layout and configuration of the Non-Residential Units and the Common Elements appurtenant to any of the Non-Residential Units, including, without limitation, the egress corridor located on the First Floor of the Building, without the consent of any Unit Owner and/or the Condominium Board, provided that such reconfiguration and/or reallocation has no material and adverse impact on any Unit Owner. (See the Sections of the Plan entitled "Changes in Prices and Units" and "Rights and Obligations of Sponsor" for details.)

(c) During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided all expenses of the Condominium (inclusive of insurance premiums and reserves required by lenders) are paid by Sponsor. If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the post-closing amendment to the Plan. In the event the Condominium Board elects to extend the Waiver Period, Sponsor will amend the Plan to disclose the extended Waiver Period. In the event that the term of Waiver Period has not already been disclosed, Sponsor shall additionally file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Common Charges: Determination and Assessment" for details.)

(d) Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of Units, or due to structural, architectural or mechanical considerations provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser, increase any obligation of a Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or materials shall be of Equal or Better Quality. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. (See the Sections of the Plan entitled "Changes in Prices and Units" and "Rights and Obligations of Sponsor" for details.)

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

Lot Line Windows

20. Lot line windows exist on the 6th through 15th (PH) Floors on the east elevation of the Building. Purchasers should refer to the Description of Property and Improvements set forth in Part II of the Plan for the specific Residential Units containing lot line windows. Lot line windows are windows located on an exterior wall abutting (or less than 30' 0" away from) a property line, where the adjacent property is owned by others. While such windows provide views, light and air to spaces in the Residential Unit, they cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. Residential Units having lot line windows have other windows which satisfy requirements for the lawful use of such Units for habitation. Lot line windows are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it may be necessary to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium. The Condominium shall perform the work required to close-up any lot line windows, if necessary, and the cost of same shall be borne solely by the affected Residential Unit Owner (which may include Sponsor with respect to Unsold Residential Units owned by Sponsor at such time), which cost is currently estimated to be approximately $3,000.00 per window. Sponsor makes no representation that this cost will not increase in the future. Neither Sponsor, Sponsor's architect, the Condominium Board or any other Person who took part in this offering will have any

liability or obligation if the closing-up of any or all lot line windows is required. (See the "Description of Property and Improvements" set forth in Part II of the Plan for details.)

Future Construction

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

Unit Measurements

22. (a) Floor Plans depicting layouts of Residential Units and the Storage Lockers appear in Part II of the Plan. Each Unit is measured from the exterior side of exterior walls and the centerline of the public corridor, elevator and stair to the center line of the partitions separating one Unit form another Unit (columns, mechanical pipes, shafts chases and conduits are not deducted from the measurements of the Unit) Each Unit is measured vertically from the top of the concrete slab (located under the finished flooring and sub-flooring materials) to the underside of the slab above.

(b) As is customary in New York, these square footages significantly exceed the usable floor area of each Unit and the actual area comprising the Unit is significantly less than the area listed in Schedule A. See the Footnotes to Schedule A in Part I of the Plan and the "Description of Property and Improvements" set forth in Part II of the Plan for details.

Window Guards / Legally Compliant Window Stops

23. It is the responsibility of each Residential Unit Owner to notify the Managing Agent in writing when a child or children under the age of eleven (11) years live(s) or reside(s) (even temporarily) in the Residential Unit. In the event that window guards and/or legally compliant window stops are to be installed in the Residential Unit, such installation shall be performed at the direction of the Managing Agent and the cost thereof (for the window guards and/or legally compliant window stops and installation thereof and of any additional equipment required by Law) shall be charged to and paid by the Purchaser/Unit Owner of the Residential Unit. It is the responsibility of each Residential Unit Owner to ensure that all operable windows opening into the Residential Unit comply with Laws relating to window guards and/or legally compliant window stops and, if necessary, to install, operate and maintain, at the Residential Unit Owner's expense, any additional equipment required by Law. Sponsor makes no representation, warranty or assurance whether Residential Unit Owners will comply with the foregoing obligations. (See the Section of the Plan entitled "Terms of Sale" for further details.)

Curtain Wall

24. (a) As more particularly described in the Description of Property and Building Condition set forth in Part II of the Plan, the façade of the Building will consist of a curtain wall system. As a result of the unique and custom design of the curtain wall system (i) if glass or pieces of the curtain wall system need repair or replacement the lead time for such repair and replacement may be longer than for ordinary systems and (ii) additional maintenance and repairs may be required over time.

(b) Purchasers are advised that the use of a curtain wall system (i) will require the installation of window shades in order to reduce potential fading in the interior of the Unit, to reduce brightness and/or glare and to maintain comfortable heating and cooling temperatures; (ii) may not be as energy efficient as a non-curtain wall system; and (iii) may cause the Unit to feel warmer than the temperature reflected on the thermostat in the Unit because of the radiant heat of the sun. Use of applied films to the room side surface of the glass is prohibited, whether used for reducing glare, cutting down heat gain, providing light altering characteristics or for any reason whatsoever. Additionally, the placement of window

shades, including drapes, blinds or other light reducing and/or light blocking items are to be placed and positioned in accordance with a user manual to be provided to Purchaser so that excessive heat buildup will not occur between such window shades and the glass windows. High heat loads can lead to glass breakage.

Excess Development Rights

25. Certain Excess Development Rights may remain upon completion of the Building. In addition, if the applicable provisions of the Zoning Resolution change in the future, such changes may generate transferable Excess Development Rights which will not be included in the Property and any and all Excess Development Rights shall be the exclusive property of Sponsor. Sponsor cannot represent the amount of transferable Excess Development Rights that could result from such changes. Neither the Condominium Board nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights. If any Excess Development Rights are transferred to an adjoining premises, the light and air of the Building and views from Units and/or Terraces may be affected. Notwithstanding the foregoing, Excess Development Rights may not be used to expand the size, height, bulk or density of any portion of the Property after the recording of the Declaration. (See the section of the Plan entitled "Rights and Obligations of Sponsor" and the Declaration in Part II of the Plan for details.)

Marketing Materials

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

Wood Materials

27. Purchasers should note that wood products have certain inherent risks. Risks associated with all wood products (including, without limitation, wood flooring, furniture, cabinetry, and molding) include, but are not limited to, the following: cracks between the floor boards, squeaks, cupping, knots, mineral streaks, warping, splitting, denting, and/or delamination. The foregoing items may affect light-colored wood more noticeably. Additionally, wood products are subject to variations (i) in color (including possibly white, red, black, or even green shades), (ii) in the pattern and/or texture of wood grain, (iii) in the appearance of finishes (including wood staining, gloss, and/or matte finishes), and (iv) in the width of the grooves between the floor boards. These variations may occur between wood products located in the same area of the Residential Unit. Wood products can also be affected by exposure to light and may darken, lighten, fade, and otherwise change with use and age. Protective felt pads and protective sheeting (such as plywood or masonite) should always be used on wood flooring when placing furniture or appliances avoid denting. As recommended by the National Wood Flooring Association, Unit Owners are advised to be very cautious about washing wood products with a wet mop or otherwise with water, since contact with standing water can cause cupping, swelling, and subsequent gapping. For more information about the effect of water on wood flooring, Purchasers should make reference to the National Wood Flooring Association, available at

http://www.nwfa.org/. All wood products should be maintained in accordance with the manufacturer's recommendations. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified. (See the Section of the Plan entitled "Rights and Obligations Unit Owners" for further details.)

Principals of Sponsor Have Executed The Certification of Sponsor and Principals for Compliance with the Martin Act and Governing Regulations

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

Insurance

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

(b) Sponsor makes no representation that the insurance limits set forth in Schedule B will meet the requirements of a lender who finances the purchase of a Unit. If Purchaser's lender requires additional insurance, Purchaser will be obligated to obtain such supplemental insurance at Purchaser's sole cost and expense.

Window Treatments

30. In order to preserve the architectural harmony of the Building, the By-Laws provide that all Residential Unit Owners shall be obligated, regardless of the type of window treatment they use, to provide for a white backing on the window treatment so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" for details.)

No Parking Facilities

31. Pursuant to the terms of the Acquisition Documents, no parking facilities are permitted at the Property. As such, the Property will not contain a parking garage. There are currently garages and other parking areas in the neighborhood providing parking facilities.

Quality Housing Program

32. The Condominium is being developed in accordance with New York City's Quality Housing Program set forth in Article II, Chapter 8 of the New York City Zoning Resolution which encourages development consistent with the character of established neighborhoods. The Program has bulk regulations which set height limits and allows high lot coverage buildings that are set at or near the street line. It also requires amenities relating to interior space, recreation areas and landscaping. The program requires that each Unit Owner, including Affordable Unit Owners, maintain its Unit in accordance with the standards and in compliance with Law.

Advertising Restrictions

33. Purchasers are prohibited from listing their Unit for sale with any broker or placing or authorizing any listing in any broker's listing system or any other listing service or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale for a period of twelve (12) months after the First Closing without the prior approval of Sponsor. The foregoing restriction shall no longer apply at such time as Sponsor no longer owns any Unsold Residential Units.

Affordable Units

34. (a) In furtherance of a plan for redevelopment of this and adjacent parcels as part of an Urban Development Actions Area Project, the Property is being developed pursuant to a certain Land Disposition Agreement ("LDA") between the City of New York ("City") acting through HPD, and the New York City Economic Development Corporation ("EDC"). Among other things, the LDA requires that 11 of the Residential Units be set aside as Affordable Units. An Affordable Housing Declaration will be recorded prior to the sale of any Affordable Unit which, along with other documents to be recorded against the Property, sets forth the terms and provisions with respect to maintaining permanent affordability of the Affordable Units, including the terms and conditions of Initial Sales, Resales, occupancy and leasing restrictions, other transfers, and/or refinancing of the Affordable Units. Generally, the Affordable Units are to be maintained affordable, in perpetuity, for Households with incomes no greater than 110% of AMI and sold to Households with annual incomes no greater than 130% of AMI.

(b) The Purchase Prices of the Affordable Units have been established by Sponsor in accordance with the Affordable Unit Requirements and are not subject to approval by the Department of Law. The Purchase Prices are calculated based on a 10% Downpayment with Monthly Housing Costs calculated to not exceed 33% of 110% of AMI as determined by the Administering Agent and approved by HPD. Purchase Agreements for Affordable Units are contingent upon up to 90% financing as set forth in the Purchase Agreement.

(c) At closing of Initial Sales by Sponsor to Eligible Buyers, each Affordable Unit Owner will be required to execute and deliver the Owner Occupancy Affidavit substantially in the form annexed as Schedule D to the Purchase Agreement, a Substitute Enforcement Mortgage ("Enforcement Mortgage"), and a Substitute Enforcement Note to HPD in the principal amount of $100,000 ("Enforcement Note"). All subsequent transfers of Affordable Units must assume the Enforcement Note and Enforcement Mortgage until their maturity date and comply with the Affordable Housing Declaration. The sum secured represents a portion of the land subsidy provided to Sponsor in connection with its acquisition of the Property from the City and HPD and guarantees compliance with the terms of the Affordable Housing Declaration. The principal amount shall not accrue interest nor shall any installments or payments be required under the Enforcement Note. The Enforcement Note and Enforcement Mortgage may be accelerated to the extent of any Applicable Percentage of Resale Profits or Refinancing Profits from the resale or refinancing of the Affordable Unit and may be called upon the occurrence of a default that remains beyond any applicable cure period, including a failure to comply with Owner Occupancy Requirements, the Affordable Housing Declaration, and the Enforcement Note and Enforcement Mortgage. The Enforcement Note and Enforcement Mortgage mature 60 years from the First Closing ("Maturity Date"), or upon an earlier default in Owner Occupancy Requirements. On the Maturity Date, the Enforcement Note shall be deemed paid in full and the debt forgiven, provided that throughout the term of the Note and on the Maturity Date, there has been no default in the Owner Occupancy Requirements or otherwise.

(d) Prior to the Maturity Date, all transferees shall assume the obligations of the Enforcement Note and Enforcement Mortgage, subject to reduction in the amount of Indebtedness to the extent of any Resale Profits or Refinancing Profits in connection with the transaction.

(e) The Owner Occupancy Requirements and all covenants of the Affordable Housing Declaration are independent covenants that run with the land and the Property in perpetuity and continue after satisfaction of the Enforcement Note and the termination of the Enforcement Mortgage. Affordable Unit Owners will be required to annually complete and deliver to the Administering Agent an Owner Occupancy Certification substantially in the form annexed to the Affordable Housing Declaration contained in Part II of the Plan.

(f) Although Sponsor shall make a good faith effort to sell the Affordable Units, Sponsor reserves the right to rent such Units to persons whose annual Household income is no greater than 130% of AMI. The rents shall be determined by HPD as a percentage of prescribed income.

(g) Affordable Units may only be resold to an Eligible Buyer at a Resale Price restricted by an established appreciation rate and otherwise in compliance with the Affordable Housing Declaration. Under the terms of the Enforcement Mortgage and Enforcement Note, 10% of the Resale Profits (all cash and non-cash consideration less the original cash purchase price net of certain disbursements and costs of sale), are due to HPD, upon a resale to an Eligible Buyer to be applied toward reduction of the principal amount of the Enforcement Note. Affordable Units may not be leased for more than a cumulative total of 18 months in any 5 year period on specific stated terms, including maximum rent and qualifying tenant income. Transient occupancy and/or occupancy of an Affordable Unit by a Household not independently eligible to purchase the Affordable Unit are prohibited.

(h) Affordable Units may be refinanced provided the new loan does not exceed 90% of the Resale Price; is a fixed interest loan; must be with an HPD approved institutional lender; subject to compliance with procedures set forth by the Administering Agent; and conform to the Affordable Housing Declaration and all other HPD homeownership requirements then in effect. A percentage of Refinancing Profits will be utilized to reduce the outstanding obligation of the Enforcement Note.

(i) See the Sections of this Plan entitled "Definitions," "Affordable Units," "Procedure to Purchase" and "Rights and Obligations of Unit Owners" as well as copies of the Affordable Housing Declaration and the Enforcement Note and Enforcement Mortgage set forth in Part II of the Plan for further definitions and details.

Non-Resident Building Manager

35. Purchasers are advised that the staff of the Condominium will be supervised by a non-resident Building Manager, who will reside in an off-premises apartment within the legal distance requirements of the Condominium. The Condominium will be responsible for the cost of the monthly rent in connection with the Building Manager's apartment, which charges are included in the Schedule B - First Year's Budget. New York City law permits an owner of a building containing 9 or more units to employ a non-resident building manager, provided that such manager lives within one block or 200 feet from the building (whichever is greater). Purchasers should refer to Administrative Code of the City of New York, § 27-2052 et seq. for more details regarding the requirements for "adequate janitorial services" in certain multiple dwellings. (See the Section of the Plan entitled "Schedule B" and the footnotes annexed thereto for details.)

Noise Disclosure

36. Each Unit Owner must carpet the Unit with at least 80% of the floor space of each room of the Unit covered, except in the kitchen, pantry, and bathrooms. If wall to wall carpeting is installed, the tacking strip must be glued and not nailed to the floor. Any wall to wall carpeting shall only be installed with water soluble glue adhesive or no adhesive or other products used shall damage the underlying flooring in

any way. Each Unit Owner shall be responsible for any damage to the flooring caused by any carpet installation.

While compliance with the above requirements is intended to insulate against and reduce the transmission of sound from one Unit to another Unit in the Building, Unit Owners should understand that no amount of sound insulation, carpeting or other material can guaranty the elimination of all sound transmission from one Unit to another Unit in the Building. It is generally well recognized by the courts (a) that "apartment-house living in a metropolitan area is attended with certain well-known inconveniences and discomforts and one cannot expect a noise-free environment," [MARIANI v. ROGERS, 25 Misc.3d 1206A 901 NYS2d 907 (City Ct. 2009) (Quoting SMALKOWSKI v. VERNON, 2001 WL 914248 (NY CIVIL CT, KINGS CO., 2001)] and (b) that "if one lives in the city he must expect to suffer the dirt, smoke, noise, odors and confusion incident to city life." [NUSSBAUM v. LACOPO, 27 NY2d 311, 315 (1970)](Quoting CAMPBELL v. SEAMAN, 63 NY 568 (1876)]

INTRODUCTION

Nature of the Transaction

Site 1 DSA Owner LLC ("Sponsor") is a limited liability company organized and existing under the laws of the State of Delaware. Sponsor acquired the Property on November 25, 2015 from the New York City Economic Development Corporation ("EDC") pursuant to a Contract of Sale dated September 17, 2013, as amended. In addition, Sponsor assumed the obligations of EDC under a Land Disposition Agreement dated November 25, 2015 between the City of New York, acting through HPD and EDC and is also subject to the terms of an Operating Agreement dated November 25, 2015between EDC and Sponsor and a Declaration of Large-Scale General Development made by the City of New York, acting through HPD, dated March 5, 2015, as amended.

The Property will be developed by Sponsor as a part of a larger mixed-use multi-building development project known as Essex Crossing. It is anticipated that the first phase of the Essex Crossing project will consist of 4 buildings containing, among other things, affordable and luxury "for sale" condominiums, affordable and luxury rental apartments, retail and commercial units, a new Essex Street Market and Market Line, an urban farm, a community facility to be used for cultural activities, a public open space, and a community facility for the Grand Street Settlement. It is anticipated that the second phase of the Essex Crossing project will consist of 3 buildings containing, among other things, affordable and luxury rental apartments, retail and office units and "for sale" residential condominium units. It is anticipated that the third phase of the Essex Crossing project will consist of 2 buildings containing, among other things, affordable and luxury rental apartments, retail units and "for sale" residential condominium units. The component portions of Essex Crossing are subject to change as development plans are reviewed and finalized. Entities affiliated with Sponsor are developing the other condominiums in the Essex Crossing project. Purchaser should not purchase a Unit in the Condominium in reliance on the existence of any building being constructed in Phase I or any other phase other than the Condominium.

Sponsor presents this offering plan, as the same may be amended from time to time ("Plan") for the establishment of condominium ownership of the Land and Building pursuant to the Condominium Act. The Condominium will be known as 242 Broome Street Condominium and located at 242 Broome Street, New York, NY 10002 ("Property").

The principals of Sponsor who will be actively involved in this offering are Charles Bendit, Paul Pariser, Ronald Moelis, Sanford Loewentheil, Donald Capoccia, Joseph Ferarra and Brandon Baron. (See the Sections of the Plan entitled "Identity of Parties" and the "Certification of Sponsor and Principals" in Part II of the Plan for details.)

The Condominium will consist of: (a) 55 Residential Units of which 44 are Market Rate Units and 11 are Affordable Units; (b) 35 Storage Lockers; (c) 4 Retail Units and (d) 1 Community Facility Unit. The Market Rate Units and the Affordable Units are collectively, referred to as, the "Residential Units." The Retail Units and the Community Facility Unit are, collectively, referred to as the "Non-Residential Units." The Residential Units and the Non-Residential Units are, collectively, referred to as the "Units."

The 11 Affordable Units are being offered to Eligible Buyers whose annual Household income is no greater than 130% of AMI. The marketing of the Affordable Units shall be conducted pursuant to a lottery conducted in accordance with HPD's marketing guidelines which is discussed in greater detail in the section of the Plan entitled "Affordable Units."

The Offering Plan

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

Sponsor may from time to time amend the Plan by filing an amendment with the New York State Department of Law ("Department of Law") and serving such amendment on Purchasers and Unit Owners.

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

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

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

The Property

The Building will be newly constructed. Based upon the current construction schedule, Sponsor contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about July 1, 2018. Purchasers should note however that: (i) Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond such projected date, and (ii) Residential Units on higher floors generally close later than Residential Units on the lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Unit Upgrade Funds to the extent that such funds have been expended.

A detailed description of the Property is contained in the Section of the Plan entitled "Description of the Property and Improvements" and in the Description of Property and Improvements set forth in Part II of the Plan.

Offering of Residential Units for Sale

Sponsor hereby offers the Residential Units for sale pursuant to the Plan. The Purchase Prices for each of the Residential Units are listed in the Section of the Plan entitled "Schedule A - Purchase Prices and Related Information" ("Schedule A"). THE PRICES FOR THE MARKET RATE UNITS HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY. THE PRICES OF THE AFFORDABLE UNITS HAVE BEEN ESTABLISHED BY SPONSOR IN ACCORDANCE WITH THE AFFORDABLE UNIT REQUIREMENTS AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW.

Offering of Non-Residential Units

The Non-Residential Units are not being offered for sale at this time but may (i) be transferred to an entity affiliated with Sponsor and/or (ii) be offered or transferred pursuant to a "No-Action," "No Jurisdiction," or similar ruling issued by the Department of Law. Except as set forth in the Acquisition Documents, the sale or transfer of the Non-Residential Units requires the consent of the EDC for a period of 10 years from November 25, 2015. Following such 10 year period or, prior to such time, upon the consent of EDC, the Non-Residential Units or any additional condominium units created as a result of a subdivision of a Non-Residential Unit may be offered for sale pursuant to a "No-Action," "No Jurisdiction," or similar ruling issued by the Department of Law.

Offering of Storage Locker Licenses for Sale

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

Sponsor reserves the right to offer as many Storage Locker Licenses as it determines and to withhold one or more for future sale. Sponsor reserves the right to designate at Closing the specific Storage Locker which will be subject to the Storage Locker License. In addition, Sponsor has the right to limit the number of Storage Locker Licenses sold to any single Purchaser of a Residential Unit or to make bulk sales, as it deems fit.

Although the Storage Locker Area is a Residential Common Element, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell Storage Locker Licenses located therein and retain all proceeds from such sale. The Condominium will not be entitled to any of the proceeds from the sale of the Storage Lockers.

Conveyance of Title

In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title subject to the title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (ii) terminate the Purchase Agreement, within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. If Purchaser fails to notify Sponsor of Purchaser's election within 15 days after Sponsor notified Purchaser of Sponsor's failure or refusal to remedy the title defect, it will be conclusively deemed that Purchaser elected to acquire title subject to the title defect. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money in excess of ½

of 1% of the Purchase Price of the affected Unit to make title insurable or to eliminate any encumbrances or title defects. (See the Section of the Plan entitled "Terms of Sale" for details.)

Sponsor's Reservation of Right to Rent Rather than Sell Residential Units

Sponsor intends, in good faith, to sell rather than rent all Residential Units. However, Sponsor reserves the unconditional right to rent rather than sell Residential Units after the consummation of the Plan. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium.

Sponsor intends to offer Market Rate Units for sale both to Purchasers for personal occupancy and Purchasers who are purchasing for investment or resale. Purchasers for investment or resale may rent such Market Rate Units rather than use such Market Rate Units for personal occupancy. As a result, some and possibly many Market Rate Units may be occupied by renters instead of Market Rate Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers of Market Rate Units, the Condominium Board is unable to limit the number of Purchasers who purchase Market Rate Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Market Rate Unit Owners who are not occupants. It is possible that Market Rate Unit Owners who occupy Market Rate Units may have different interests than those Market Rate Unit Owners who do not occupy Residential Units.

Sponsor reserves the right to offer the Market Rate Units in such order of priority as it may determine, and to withhold one or more Market Rate Units for future sale or rental. In addition, Sponsor has the right to limit the number of Market Rate Units sold to any Purchaser and to make Bulk Sales or bulk rentals of Market Rate Units. The Purchaser of such Market Rate Units shall be bound by Sponsor's representations in the Plan with regard to Sponsor's commitment to sell Market Rate Units. The term "Bulk Sales" shall mean the transfer of 10 or more Residential Units or 20% of the total number of Residential Units in the Condominium, whichever is less.

With respect to the Affordable Units, Sponsor's reservation of the right to rent rather than sell is subject to the terms of the Affordable Unit Requirements which requires, among other things, such units be rented to persons with an annual income no greater than 130% of AMI, and are subject to certain rent regulations. See the Section of the Plan entitled "Affordable Units" for details.

Sponsor has procured financing for the construction of the Building from Goldman Sachs Bank USA. See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.

Quality Housing Program

The Condominium is being developed in accordance with New York City's Quality Housing Program which is set forth in Article II, Chapter 8 of the New York City Zoning Resolution which encourages development consistent with the character of established neighborhoods. It has bulk regulations which set height limits and allows high lot coverage buildings that are set at or near the street line. The Quality Housing Program also requires amenities relating to interior space, recreation areas and landscaping.

Basic Aspects of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home in the case of a Residential Unit, and a building in the case of a Non-Residential Unit. Each Unit Owner owns fee title to the Unit and is entitled to the exclusive possession and use thereof and is obligated to comply, with the terms of the Condominium Documents and any other requirements implemented by the Condominium Board. Each Unit Owner also owns, in common with the owners of all other Units, an undivided interest in (and

right to use) the Common Elements. The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Units, generally, including, for example, the Land upon which the Building stands and foundations and supports of the Building, these Common Elements being more specifically designated as "General Common Elements;" (ii) portions of the Building serving and benefiting the Residential Units, exclusively, including for example, and without limitation, the residential lobby, residential hallways, residential corridors and residential elevators exclusively servicing the Residential Units, these Common Elements being more specifically designated as "Residential Common Elements;" (iii) portions of the Building serving and benefiting Retail Unit 1/Retail Unit 2/Retail Unit 3/Retail Unit 4/Community Facility Unit exclusively, these Common Elements being more specifically designated as "Non-Residential Common Elements;" (iv) portions of the Building exclusively serving and benefiting one Residential Unit such as a Terrace, these Common Elements being specifically designated as "Residential Limited Common Elements;" (v) portions of the Building serving and benefiting the Retail Unit 3/Community Facility Unit exclusively, these Common Elements being more specifically designated as "Retail 3/Community Facility Common Elements;" (vi) portions of the Building serving and benefiting Retail Unit 3/Retail Unit 4 exclusively, these Common Elements being more specifically designated as "Retail 3/Retail 4 Common Elements;" (vii) portions of the Building serving and benefiting Retail Unit 1/Retail Unit 2/Retail Unit 3/Residential Units exclusively, these Common Elements being more specifically designated as "Retail 1/Retail 2/Retail 3/Residential Units Common Elements;" (viii) portions of the Building serving and benefiting Retail Unit 1/Retail Unit 2/Retail Unit 4/Residential Units exclusively, these Common Elements being more specifically designated as "Retail 1/Retail 2/Retail 4/Residential Units Common Elements;" (ix) portions of the Building serving and benefiting Retail Unit 3/Retail Unit 4/Community Facility Unit exclusively, these Common Elements being specifically designated as "Retail 3/Retail 4/Community Facility Common Elements;" and (x) portions of the Building exclusively serving and benefiting Retail Unit 3 exclusively, these Common Elements being specifically designated as "Retail 3 Limited Common Elements."

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage the Unit with such lender and in such amount as the Unit Owner chooses. However, Sponsor makes no representations about the financeability of any Unit. There are no limitations or restrictions upon the rights of Sponsor to mortgage Unsold Residential Units or the rights of Non-Residential Unit Owners to mortgage Non-Residential Units. Each Unit is separate and will not be subject to the lien of any mortgage placed by other Unit Owners on their respective Units. With respect to the Affordable Units, any mortgages for such units are subject to the terms of the Affordable Unit Requirements, including without limitation, the Enforcement Mortgage and Enforcement Note.

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

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

Each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes assessed against any other Unit. In the opinion of Tax Counsel to Sponsor, which opinion is set forth in full in Part II of the Plan, a Residential Unit Owner who itemizes deductions may be eligible, under current Law, to deduct from income for income tax purposes, real estate taxes and interest paid on the Unit Owner's mortgage, subject to certain exceptions and limitations discussed in the "Attorney's Income Tax Opinion" set forth in Part II of the Plan. (See the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" for details.)

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

The cost of operating the Condominium will be borne entirely by the Unit Owners in accordance with allocations set forth in the "Schedule B – Projected Budget for First Year of Condominium Operation." As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses. Common Expenses shall be (i) General Common Expenses attributable to all Unit Owners and (ii) Residential Common Expenses attributable to Residential Unit Owners only. All costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, all other Common Elements shall be allocated in accordance with Section 5.3(b) of the By-Laws. Common Charges will be assessed against Residential Unit Owners in the same proportion their respective Residential Units bears to the aggregate Common Interest of all Residential Units. The estimated Common Charges for each Unit for the First Year of Condominium Operation are set forth in Schedule A. Purchasers are obligated to pay monthly Common Charges pursuant to the Condominium Act (RPL Sections 339 (i) and (m)).

These costs will generally be borne by the Unit Owners in proportion to their respective Common Interest. The Condominium Act and the Condominium By-Laws do, however, provide authority for the Condominium Board to set and collect Common Charges payable by the Affordable Unit Owners in a manner that (i) is not proportional to the respective Common Interests of such Affordable Units, (ii) limits the amount charged to such Affordable Unit Owners prescribed by Law, or (iii) limits the rate at which the amount charged to the Affordable Unit Owners may increase which currently is capped at the percentage increase in rents approved by the Rent Guidelines Board for two (2) year rent stabilized leases for the year in which the increase is being levied. As such, the Common Charges listed in Schedule A have been allocated in favor of the Affordable Units in order for Sponsor to be in compliance with the Affordable Housing Declaration resulting in higher Common Charges payable by the Market Rate Unit Owners and the Non-Residential Unit Owners. The allocation of the Common Charges in favor of the Affordable Units may negatively impact the market value of the Market Rate Units. Additionally, with respect to the Non-Residential Units, certain budgeted items are allocated between the Residential Units and the Non-Residential Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements. The Condominium Board may not modify these allocations without the unanimous consent of the affected Non-Residential Unit Owners. See the Section of the Plan entitled "Schedule B – First Year's Budget" and Section 6.2 of the By-Laws for details.

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

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

Certain budgeted items (See the "Notes to Schedule B" for details) are allocated between the Residential Units and the Non-Residential Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements. The

Condominium Board may not modify these allocations without the unanimous consent of the affected Non-Residential Unit Owners. In the opinion of Sponsor's budget expert, as set forth in the Certifications of Budget Expert set forth in Part II of the Plan, the allocated Common Charges payable by the Non-Residential Unit Owners are sufficient to cover the expenses fairly attributable to the Non-Residential Units. Unit Owners will have no interest in any rents, net profits or revenues derived from the rental or use of any Unit owned by another. The aggregate Common Interest of all Units equals 100%. The aggregate Residential Common Interest of all Residential Units equals 100%. The percentage of Common Interest are the basis for determining a Unit Owner's share of distribution upon termination of the Condominium with Unit Owners then sharing pro rata in the proceeds of the Condominium. Each Unit's Common Interest and Residential Common Interest, as applicable, and estimate of the Common Charges that will be payable by the Unit Owner during the First Year of Condominium Operation of the Property subsequent to the First Closing are set forth in the Section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information."

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

Each Purchaser of a Market Rate Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium. Such contribution, to be made at the time of Closing of the Market Rate Unit, shall be in an amount equal to 2 months' Common Charges assessed against the Market Rate Unit at Closing based upon the Condominium budget in effect as of the Closing Date. The payment to the Working Capital Fund shall be required of all Purchasers of Market Rate Units, whether purchased from Sponsor or from a Market Rate Unit Owner on a resale. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

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

A Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution of the City of New York, as may be amended from time to time (except as described below), and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory," "bed and breakfast," "Air B&B" or other transient hotel-type use. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, a member of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee of such other entity, respectively, or by members of the immediate family or guests of any of the foregoing. A Residential Unit may be used for any other purpose, provided such use is permitted by, and complies with Law (including the provisions of Real Property Law Section 421-a), does not violate the then existing TCO or PCO covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use. Use and occupancy of the Residential Unit shall be subject to the Residential Rules and Regulations of the Condominium which may be amended from time to time.

Pursuant to the terms of the Affordable Unit Requirements, each Affordable Unit must be purchased by an Affordable Unit Owner intending to occupy such Affordable Unit as a Primary Residence in compliance with the terms of the Owner Occupancy Affidavit annexed as Exhibit A to the Affordable Housing Declaration. Occupancy of the Affordable Unit by the Affordable Unit Owner must be continuous, as a sole primary residence and in perpetuity. Notwithstanding the foregoing, there is a limited right to lease the Affordable Unit for not more than a cumulative total of 18 months in any 5 year period on specific stated terms, including maximum rent and qualifying tenant income.

A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

With certain exceptions, as set forth in the By-Laws, any sale or rental of a Residential Unit will be subject to a right by the Condominium Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as were offered to the owner of such Residential Unit.

Sponsor intends to offer Unsold Market Rate Units for sale both to Purchasers for personal occupancy and Purchasers who are purchasing for investment or resale. Purchasers for investment or resale may rent such Market Rate Units rather than use such Market Rate Units for personal occupancy. As a result, some and possibly many Market Rate Units may be occupied by renters instead of Market Rate Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers of Market Rate Units, the Condominium Board is unable to limit the number of Purchasers who purchase Market Rate Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Market Rate Unit Owners who are not occupants. It is possible that Market Rate Unit Owners who occupy Market Rate Units may have different interests than those Market Rate Unit Owners who do not occupy Market Rate Units. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" subsection "Sales and Leases of Units" for details.)

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

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

The Interstate Land Sales Full Disclosure Act, 15 U.S.C. §§1701 et seq. ("Act") is a federal statute administered, as of July 21, 2011, by the Consumer Financial Protection Bureau ("CFPB") pursuant to the Dodd-Frank Act. The Act requires sponsors of certain new construction condominium projects to file a statement of record ("Statement") and property report ("Property Report") with CFPB and to provide a copy of the Property Report to purchasers before they sign a purchase agreement, unless the condominium project or sale is exempt from this filing requirement. On September 26, 2014, President Obama signed into law a bill amending the Act to exempt sponsors of new construction condominium projects from the obligation to file a Statement and Property Report. The law took effect on March 25, 2015 so the registration and filing requirements of the Act are no longer applicable for condominium projects in New York.

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

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

DEFINITIONS

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

"110% of AMI" shall mean 220% of the income levels as modified by Household size for the New York metropolitan statistical area for 50% of median income families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2)of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"130% of AMI" shall mean 260% of the income levels as modified by Household size for the New York metropolitan statistical area for 50% of median income families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2) of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"Acquisition Documents" shall mean those certain agreements and exhibits thereto pertaining to the acquisition of the Property including: the Contract of Sale dated September 17, 2013 as amended; a Land Disposition Agreement dated November 25, 2015 between the City of New York, acting through HPD and EDC; a Deed between EDC and Sponsor dated November 25, 2015; a Deed between the City of New York, acting through HPD, and EDC dated November 25, 2015; the Operating Agreement dated November 25, 2015 between EDC and Sponsor; and the Declaration of Large-Scale General Development made by the City of New York, acting through HPD, dated March 5, 2015.

"Administering Agent" shall mean the entity responsible for ensuring that each Affordable Unit is owned and occupied in compliance with the Affordable Housing Declaration at Initial Sale and upon each Resale thereof, in accordance with the agreement between the Administering Agent and HPD.

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

"Affordable Housing Declaration" shall mean the Declaration of Affordable Housing Restrictive Covenants by Sponsor to be entered into and recorded prior to the first sale of any Affordable Unit by Sponsor, and as amended thereafter, which requires Sponsor, the Condominium Board and the Unit Owners to abide by certain terms, restrictions and conditions and which runs with the land in perpetuity.

"Affordable Unit" shall mean any one of the eleven (11) Residential Units referenced in Exhibit B to the Declaration together with its Common Interest which are being offered to Eligible Buyers whose income is no greater than 130% of AMI, pursuant to the Affordable Unit Requirements. All such Affordable Units are, collectively, referred to as the "Affordable Units." Affordable Units shall be affordable in perpetuity and marketed and sold to Eligible Buyers.

"Affordable Unit Owner" shall mean any owner of an Affordable Unit. All such Affordable Unit Owners are, collectively, referred to as the "Affordable Unit Owners."

"Affordable Unit Requirements" shall mean the requirements with respect to affordability and owner occupancy of the Affordable Units pursuant to the Affordable Housing Declaration.

"Annual Income" shall mean the anticipated total income from all sources to be received by the Household head and spouse and by each additional member of the Household, including all net income derived from assets, for the 12 month period following the date of initial determination of income. The definition and descriptions of income set forth in HUD regulations contained in 24 CFR 5.609 or any successor regulations shall apply for purposes of determining Annual Income.

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

"Area Median Income" or "AMI" shall mean the area median income for the New York metropolitan statistical area as determined by the United States Department of Housing and Urban Development from time to time for a family of four, as adjusted for family size.

"Building" shall mean the building located at 242 Broome Street, New York, NY 10002.

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

"Bulk Sales" shall mean the transfer of 10 or more Market Rate Units or 20% of the total number of Market Rate Units in the Condominium, whichever is less.

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

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

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

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

"Common Elements" shall mean the Property, other than the Units, being comprised of General Common Elements, Residential Common Elements, Non-Residential Common Elements, Residential Limited Common Elements, Retail 3/Community Facility Common Elements, Retail 3/Retail 4 Common Elements, Retail 1/Retail 3/Retail 4/ Residential Common Elements, Retail 1/Retail 2/Retail 4/ Residential Common Elements, Retail 3/Retail 4/Community Facility Common Elements and Retail 3 Limited Common Elements.

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

"Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appurtenant to each Unit, as determined in accordance with the Declaration.

The total of all Common Interest percentages appurtenant to all Units equals 100%. The Common Interest attributable to each Unit is set forth on Exhibit B annexed to the Declaration.

Community Facility Unit" shall mean the Community Facility Unit designated in the Declaration together with its Common Interest.

"Community Facility Unit Owner" shall mean the owner of the Community Facility Unit at the time in question.

"Condominium" shall mean the 242 Broome Street Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

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

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

"Condominium Documents" shall mean the Declaration, the By-Laws, the Residential Rules and Regulations and the Tax Lot Drawings.

"Declarant" shall mean Site 1 DSA Owner LLC and its designees, successors and assigns.

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

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

"Deposit" shall mean all deposits, advances and payments made by Purchasers prior to the Closing of a Unit.

"Development Rights Owner" shall mean Sponsor or any Person which acquires all or any portion of the Excess Development Rights from Sponsor.

"Downpayment" shall mean with respect to Affordable Units specifically, the payment in an amount of 10% of the Initial Price or Resale Price that is not secured by any form of debt, made on or before the Sale Date by the Eligible Buyer approved by the Administering Agent to purchase an Affordable Unit.

"EDC" shall mean the New York City Economic Development Corporation.

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

"Eligible Buyer" shall mean a Household that qualifies to buy a specific Affordable Unit. Such a Household shall, except in the case of Succession, (1) have at the time of application for an Initial Sale or for a Resale, an Annual Income no greater than 130% of AMI, (2) have cash or equivalent assets that are at least equal to the required Downpayment for such Affordable Unit, (3) comply with the Owner Occupancy Requirements, and (4) meet such additional eligibility required as specified in the Affordable Housing Declaration. In the case of Succession, a Household must (1) at the time of application, have an Annual Income no greater than 130% of AMI, and (2) meet such additional eligibility requirement as are specified in the Affordable Housing Declaration.

"Enforcement Mortgage" shall mean with respect to Affordable Units, the Substitute Enforcement Mortgage securing the indebtedness of the Affordable Unit Owner to HPD, in the principal amount of $100,000, executed and delivered upon the Initial Sale and assumed by subsequent Eligible Buyers on all

subsequent Resales until the maturity of the Enforcement Mortgage which shall be 60 years after the first closing of an Affordable Unit.

"Enforcement Note" shall mean with respect to Affordable Units, the Substitute Enforcement Note of the Affordable Unit Owner to HPD, in the principal amount of $100,000, executed and delivered upon the Initial Sale and assumed by subsequent Eligible Buyers on all subsequent Resales until the maturity of the Enforcement Note which shall be 60 years after the first closing of an Affordable Unit.

"Equal or Better Quality" shall mean comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

"Excess Development Rights" shall mean certain rights, as determined by the Zoning Resolution of the City of New York ("Zoning Resolution"), that are available as of the date of the Declaration or may become available thereafter by any means, and are appurtenant to a zoning lot, whereby (a) contiguous tax lots may be merged into a single zoning lot ("Combined Zoning Lot") and the Combined Zoning Lot or a portion thereof may be developed by erecting thereon one or more structures with (i) "floor area" (as such term is defined in the Zoning Resolution); (ii) any bulk and density development rights permitted under the Zoning Resolution, (iii) any so-called bonus redevelopment rights hereafter appurtenant to the Property; or (b) excess "floor area" not utilized by the Building as of the date of the Declaration may be utilized on the zoning lot or transferred to other zoning lots as permitted by the Zoning Resolution.

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

"Family Members" shall mean the spouse, domestic partner, their children, stepchildren, grandchildren, siblings, step siblings, aunts, uncles, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Residential Unit Owner who reside in such Residential Unit Owner's Residential Unit, or with respect to Affordable Units, the term shall have the meaning set forth in 9 NYCRR §2520.6.

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

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

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

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

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

"Floor Plans" shall mean the floor plans depicting the layout of the Units that are set forth in Part II of the Plan.

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

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

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

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

"HDC" shall mean the New York City Housing Development Corporation or any successive agency thereto.

"HPD" shall mean the New York City Department of Housing Preservation and Development or any successor agency thereto.

"HPD Reserve Account" shall mean the account in which the HPD Reserve Funds are deposited and maintained in accordance with the HPD Reserve Agreement.

"HPD Reserve Agreement" shall mean that certain agreement between HPD, HDC and Sponsor which governs the maintenance and operation of the HPD Reserve Funds.

"HPD Reserve Funds" shall mean the $116,800 funded by Sponsor into the HPD Reserve Account to be utilized in accordance with the terms of the HPD Reserve Agreement.

"Hazardous Substances" 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 Substances shall not include any customary cleaning solutions as long as same are stored and used as required by Law.

"Homeowner" shall mean, with respect to Affordable Units, a person (or persons) who own an Affordable Unit and occupies such Affordable Unit in accordance with the Owner Occupancy Requirements of the Affordable Housing Declaration.

"Household" shall mean, prior to Initial Occupancy, collectively, all the persons intending to occupy an Affordable Unit as a Homeowner, and upon Initial Occupancy, collectively, all the persons occupying a particular Affordable Unit as a Homeowner.

"Initial Occupancy" shall mean the first date upon which a particular Household occupies a particular Affordable Unit as a Homeowner.

"Initial Price" shall mean the price at which an Affordable Unit may be offered for sale for the first time, in compliance with the Affordable Housing Declaration and as set forth on Schedule A.

"Initial Sale" shall mean the first transfer by Sponsor of title to an Affordable Unit to an Eligible Buyer.

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

"Institutional Mortgage" shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either Sponsor or an Institutional Lender.

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

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Department of Finance of The City of New York as Block 409, Lot 56 and more particularly described in Exhibit A to the Declaration.

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

"Limited Common Elements" shall mean the Residential Limited Common Elements and the Retail 3 Limited Common Elements.

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

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

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

"Market Rate Unit" shall mean any one of the forty-four (44) Residential Units referenced in Exhibit B to the Declaration together with its Common Interest which are being offered to Purchasers. All such Market Rate Units are, collectively, referred to as the "Market Rate Units."

"Market Rate Unit Owner" shall mean any owner of a Market Rate Unit. All such Market Rate Unit Owners are, collectively, referred to as the "Market Rate Unit Owners."

"Monthly Fees" shall mean with respect to the Affordable Units, any payments, including without limitation, Common Charges, Special Assessments, charged to a Homeowner by the Condominium Board to provide for reimbursement of the applicable Affordable Unit's share of the expenses of the Condominium, taking into account increases thereof that have been approved but not yet taken effect.

"Monthly Housing Costs" shall mean with respect to the Affordable Units, the sum of the Monthly Fees, the Mortgage Payment, and the real estate taxes for which a Homeowner is liable.

"Mortgage" shall mean with respect to the Affordable Units, a mortgage loan that has been approved by the Administering Agent and that has a fixed rate of interest, an initial term of at least 30 years, and is an initial principal amount not exceeding 90% of the sale (or resale) price of such Affordable Unit.

"Mortgage Payment" shall mean any monthly repayment of principal and interest on a Mortgage.

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

"Non-Residential Common Elements" shall mean those portions of the Common Elements either existing for the common use of the Non-Residential Units or the Non-Residential Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Non-Residential Units, as more particularly described in the Declaration and the Tax Lot Drawings.

"Non-Residential Unit" shall mean Retail Unit 1, Retail Unit 2, Retail Unit 3, Retail Unit 4 or the Community Facility Unit designated as such in the Declaration together with their respective Common Interest. All such Non-Residential Units are, collectively, referred to as the "Non-Residential Units."

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

"Owner Occupancy Requirements" shall mean the requirement of each Eligible Buyer of an Affordable Unit, at Initial Sale and so long as it is the Homeowner of an Affordable Unit, that, among other things set forth in further detail in the Affordable Housing Declaration, it shall: (1) continuously occupy its Affordable Unit as the Homeowner's sole primary residence; (2) reside and sleep in such Affordable Unit not less than 270 days per year (unless on active military duty); (3) not lease the Affordable Unit except as authorized pursuant to the Affordable Housing Declaration or permit the Affordable Unit to be used for transient occupancy and/or by any person who is not an Eligible Buyer; (4) identify the Affordable Unit

as the homeowner's sole address/residence on any returns, or other document or application; (5) not own, acquire or lease any other residential property in or within 100 miles of New York City and promptly dispose of any acquired through inheritance; and (6) at closing of title to an Affordable Unit and annually thereafter, annually complete and submit to the Administering Agent an Owner Occupancy Certifications as set forth as an Exhibit to the Affordable Housing Declaration.

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

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

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

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

"Permitted User" shall mean any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or a portion of the Common Elements, subject to the terms of the Condominium Documents, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

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

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

"Plans and Specifications" shall mean the plans and specifications for the construction of the Building which (to the extent required by Law) have been or will be filed with the Buildings Department and which may from time to time be amended in accordance with the provisions of the Plan.

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

"Prohibited Uses" shall mean: (A) any unlawful or illegal business, use or purpose; (B) any purpose or in any way in violation of the certificate of occupancy (temporary or permanent) issued for Unit (provided, that the Unit Owners shall not be prohibited from obtaining amendments to the certificate of occupancy (temporary or permanent) from time to time) or of any then applicable present or future applicable Law, ordinance, order, rule, regulation, code or other legal requirement; (C) the sale or use of illegal drugs; (D) the sale, rental, offering, production or display of any pornographic, or "adult" materials or paraphernalia (including, without limitation, movies, videotapes, books or magazines), or making use of the same in any activities (provided that if the Non-Residential Unit is occupied by a high end spa and/or lingerie shop such as La Perla or Agent Provocateur, the sale of "adult" materials and/or paraphernalia shall not be considered a Prohibited Use) (materials shall be considered "adult" or "pornographic" for such purpose if the same are not available for the sale or rental to children under 18 years old because they explicitly deal with or depict human sexuality), (E) permitting or conducting the operation of a sex club or other pornographic or obscene purposes provided that such restrictions shall not apply to commercial

businesses generally recognized as upstanding including, but not limited to, Hand & Stone, Massage Envy, (F) illegal gambling, (G) any so-called head shop or other similar establishment which stocks, displays, sells, rents or offers for sale or rent any drug-related merchandise or material commonly used or intended for use with or in consumption of any narcotic, dangerous drug or other controlled substance, including, without limitation, any hashish pipe, water pipe, bong, cilium, pipe screens, rolling papers, rolling devices, coke spoons or roach clips, (H) automotive parts, lube and oil or repair shop or gas station, (I) check cashing store (except as is typical in connection with the operation of a financial services institution), (J) church, mosque, temple or other place of religious worship, (K) dumping, disposing, incinerating or reducing of garbage (exclusive of dumpsters for temporary storage of garbage and any garbage compactors, in each case which are routinely emptied so as to minimize offensive odors), (L) any establishment manufacturing, assembling, displaying or selling fireworks, guns, ammunition or explosives, (M) funeral home or mortuary, (N) any so-called gentleman's club featuring topless waitresses, nude dancing or private "one-on-one" booths or rooms, (O) illicit non-therapeutic massage parlor, (P) off-track betting parlor or other gambling facility, (Q) circus, carnival, amusement park, ice skating rink, roller skating rink, (R) pawn shop, (S) shooting gallery, (T) substance abuse rehabilitation or detoxification recovery center, or treatment center, welfare or mental health facility or a "half-way" house, homeless shelter, an abortion or family planning clinic, medical clinic, hospital or similar agency, whether public or private, which provides services to clients on the premises of the Unit, (U) a so-called "flea market" or an "Odd Job" or "Odd Lot" type discount store or as a so-called "99 cent store" or "dollar store" type discount store or as a "going out of business," (V) as an office, store, reading room, headquarters, center or other facility principally devoted or opposed to the promotion, advancement, representation, purpose or benefit of: (i) any political party, political movement or political candidate or (ii) any religion, religious group or religious denomination, (W) dry cleaning plant, central laundry or laundromat (but a drop-off dry cleaning store and/or an "organic" (non-chemical) process dry cleaner shall not be considered a Prohibited Use), (X) any business practicing satanic or cult ritualistic activities including so-called "devil worship," black magic or rites of passage involving self-mutilation or degradation, (Y) use by an International Organization unless such International Organization waives its sovereign or diplomatic immunity in conformity with the Declaration, (Z) use by employment agencies (except for executive placement firms, secretarial services placement firms, legal and other professional search firms and other private employment agencies), (AA) the operation of any legal services office or legal clinic, (BB) any industrial, manufacturing or warehouse use, (CC) use by any United States government, the City or State of New York, any foreign government, the United Nations or any agency or department of any of the foregoing for any purposes that are reasonably likely to create unusually high-volume usage and unusually high traffic patterns, such as a department of motor vehicles.

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

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

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

"Qualified Lease" shall mean a lease for a Non-Residential Unit for a term of not less than five (5) years and occupancy of at least 2,000 square feet.

"Qualified Tenant" shall mean a bona fide tenant of a Non-Residential Unit Owner under a Qualified Lease who is not an affiliate of such Non-Residential Unit Owner.

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

"Refinancing Profits" shall mean the amount by which the increased debt resulting from a new loan obtained by an Affordable Unit Owner, for which the Affordable Unit Owner has given a mortgage to the lender providing such new loan, exceeds the amount paid in purchasing the Affordable Unit.

"Resale" shall mean with respect to the Affordable Unit, any transfer of title to an Affordable Unit to an Eligible Buyer after the Initial Sale.

"Resale Price" shall mean the price at which an Affordable Unit may be offered for Resale pursuant to the Affordable Housing Declaration, calculated by the Administering Agent and approved by HPD, from time to time.

"Resale Profits" shall mean the amount by which the case and noncash consideration that the Affordable Unit Owner received for the Affordable Unit, including cash, real property, and personal property, on the transfer of the Affordable Unit exceeds the original case purchase price paid, in accordance with the Affordable Housing Declaration, less the reasonable costs incurred in purchasing and selling the Affordable Unit and approved as such, in each case, including reasonable attorney's fee and disbursements, reasonable brokerage fees, title search and title policy fees, reasonable lender processing fees, transfer and state taxes, usual and reasonable fees and expenses of financing and satisfying a residential condominium unit loan, including credit report fees, legal fees and points.

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

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

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

"Residential Limited Common Elements" shall mean those portions of the Property existing for the use and enjoyment of certain Residential Unit Owners to the exclusion of all other Unit Owners, as more particularly described in the Declaration and the Tax Lot Drawings.

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

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

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

"Retail Unit" shall mean Retail Unit 1, Retail Unit 2, Retail Unit 3 or Retail Unit 4 designated as such in the Declaration together with their respective Common Interest. All such Retail Units are, collectively, referred to as the "Retail Units."

"Retail Unit 1" shall mean the Non-Residential Unit designated as Retail Unit 1 in the Declaration together with its Common Interest.

"Retail Unit 1 Owner" shall mean any Unit Owner of Retail Unit 1 at the time in question.

"Retail 1/ Retail 3/Retail 4/Residential Common Elements" shall mean those portions of the Common Elements which are available for the common use by the Retail Unit 1 Owner, Retail Unit 3 Owner, Retail Unit 4 Owner and the Residential Unit Owners, as more particularly described in the Declaration and the Tax Lot Drawings.

"Retail 1/ Retail 2/Retail 4/Residential Common Elements" shall mean those portions of the Common Elements which are available for the common use by the Retail Unit 1 Owner, the Retail Unit 2 Owner, the Retail Unit 4 Owner and the Residential Unit Owners, as more particularly described in the Declaration and the Tax Lot Drawings.

"Retail Unit 2" shall mean the Non-Residential Unit designated as Retail Unit 2 in the Declaration together with its Common Interest.

"Retail Unit 2 Owner" shall mean any Unit Owner of Retail Unit 2 at the time in question.

"Retail Unit 3" shall mean the Non-Residential Unit designated as Retail Unit 3 in the Declaration together with its Common Interest.

"Retail Unit 3 Owner" shall mean any Unit Owner of Retail Unit 3 at the time in question.

"Retail 3 Limited Common Elements" shall mean those portions of the Property existing for the use and enjoyment of the Retail 3 Unit Owner to the exclusion of all other Unit Owners, as more particularly described in the Declaration and the Tax Lot Drawings.

"Retail 3/Retail 4 Common Elements" shall mean those portions of the Common Elements which are available for the common use by the Retail Unit 3 Owner and Retail Unit 4 Owner, as more particularly described in the Declaration and the Tax Lot Drawings.

"Retail 3/Retail 4/ Community Facility Common Elements" shall mean those portions of the Common Elements which are available for the common use by the Retail Unit 3 Owner, Retail Unit 4 Owner and the Community Facility Unit Owner, as more particularly described in the Declaration and the Tax Lot Drawings.

"Retail 3/Community Facility Common Elements" shall mean those portions of the Common Elements which are available for the common use by the Community Facility Unit Owner and the Retail Unit 3 Owner, as more particularly described in the Declaration and the Tax Lot Drawings.

"Retail Unit 4" shall mean the Non-Residential Unit designated as Retail Unit 4 in the Declaration together with its Common Interest.

"Retail Unit 4 Owner" shall mean any Unit Owner of Retail Unit 4 at the time in question.

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

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

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

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

"Selling Agent" shall mean the selling agent(s) (or Administering Agent) named in the Plan for the Affordable Units or the Market Rate Units or any successor Selling Agents at the time in question.

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

"Sponsor" shall mean Site 1 DSA Owner LLC and its designees, successors and assigns as well as any Person(s) designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"Sponsor Control Period" shall mean the period ending on the earlier to occur of: (i) the fifth anniversary of the First Closing; (ii) the Closing of Title to all Units (including the Non-Residential Units); or (iii) the date on which Sponsor otherwise exercises its right to relinquish voting control of the Condominium Board.

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

"Storage Locker Area" shall mean an area located on the 4th Floor of the Building containing the Storage Lockers. The Storage Locker Area is a Residential Common Element.

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

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

"Succession" shall mean with respect to the Affordable Units, a Resale from a Homeowner to a Family Member of such Homeowner.

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

"TCO" shall mean a temporary certificate of occupancy for the Building issued by the Buildings Department.

"Terrace" shall mean any terrace, balcony or garden which is appurtenant to a Residential Unit as a Residential Limited Common Element and shall include any pavers, decking and drains, hose bibs, electrical outlets, lighting and light fixtures, enclosures and dividers installed as part of the original construction of the Building. All such residential terraces, balconies or gardens are, collectively, referred to as the "Terraces." Terrace shall not include the terrace appurtenant to Retail Unit 3 on the 5th Floor, nor the residential common terrace on the roof above the 14th Floor.

"Title Company" shall mean First American Title Insurance Company, having an office at 666 Third Avenue, New York, New York 10017. Phone: (212) 922-9700, Fax: (212) 922-0881, or any successor Title Company at the time in question.

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

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

"Unit Upgrade Funds" shall mean all amounts expended by, or reimbursable to, Sponsor for upgrades or extras requested by Purchaser and agreed to in writing by Sponsor.

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

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

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

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

"Unsold Storage Locker Licensee" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

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

Location

The Property is located at 242 Broome Street in the Borough of Manhattan, City and State of New York.

Improvements - General Description of Units

The Condominium will consist of Residential Units, Storage Lockers and Non-Residential Units located within a 14 story structure above-grade with a cellar.

There will also be various amenities for the benefit of the Residential Unit Owners, including a common deck on the roof above the 15th (PH) Floor, two bicycle storage rooms (one for Residential Unit Owners and one for Non-Residential Unit use), amenity areas and various utility and service areas located throughout the Building. (See the subsection entitled "Services and Facilities" for details.) Purchasers should refer to the Description of Property and Improvements contained in Part II of the Plan for more details.

Residential Units

There will be 55 Residential Units consisting of 44 Market Rate Units and 11 Affordable Units, located on Floor 5 through Floor 15, the square footages of which are set forth on Schedule A. There is no floor 13 designation.

Purchasers are urged to consult the Floor Plans and Description of Property and Improvements contained in Part II of the Plan for details regarding the Residential Units.

Non-Residential Units

The Condominium will contain 5 Non-Residential Units consisting of 4 Retail Units and 1 Community Facility Unit. Purchasers should refer to the Section of the Plan entitled "Non-Residential Units" for a detailed description of the Non-Residential Units.

Storage Lockers

Storage Lockers will be located in the Storage Locker Area of the Building. The approximate square footages and Purchase Prices of the Storage Lockers are set forth on Schedule A. A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor, however, shall have the right to use any unassigned Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Storage Locker, subject, to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

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

Condominium Board has the right to impose monthly license fees and Special Assessments in connection with the Storage Locker Licenses.

Construction Data for Units and Common Elements

Sponsor has engaged SLCE Architects, LLP as architect of record and SHoP Architects, P.C. as design architect, WSP USA Corp. as structural engineer, and Cosentini Associates, as mechanical engineer. The Plans and Specifications have been prepared by such architects and engineers. (See the Section of the Plan entitled "Identity of Parties" for further detail.)

The construction of the Building will be completed in accordance with the Plans and Specifications, and applicable Law. However, 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) and substitute in place of any materials, appliances, equipment and fixtures set forth in the "Description of Property and Improvements," items of Equal or Better Quality, provided, however: (i) any material change shall be set forth in an amendment to the Plan; (ii) any necessary approval of any governmental authority having jurisdiction is first obtained; and (iii) no such amendments, modifications or substitutions may be made if the same would materially and adversely affect any binding Purchase Agreement unless the same is dictated by construction conditions at the Property, and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchaser(s), offer the affected Purchaser(s) the right, for 15 days, to rescind their Purchase Agreement(s) and receive a refund of their Deposits, together with all interest earned thereon, except for any Unit Upgrade Funds to the extent that such funds have been expended.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about July 1, 2018. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the projected date or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreement for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Unit Upgrade Funds to the extent that such funds have been expended. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

Services and Facilities

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

a. Concierge

There will be a concierge stationed in the residential lobby 24 hours a day, 7 days a week. The hours and duties of the concierge may be reduced until certain occupancy levels in the Condominium are achieved. However, at all times after the First Closing of a Residential Unit, the residential lobby will be attended 24 hours a day, 7 days a week by a lobby attendant.

b. Building Staff and Non-Resident Building Manager

Purchasers are advised that the staff of the Condominium will be supervised by a non-resident Building Manager, who will reside in an off-premises apartment within the legal distance requirements of the Condominium. The Condominium will be responsible for the cost of the monthly rent in connection with the Building Manager's apartment, which charges are included in the Schedule B - First Year's Budget. New York City law permits an owner of a building containing 9 or more units to employ a non-resident building manager, provided that such manager lives within one block or 200 feet from the building (whichever is greater). Purchasers should refer to Administrative Code of the City of New York, § 27-2052 et seq. for more details regarding the requirements for "adequate janitorial services" in certain multiple dwellings. Purchasers should refer to the Footnotes to Schedule B for a complete description of the Building Staff.

c. Residential Elevator Service

Purchasers should refer to the Description of the Property and Building Condition set forth in Part II for details concerning the passenger elevators.

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

d. Telecommunications

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

e. Mail

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

f. Laundry Facilities

There will be washers and dryers in all Residential Units. There will not be a common laundry room.

g. Refuse Disposal

There will be recycling bins and access to refuse chutes located on each floor containing Residential Units. The refuse chutes will lead directly to a compactor located in the compactor rooms in the Cellar of the Building.

h. Communication Facilities and Intercom System

Each Residential Unit will be equipped with an intercom telephone system which will enable the occupants to communicate directly with the concierge over a standard touch tone telephone. The system will not have any video capabilities. Sponsor reserves the right to substitute an alternate service to enable communication between the concierge and the residents.

i. Smoke and Carbon Monoxide Detector/Sprinklers

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

j. Service Entrances/Loading Berths

The service entrance for the Residential Units and the Retail Units will consist of loading berth A located on the 1st Floor. Hours of access to loading berth A will be regulated by the Condominium Board in its sole discretion.

k. Residential Lobby

The residential lobby will contain furniture and furnishings for the use and enjoyment of the residents of the Condominium.

l. Residential Rooftop Deck/Terrace

Occupants of the Residential Units will have access to a non-smoking deck on the roof of the Building above the 14th Floor. Hours of access and use of the roof terrace will be regulated by the Condominium Board in its sole discretion. Such regulations may include, without limitation: (i) restrictions concerning the number of people permitted on the roof terrace at one time; (ii) noise constraints; (iii) prohibitions from utilizing glassware; (iv) restrictions concerning access during inclement weather; and (v) requiring a chaperone for children under the age of 18. Sponsor presently anticipates that the rooftop terrace will be available for use between the hours of 12:00 p.m. to 5:00 p.m. during the months of November through April and 12:00 p.m. to 10:00 p.m. during the months of May through October. The Condominium Board, however, has the right to change such times and dates. There will be mechanical equipment, vents and flues belonging to the Condominium located on the roof which may generate noise, odors and vibration.

m. Residential Amenities

Occupants of the Residential Units will have access to a gym facility located on the 4th Floor of the Building and an amenity area located on the 5th Floor of the Building.

n. General

Use of the services and facilities shall be available only to individuals who reside in a Residential Unit in the Building (i.e., a Residential Unit Owner or permitted occupant) and such individual's guests, provided that such Residential Unit Owner or tenant accompanies the guest during such use. In addition, use of the services and facilities are subject to such Rules and Regulations as may be promulgated from time to time by the Condominium Board, including, without limitation, the right to impose usage fees, and restrictions on hours of access and use. For example, with respect to the amenities area, the Condominium Board may charge a fee and may require that any children using the area be accompanied by an adult.

While it is anticipated that these services and facilities will be available at the time of the First Closing, Purchasers are advised that some of these services and facilities (such as a full staff of Building personnel and usage of the amenity areas) may not be available until approximately 12 months after the First Closing. Purchasers will not be entitled to any credit or abatement against the Purchase Price or Common Charges if any of the services and/or amenities or facilities are not available for use on or after Purchaser's Closing. Notwithstanding the foregoing, the Condominium Board shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to reduce the Common Charges for the period in which such services and/or facilities are not available.

Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators will be restricted during the period that Sponsor is performing work in the Building. However, at all times after the First Closing, the residential lobby will be attended 24 hours a day, 7 days a week by a lobby attendant.

Additionally, as more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor," it is anticipated that for a significant period of time following the First Closing through, including and beyond the Closing of Title to any Residential Unit, work should be expected to be undertaken and performed by or on behalf of Sponsor to complete construction of the Building, including without limitation, the Residential Units, the amenities and facilities, Storage Lockers, the decoration or finishing of the residential lobby, corridors, elevator finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create a noisy or otherwise disruptive condition in the Building. The Condominium 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 PCO has been obtained. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. In addition, the presence of scaffolding, hoists or construction elevator shafts or similar temporary construction facilities, may delay the Closing of Title to certain Residential Units or lines of Residential Units until such scaffolding, hoists, elevators or temporary facilities are no longer needed and are removed.

LOCATION AND AREA INFORMATION

Location

The Property is located at 242 Broome Street in the Borough of Manhattan in the City and State of New York and will be a part of a larger mixed-use multi-building development project known as Essex Crossing.

Surrounding Area, Shopping, Museums, Theatre and Parks

There are many universities, museums, libraries, theaters and cultural institutions in the New York area. It is anticipated that a museum or not-for-profit group will operate in the Community Facility Unit of the Building in accordance with the Acquisition Documents and subject to such additional restrictions on use pursuant to the documents entered into with the Owner of such Community Facility Unit.

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

Transportation

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

Transportation to and from the Condominium, and through New York City, is available by taxi, limousine, private automobiles, subway or bus. A number of commercial parking garages are located nearby.

Medical, Educational and Religious Facilities

A number of medical centers are located within close proximity to the Building, such as New York Presbyterian Lower Manhattan Hospital, New York Hospital, Cornell Medical Center, Memorial Sloan Kettering, Lenox Hill Hospital, New York University Medical Center, Mount Sinai Medical Center and Columbia Presbyterian Medical Center.

Private schools, public schools and parochial schools on the elementary, middle school and high school levels are located within walking distance of the Condominium. There are many colleges available in the New York City area.

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

Municipal Services

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

The local police station is the 7th Precinct located at 19½ Pitt Street, New York, New York 10002.

The local fire station is Engine 9, Ladder 6 located at 75 Canal Street, New York, New York 10002.

Mailing Address

The mailing address for the Building is 242 Broome Street, New York, New York 10002.

Zoning

The Property is located within a C6-1, R7 equivalent, zoning district in which residential use is permitted.

Landmark Designation

The Building does not have landmark status and is not located in a landmarks district.

General

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

SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION

SCHEDULE A
242 Broome Street Condominium
242 Broome Street
New York, NY

PURCHASE PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JULY 1, 2018-JUNE 30, 2019

(1) UNIT	(1) NO BED-ROOMS/ NO. BATHS / NO. HALF BATHS	(3) APPROX UNIT SQUARE FOOTAGE	(3) APPROX EXTERIOR SQUARE FOOTAGE	(4) PURCHASE PRICE	(5) RESIDENTIAL COMMON INTEREST	(5) GENERAL COMMON INTEREST	(6) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED ANNUAL COMMON CHARGES	(7) PROJECTED MONTHLY RE TAXES W/O 421a	(7) PROJECTED ANNUAL RE TAXES W/O 421a	(7) PROJECTED MONTHLY RE TAXES WITH 421a	(7) PROJECTED ANNUAL RE TAXES WITH 421a	(8) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421	(8) PROJECTED TOTAL MONTHLY CARRYING CHARGES WITH 421
5C	1/1	660	0	$224,861	0.9774%	0.4750%	$650.00	$7,800.00	$781.58	$9,379.01	$189.48	$2,273.72	$1,431.58	$839.48
5E	2/1	865	0	$277,750	1.2809%	0.6225%	$750.00	$9,000.00	$901.83	$10,821.93	$218.63	$2,623.52	$1,651.83	$968.63
5F	2/1	980	0	$277,750	1.4512%	0.7053%	$750.00	$9,000.00	$901.83	$10,821.93	$218.63	$2,623.52	$1,651.83	$968.63
6D	3/1.5	1077	0	$331,703	1.6028%	0.7790%	$825.00	$9,900.00	$992.01	$11,904.12	$240.49	$2,885.88	$1,817.01	$1,065.49
6E	1/1	629	0	$224,861	0.9361%	0.4549%	$650.00	$7,800.00	$781.58	$9,379.01	$189.48	$2,273.72	$1,431.58	$839.48
6F	1/1	741	0	$224,861	1.1028%	0.5360%	$650.00	$7,800.00	$781.58	$9,379.01	$189.48	$2,273.72	$1,431.58	$839.48
7A	2/1	947	0	$277,750	1.4163%	0.6883%	$750.00	$9,000.00	$901.83	$10,821.93	$218.63	$2,623.52	$1,651.83	$968.63
7B	2/1	905	0	$277,750	1.3535%	0.6578%	$750.00	$9,000.00	$901.83	$10,821.93	$218.63	$2,623.52	$1,651.83	$968.63
7E	3/1.5	1084	0	$331,703	1.6212%	0.7879%	$825.00	$9,900.00	$992.01	$11,904.12	$240.49	$2,885.88	$1,817.01	$1,065.49
7F	1/1	626	0	$224,861	0.9362%	0.4550%	$650.00	$7,800.00	$781.58	$9,379.01	$189.48	$2,273.72	$1,431.58	$839.48
7G	1/1	692	0	$224,861	1.0349%	0.5030%	$650.00	$7,800.00	$781.58	$9,379.01	$189.48	$2,273.72	$1,431.58	$839.48
5A	1/2	1179	0	$1,895,000	1.7459%	0.8485%	$2,260.98	$27,131.76	$2,805.54	$33,666.43	$670.99	$8,051.88	$5,066.52	$2,931.97
5B	1/1.5	892	0	$1,400,000	1.3209%	0.6420%	$1,710.60	$20,527.17	$2,122.59	$25,471.13	$507.65	$6,091.84	$3,833.19	$2,218.25
5D	2/2.5	1450	0	$2,500,000	2.1472%	1.0436%	$2,780.68	$33,368.15	$3,450.40	$41,404.86	$825.22	$9,902.65	$6,231.08	$3,605.90
6A	2/2	1365	686	$2,700,000	2.2866%	1.1113%	$2,961.22	$35,534.65	$3,674.43	$44,093.16	$878.80	$10,545.60	$6,635.65	$3,840.02
6B	3/3.5	1914	1400	$3,950,000	3.3693%	1.6375%	$4,363.30	$52,359.55	$5,414.19	$64,970.32	$1,294.89	$15,538.71	$9,777.49	$5,658.19
6C	1/1.5	1005	522	$1,995,000	1.6899%	0.8213%	$2,188.39	$26,260.72	$2,715.47	$32,585.60	$649.45	$7,793.38	$4,903.86	$2,837.84
7C	2/2.5	1376	0	$2,650,000	2.0579%	1.0002%	$2,665.03	$31,980.30	$3,306.90	$39,682.75	$790.90	$9,490.78	$5,971.92	$3,455.92
7D	1/1.5	1003	0	$1,800,000	1.5001%	0.7290%	$1,942.60	$23,311.22	$2,410.48	$28,925.72	$576.50	$6,918.06	$4,353.08	$2,519.11
8A	1/1.5	983	0	$1,525,000	1.4774%	0.7180%	$1,913.24	$22,958.94	$2,374.05	$28,488.59	$567.79	$6,813.51	$4,287.29	$2,481.04
8B	1/1	773	0	$1,275,000	1.1618%	0.5646%	$1,504.51	$18,054.18	$1,866.88	$22,402.52	$446.49	$5,357.93	$3,371.39	$1,951.01
8C	2/2.5	1561	0	$2,925,000	2.3461%	1.1402%	$3,038.22	$36,458.70	$3,769.98	$45,239.76	$901.65	$10,819.83	$6,808.20	$3,939.88
8D	2/2	1293	0	$2,700,000	1.9433%	0.9445%	$2,516.61	$30,199.29	$3,122.73	$37,472.78	$746.85	$8,962.23	$5,639.34	$3,263.46
8E	1/1	765	0	$1,350,000	1.1498%	0.5588%	$1,488.94	$17,867.33	$1,847.56	$22,170.67	$441.87	$5,302.48	$3,336.50	$1,930.82
8F	2/2	1229	0	$2,500,000	1.8471%	0.8977%	$2,392.04	$28,704.51	$2,968.17	$35,617.98	$709.89	$8,518.62	$5,360.21	$3,101.93
9A	1/1.5	976	0	$1,580,000	1.4741%	0.7164%	$1,908.93	$22,907.19	$2,368.70	$28,424.37	$566.51	$6,798.15	$4,277.63	$2,475.44
9B	1/1	753	0	$1,325,000	1.1373%	0.5527%	$1,472.77	$17,673.27	$1,827.49	$21,929.87	$437.07	$5,244.89	$3,300.26	$1,909.85
9C	2/2.5	1522	0	$2,900,000	2.2987%	1.1172%	$2,976.84	$35,722.07	$3,693.81	$44,325.72	$883.43	$10,601.22	$6,670.65	$3,860.27
9D	2/2	1286	0	$2,745,000	1.9423%	0.9440%	$2,515.25	$30,183.03	$3,121.05	$37,452.61	$746.45	$8,957.40	$5,636.30	$3,261.70
9E	1/1	766	0	$1,385,000	1.1569%	0.5623%	$1,498.20	$17,978.39	$1,859.04	$22,308.47	$444.62	$5,335.44	$3,357.24	$1,942.82
9F	2/2	1224	0	$2,545,000	1.8486%	0.8984%	$2,393.99	$28,727.86	$2,970.58	$35,646.96	$710.46	$8,525.55	$5,364.57	$3,104.45
10A	1/1.5	966	0	$1,670,000	1.4661%	0.7125%	$1,898.59	$22,783.08	$2,355.86	$28,270.38	$563.44	$6,761.32	$4,254.45	$2,462.03
10B	1/1	736	0	$1,360,000	1.1170%	0.5429%	$1,446.54	$17,358.54	$1,794.94	$21,539.33	$429.29	$5,151.48	$3,241.49	$1,875.83
10C	2/2.5	1475	0	$3,050,000	2.2386%	1.0880%	$2,898.99	$34,787.83	$3,597.21	$43,166.46	$860.33	$10,323.96	$6,496.19	$3,759.32
10D	2/2	1287	0	$2,790,000	1.9533%	0.9493%	$2,529.49	$30,353.85	$3,138.71	$37,664.57	$750.67	$9,008.10	$5,668.20	$3,280.16
10E	1/1	767	0	$1,425,000	1.1641%	0.5657%	$1,507.47	$18,089.67	$1,870.55	$22,446.56	$447.37	$5,368.46	$3,378.02	$1,954.84
10F	2/2	1227	0	$2,590,000	1.8622%	0.9050%	$2,411.56	$28,938.76	$2,992.39	$35,908.65	$715.68	$8,588.14	$5,403.95	$3,127.24
11A	2/2.5	1373	0	$2,800,000	2.0939%	1.0176%	$2,711.61	$32,539.36	$3,364.70	$40,376.45	$804.72	$9,656.69	$6,076.32	$3,516.34
11B	3/3.5	1734	0	$4,000,000	2.6444%	1.2852%	$3,424.57	$41,094.86	$4,249.38	$50,992.54	$1,016.31	$12,195.70	$7,673.95	$4,440.88
11C	2/2	1279	0	$2,835,000	1.9505%	0.9480%	$2,525.97	$30,311.61	$3,134.35	$37,612.15	$749.63	$8,995.56	$5,660.31	$3,275.60
11D	1/1	765	0	$1,465,000	1.1667%	0.5670%	$1,510.84	$18,130.09	$1,874.73	$22,496.71	$448.37	$5,380.46	$3,385.57	$1,959.21
11E	2/2	1225	0	$2,635,000	1.8682%	0.9080%	$2,419.32	$29,031.84	$3,002.01	$36,024.14	$717.98	$8,615.76	$5,421.33	$3,137.30
12A	2/2.5	1353	0	$2,840,000	2.0734%	1.0077%	$2,685.02	$32,220.27	$3,331.71	$39,980.51	$796.83	$9,561.99	$6,016.73	$3,481.86
12B	3/3.5	1683	0	$3,925,000	2.5791%	1.2534%	$3,339.91	$40,078.88	$4,144.32	$49,731.86	$991.18	$11,894.19	$7,484.23	$4,331.09
12C	2/2	1275	0	$2,880,000	1.9538%	0.9496%	$2,530.23	$30,362.78	$3,139.64	$37,675.65	$750.90	$9,010.75	$5,669.87	$3,281.13
12D	1/1	766	0	$1,505,000	1.1738%	0.5705%	$1,520.12	$18,241.48	$1,886.24	$22,634.94	$451.13	$5,413.52	$3,406.37	$1,971.25
12E	2/2	1226	0	$2,680,000	1.8787%	0.9131%	$2,432.99	$29,195.90	$3,018.98	$36,227.72	$722.04	$8,664.45	$5,451.97	$3,155.03
14A	1/1.5	951	0	$1,800,000	1.4643%	0.7117%	$1,896.33	$22,755.94	$2,353.06	$28,236.71	$562.77	$6,753.27	$4,249.39	$2,459.10
14B	3/3.5	2011	0	$4,750,000	3.0965%	1.5049%	$4,010.01	$48,120.09	$4,975.82	$59,709.80	$1,190.05	$14,280.57	$8,985.82	$5,200.06
14C	2/2	1289	0	$2,925,000	1.9848%	0.9646%	$2,570.31	$30,843.76	$3,189.37	$38,272.47	$762.79	$9,153.49	$5,759.69	$3,333.10
14D	1/1	763	0	$1,550,000	1.1749%	0.5710%	$1,521.45	$18,257.40	$1,887.89	$22,654.69	$451.52	$5,418.24	$3,409.34	$1,972.97
14E	2/2	1226	0	$2,725,000	1.8878%	0.9175%	$2,444.69	$29,336.27	$3,033.49	$36,401.90	$725.51	$8,706.11	$5,478.18	$3,170.20
PHA	2/2.5	2111	598	$5,250,000	3.4973%	1.6997%	$4,529.09	$54,349.04	$5,619.92	$67,438.99	$1,344.09	$16,129.14	$10,149.00	$5,873.18
PHB	3/3.5	2478	1282	$7,000,000	4.3297%	2.1043%	$5,607.01	$67,284.14	$6,957.46	$83,489.50	$1,663.99	$19,967.88	$12,564.47	$7,271.00
PHC	3/3.5	2181	1014	$6,250,000	3.7665%	1.8306%	$4,877.71	$58,532.51	$6,052.50	$72,630.05	$1,447.56	$17,370.66	$10,930.21	$6,325.26
RESIDENTIAL TOTAL		**64,668**	**5,502**	**$119,243,711**	**100.0000%**	**48.6008%**	**$119,642**	**$1,435,706**	**$148,155**	**$1,777,854**	**$35,465**	**$425,574**	**$267,797**	**$155,107**
RETAIL UNIT 1		11,614				8.6591%	$5,153.83	$61,846.00	$20,312.24	$243,746.83	$9,659.28	$115,911.38	$25,466.07	$14,813.12
RETAIL UNIT 2		19,926				14.5360%	$8,651.67	$103,820.00	$34,098.08	$409,176.93	$16,215.00	$194,580.02	$42,749.74	$24,866.67
RETAIL UNIT 3		4,318				3.1734%	$1,888.67	$22,664.00	$7,444.06	$89,328.71	$3,539.95	$42,479.38	$9,332.73	$5,428.61
RETAIL UNIT 4		17,769				13.1179%	$7,807.42	$93,689.00	$30,771.54	$369,258.53	$14,633.10	$175,597.22	$38,578.96	$22,440.52
COMMUNITY FACILITY UNIT		18,461				11.9128%	$6,404.67	$76,856.00	$0.00	$0.00	$0.00	$0.00	$6,404.67	$6,404.67
NON-RESIDENTIAL TOTAL		**72,088**				**51.3992%**	**$29,906**	**$358,875**	**$92,626**	**$1,111,511**	**$44,047**	**$528,568**	**$122,532**	**$73,954**
GRAND TOTAL		**136,756**				**100.0000%**	**$149,548**	**$1,794,581**	**$240,780**	**$2,889,365**	**$79,512**	**$954,142**	**$390,329**	**$229,060**

SCHEDULE A
242 Broome Street Condominium
242 Broome Street
New York, New York

PURCHASE PRICES AND RELATED INFORMATION

STORAGE UNITS

Cage Number	Cage Area (sf)	Purchase Price
1	30	$ 30,000
2	30	$ 30,000
3	30	$ 30,000
4	30	$ 30,000
5	50	$ 50,000
6	25	$ 25,000
7	25	$ 25,000
8	25	$ 25,000
9	30	$ 30,000
10	30	$ 30,000
11	25	$ 25,000
12	25	$ 25,000
13	28	$ 28,000
14	30	$ 30,000
15	30	$ 30,000
16	50	$ 50,000
17	30	$ 30,000
18	25	$ 25,000
19	25	$ 25,000
20	25	$ 25,000
21	25	$ 25,000
22	25	$ 25,000
23	50	$ 50,000
24	30	$ 30,000
25	30	$ 30,000
26	25	$ 25,000
27	25	$ 25,000
28	25	$ 25,000
29	25	$ 25,000
30	25	$ 25,000
31	30	$ 30,000
32	30	$ 30,000
33	30	$ 30,000
34	50	$ 50,000
35	50	$ 50,000

Notes to Schedule A

1. Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions and typical layouts of the Residential Units. The number of bedrooms and bathrooms for each Residential Unit was determined by Sponsor's architect in accordance with 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. Each Residential Unit should be inspected to determine its actual dimensions, layout and physical condition prior to Closing. Certain Residential Units contain home offices which may not be used as legal bedrooms under current Law.

2. The square footages of the Units listed in Schedule A or in the Declaration are approximate and may change due to field conditions, construction variances and tolerances and were obtained by using the method customarily used in New York City to measure condominium units. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit by 5% or less (excluding interior partitions) is not a material and/or adverse change. Sponsor's sole obligation if the net square footage of the Unit is decreased by more than 5% shall be to refund the Deposit made under the Purchase Agreement and any interest earned thereon, except for any Unit Upgrade Funds to the extent such funds are expended Each Unit is measured from the exterior side of exterior walls and the centerline of the public corridor, elevator and stair to the center line of the partitions separating one Unit form another Unit (columns, mechanical pipes, shafts chases and conduits are not deducted from the measurements of the Unit). Each Unit is measured vertically from the concrete slab of the floor (located under the finished flooring and sub-flooring materials) to the underside of the slab above ceiling. As is customary in New York, these square footages significantly exceed the usable floor area of each Unit and the actual area comprising the Unit is significantly less than the area listed in Schedule A. The method of measurement is applicable to all Units. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Unit. Terraces shown on Schedule A are Residential Limited Common Elements. Purchasers should refer to the Section of the Plan entitled "Changes in Prices and Units" for details regarding changes in Unit size, layout and/or percentage of Common Interest after a purchase agreement has been executed.

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

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

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

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

5. The estimated monthly Common Charges for each Unit are based on Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium Operation will be the year from July 1, 2018 through February 28, 2019. The Condominium Act and the Condominium By-Laws provide authority for the Condominium Board to set and collect Common Charges payable by the Affordable Unit Owners in a manner that (i) is not proportional to the respective Common Interests of such Affordable Units, (ii) limits the amount charged to such Affordable Unit Owners prescribed by Law, or (iii) limits the rate at which the amount charged to the Affordable Unit Owners may increase which currently is capped at the percentage increase in rents approved by the Rent Guidelines Board for two (2) year rent stabilized leases for the year in which the increase is being levied. As such, the Common Charges listed in Schedule A have been allocated in favor of the Affordable Units in order for Sponsor to be in compliance with the Affordable Housing Declaration resulting in higher Common Charges payable by the Market Rate Unit Owners and the Non-Residential Unit Owners. The allocation of the Common Charges in favor of the Affordable Units may negatively impact the market value of the Market Rate Units. The actual First Year of Condominium Operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on the Unit, mortgage payments under a loan, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Condominium Board for payment to the utility company, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Unit. Business Improvement District taxes currently assessed against the Building have been incorporated into the Residential Common Expenses set forth in Schedule B. Sponsor makes no representation as to the actual Business Improvement District taxes upon completion of construction. See the Section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Residential Units.

It is presently anticipated that an application will be made to the New York State Public Service Commission in order to permit the Condominium Board to purchase electricity from Con Edison at a "bulk rate" (which may result in a savings to Unit Owners). No assurance is given, however, that any such approval will be granted. In the event that such application is made, and subsequently granted, the Condominium Board will assess the cost of electricity provided to the Unit Owners. Each Unit will be billed by the Condominium Board for actual consumption on the basis of its submeter and the Condominium Board will, in turn, pay Con Edison. Alternatively, the cost of electricity supplied to each Unit will be separately metered and payable by the Unit Owner directly to Con Edison.

As discussed in the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities," the full range of services and facilities described in the Plan may not be available until approximately 12 months after the First Closing.

6. Sponsor has applied for partial exemption from real estate taxes with respect to the Residential Units pursuant to Section 421-a of the New York Real Property Tax Law. Based on the opinion of Real Estate Tax Counsel described herein, under the 421-a program, the real estate tax estimate for the First Year of Condominium Operation covering the period from July 1, 2018 through June 30, 2019 (tax year 2018/19) will be based upon the taxable assessed valuation of the Property in the tax year prior to construction commencement, which is commonly referred to as the "mini-tax." As construction commenced subsequent to July 1, 2014, but prior to June 30, 2015, the "mini-tax" will be based upon the

assessed valuation of the Property in the 2013/2014 tax year. The 2013/2014 assessed valuation of the Property that is allocable to the Residential Units was $3,303,374. Therefore, for the period of construction as defined under Section 421-a, not to exceed 3 years, and for 12 years following completion, the real estate taxes for the residential portion of the Property will be based upon the mini-tax which is the allocated assessed valuation of $3,303,374 payable at a tax rate then in effect in the year it is due. Assuming that the tax rate for Tax Class 2 properties for the 2015/16 tax year of 12.883% remains in effect, real estate taxes for the residential portion of the Property during the construction period, which may not exceed 3 years, and for the first 12 years of the 20-year benefit period would be approximately $425,574. Purchasers should refer to the 421-a Real Estate Tax Exemption Benefits Opinion prepared by the Real Estate Tax Counsel set forth in Part II of the Plan for further discussion regarding the 421-a program and the availability of such program to this project. The estimated real estate taxes set forth in Schedule A, are based on the assumption that the partial exemption will be in effect for the First Year of Condominium Operation covering the period from July 1, 2018 through June 30, 2019 which corresponds to the 2018/19 tax year, and that there will not be any change in the taxable status of the Property. Notwithstanding the foregoing, no warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no warranty or guarantee is made that the assessed valuation for the Property if Section 421-a benefits are granted will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the First Year of Condominium Operation, that the real estate taxes will be allocated among Units in proportion to their Common Interest or Schedule A purchase prices or that such benefits will be in effect as of the Closing Date of any particular Unit. In no event will Sponsor, Tax Counsel, Real Estate Tax Counsel, Selling Agent or any offeror be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement, in the event Section 421-a benefits are not granted or is not in effect at a particular time, or, if granted, in the event the amount of such exemption and the resulting taxes differ from those projected.

If for any reason the Section 421-a tax exemption is not granted or is not in effect for the First Year of Condominium Operation, it is estimated that the aggregate real estate taxes payable with respect to all Residential Units for the First Year of Condominium Operation will be approximately $1,777,854 assuming (a) an assessed valuation for the Property of $13,800,000 for the 2018/19 tax year reflecting the assessment for a substantially completed building and based on the real estate tax projection opinion prepared by Real Estate Tax Counsel dated June 17, 2016 set forth in Part II of the Plan, and (b) a tax rate of 12.883 per $100 of assessed valuation.

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

are lesser or greater than that projected herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future.

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

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

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

A Purchaser of a Market Rate Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium at Closing in an amount equal to 2 months' Common Charges with respect to the Market Rate Unit based on the Condominium budget in effect on the Closing Date of the Unit. The payment of t the Working Capital Fund shall be required of all Purchasers of Market Rate Units whether purchased from Sponsor or a Market Rate Unit Owner on a resale (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

SCHEDULE B – BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE"B"
242 Broome Street Condominium
Projected Budget for First Full Year of Condominium Operation
July 1, 2018 - June 30, 2019

PROJECTED INCOME (1)

Residential Units Common Charges	$	1,435,706
Retail Unit 1 Common Charges	$	61,846
Retail Unit 2 Common Charges	$	103,820
Retail Unit 3 Common Charges	$	22,664
Retail Unit 4 Common Charges	$	93,689
Community Facility Unit Common Charges	$	76,856
TOTAL PROJECTED INCOME	$	1,794,581

PROJECTED EXPENSES

Salary, Wages, Payroll Taxes (2)	$	694,514
Heat & Hot Water (3)	$	58,015
Cooking Gas (4)	$	19,964
Electricity (5)	$	298,654
Water & Sewer (6)	$	81,439
Repairs & Maintenance (7)	$	35,000
Services & Supplies (8)	$	204,000
Insurance (9)	$	85,200
Management Fee (10)	$	60,000
Legal & Auditing Fees (11)	$	12,000
Non-Resident Manager Unit Costs (12)	$	66,000
Administration (13)	$	36,000
Reserve Fund (14)	$	118,795
Contingency (15)	$	25,000
TOTAL PROJECTED FIRST YEAR EXPENSES (16)	$	1,794,581

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

Notes to Schedule B

(1) COMMON CHARGES - (Budget - $1,794,581)

The estimated Common Charges to be collected from Unit Owners during the First Year of Condominium Operation are based upon the assumption that the First Year of Condominium Operation will be the twelve months commencing July 1, 2018. The actual first year of operation may be earlier or later.

The allocation for the General Common Expenses to be borne by Residential Units, Retail Unit 1, Retail Unit 2, Retail Unit 3, Retail Unit 4 and Community Facility Unit have been allocated on the basis of their respective Percentage of Common Interest: Residential Unit 48.6008%; Retail Unit 1, 8.6591%; Retail Unit 2, 14.5360%; Retail Unit 3, 3.1734%; Retail Unit 4, 13.1179% and Community Facility Unit, 11.9128%.

With respect to the Non-Residential Units, certain budgeted items are allocated between the Residential Units and the Non-Residential Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements.

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		Market Unit Common Charges	Retail Unit 1	Retail Unit 2	Retail Unit 3	Retail Unit 4	Community Facility Unit Common Charges
		48.6008%	8.6591%	14.5360%	3.1734%	13.1179%	11.9128%
Projected Income							
Common Charges							
Residential Unit Common Charges	1,435,706	1,435,706					
Retail Unit 1 Common Charges	61,846		61,846				
Retail Unit 2 Common Charges	103,820			103,820			
Retail Unit 3 Common Charges	22,664				22,664		
Retail Unit 4 Common Charges	93,689					93,689	
Community Facility Unit Common Charges	76,856						76,856
Total Projected Income	1,794,581	1,435,706	61,846	103,820	22,664	93,689	76,856
Projected Expenses							
Salary, Wages, Payroll Taxes	694,514	682,861	1,963	3,296	719	2,974	2,701
Heat & Hot Water	58,015	58,015	0	0	0	0	0
Cooking Gas	19,964	19,964	0	0	0	0	0
Electricity	298,654	190,225	19,119	32,095	7,007	28,964	21,244
Water & Sewer	81,439	75,594	1,163	1,952	426	1,762	542
Repairs & Maintenance	35,000	17,010	3,031	5,088	1,111	4,591	4,169
Services & Supplies	204,000	165,647	6,817	11,444	2,498	10,327	7,267
Insurance	85,200	41,407	7,378	12,385	2,704	11,176	10,150
Management Fee	60,000	29,160	5,195	8,722	1,904	7,871	7,148
Legal & Auditing Fees	12,000	5,832	1,039	1,744	381	1,574	1,430
Non-Resident Manager Unit Costs	66,000	62,608	572	959	209	866	786
Administration	36,000	17,497	3,117	5,233	1,142	4,722	4,289
Reserve Fund	118,795	57,735	10,287	17,268	3,770	15,583	14,152
Contingency	25,000	12,151	2,165	3,634	793	3,279	2,978
Total Projected First Year Expenses	1,794,581	1,435,706	61,846	103,820	22,664	93,689	76,856

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

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

(2) SALARIES, WAGES, PAYROLL TAXES & BENEFITS - (Budget - $ 785,356)

The budgeted amount includes base wages, worker's compensation and disability insurance, welfare and pension costs, payroll taxes, and the cost of sick days, holidays and vacation pay for a projected Building staff of One Non-Resident Manager, 4.2 Concierge and 2 Porters. The full staff may not be employed until certain building occupancy levels are achieved. The projected level of staffing for the Building complies with all applicable housing and labor laws. It is anticipated that such employees will be union members. Accordingly, the labor costs discussed below are computed in accordance with the current contract rate of Local 32B-32J of the Service Employees International Union, AFL-CIO expiring April 20, 2018. For the period July 1, 2018 through April 20, 2019 a 4% increase in wages is assumed. For the period April 21, 2019 through June 30, 2019 a 4% increase in wages is assumed.

(1) Non-Resident Manager	$ 90,000 per annum
(6.2) 4.2 Concierge and 2 Porters	$ 988.03 per week per employee for 10 weeks $1,027.55 per week per employee for 42 weeks

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

Total Base Wages	$ 451,050
FICA @7.65% of Base Wages	$ 34,505
Worker's Compensation @ 5.5% of Total Wages	$ 24,808
FUI & FUTA-NYS Unemployment @ $600 Per Employee	$ 4,800
NYS Disability @ $60 per employee	$ 480
Union Welfare (health) @ $18,322 per employee per year	$ 131,430
Union Pension @ $5,774 per employee per year	$ 41,217
Legal Fund/Training School Fund @ $369.20 per employee	$ 2,584
Union Annuity Plan @ $10 per employee per week	$ 3,640
Total Benefits	$ 243,464
Total Wages, Taxes, & Benefits	$ 694,514

It is anticipated that a small portion of the Manager's and one porter's time (estimated at 10% (4 hours per week, per man) will be devoted to those General Common Elements that service or benefit all the Units and accordingly such portion ($ 22,672) has been allocated among all Units based upon their respective Percentage of Common Interest.

(3) **HEAT AND HOT WATER- (Budget - $58,015)**

Heat and hot water for the Building will be provided by Con Edison gas. The budgeted amount is based upon a letter dated November 4, 2015 from Cosentini Associates, 2 Pennsylvania Plaza, New York, NY 10011, Sponsor's consulting engineer. It is anticipated that the annual consumption of gas for heat and domestic hot water will be 40,570 therms of gas per year at $1.30 per therm for an annual cost of $52,741. A 10% inflation factor has been added. The Retail Units and the Community Facility Unit will be separately metered for heat and hot water.

It is not possible to predict how closely the budgeted figure will reflect the actual cost of gas for heat and hot water during the First Year of Condominium Operation, because such costs will vary with the level of consumption and price of gas. Consumption will be affected by the severity of the weather and by any conservation measure adopted by the Condominium Board or individual Unit Owners.

(4) **COOKING, DRYER AND FIREPLACE GAS - (Budget - $19,964)**

The Residential Units will not be separately metered for gas to be used for cooking. Based on a letter dated November 4, 2015 from Cosentini Associates, 2 Pennsylvania Plaza, New York, NY 10011, Sponsor's consulting engineer, it is estimated that the gas cost for apartment cooking, dryers and fireplaces based on 13,961 therms of gas @ $1.30 per therm is $18,149. A 10% inflation factor has been added for cooking gas service. Gas, if any, will be separately metered for the Retail Units and the Community Facility Unit.

(5) **ELECTRICITY - (Budget – $298,654)**

The electricity consumption for the First Year of Condominium Operation for the Common Elements was estimated by Cosentini Associates, 2 Pennsylvania Plaza, New York, NY 10011, Sponsor's consulting engineer in a letter dated November 4, 2015. The estimated cost for Common Area electricity for the Residential Unit is based on an assumed consumption of 751,883 KWHRS per year at an average cost of approximately $.23 per KWHR for a total annual cost of $172,933. The estimated cost for Common Area electricity for the Retail Units is based on an assumed consumption of 344,600 KWHRS per year at an average cost of approximately $.23 per KWHR for a total annual cost of $79,258. The estimated cost for Common Area electricity for the Community Facility Unit is based on an assumed consumption of 83,910 KWHRS per year at an average cost of approximately $.23 per KWHR for a total annual cost of $19,313. A 10% inflation factor has been added to these estimated costs.

These estimates includes costs for common area lighting, air conditioning, distribution pumps, miscellaneous floor loads and elevators. A 10% inflation factor has been added.

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

(6) **WATER AND SEWER - (BUDGET - $81,439)**

The Residential Units will have a main water meter which will measure actual water usage. Based upon a letter dated November 4, 2015 from Cosentini Associates, 2 Pennsylvania Plaza, New York, NY 10011, Sponsor's consulting engineer, the estimated cost for water and sewer is based on a combined charge of $9.86 per CCF and usage of 6,368 CCF for the Residential Unit for a total cost of $62,788. In addition all Units will share in the cost of the Common Area water usage anticipated to be 419 ccf at a cost of $9.86 per ccf for a total cost of $4,134.

Cosentini Associates has estimated that the cost of water for cooling tower makeup will be $7,113 for the First Year of Condominium Operation based upon a water rate of $3.81 per ccf. The Residential Unit's share of the cooling tower expense is estimated to be $2,063 and the Retail Units' share will be $5,050. The Community Facility Unit will not utilize the cooling tower so will not share in this expense.

Any other Water and Sewer charges will be separately metered or sub-metered for the Retail Units and Community Facility Unit and these Units will pay the cost of water and sewer usage directly to the Condominium Board or the taxing authority.

A 10% inflation factor has been added to all water and sewer charges.

(7) **REPAIRS AND MAINTENANCE - (Budget - $ 35,000)**

Since the Building will be newly constructed, it has no operating history upon which to project future cost of repairs and maintenance. No major capital repairs are included in the Budget since all major construction and mechanical systems will be new. Future capital repairs to the General Common Elements will be borne by all Unit Owners. The budgeted figure for this item includes the cost of normal maintenance and repairs to the General Common Elements of the Building that are the responsibility of the Condominium Board. Unit Owners will be responsible for the cost of the interior maintenance, repair, decorating, and painting of their respective Units, including the appliances, and heating/air conditioning units. The budgeted amount for repairs and maintenance has been allocated to all Units based upon their respective Percentage of Common Interest.

(8) **SERVICE AND SUPPLIES - (Budget - $204,000)**

The budgeted amount includes the cost of shared cleaning equipment and miscellaneous supplies for the General Common Elements as well as the anticipated cost of service contracts to be entered into by the Condominium Board during the First Year of Condominium Operation.

All of the mechanical systems within the Building will be new, and some will be under a full service maintenance contract for the First Year of Condominium Operation from the contractors who will install the system. No maintenance or service contracts have been entered into as of the date of the Plan. The budgeted amounts are based upon the experience of the Sponsor's Budget expert in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost that may occur prior to and during the First Year of Condominium Operation, no warranty is made that the actual cost for these or other services will be in accordance with these projections.

It is projected that the Condominium Board will enter into maintenance agreements and/or for the following services:

Metal, Marble and Wood, Maintenance	$ 20,000
Heating and Cooling System	$ 20,000
Elevator Maintenance	$ 40,000
Sprinkler System/Fire Protective Alarm System	$ 20,000
Landscaping	$ 15,000
Exterminator	$ 6,000
Uniform Cleaning and Maintenance	$ 12,000
Water Treatment	$ 8,000
Miscellaneous Supplies	$ 40,000
Building Maintenance System	$ 15,000

Generator	$ 8,000

The shared Building staff will be responsible for the cleaning and maintenance of the General Common Elements. The estimated budgeted cost for Sprinkler System/Fire Protective Alarm System, Exterminator, Building Maintenance System, generator, water treatment and $4,000 of the estimated $40,000 budgeted for Miscellaneous Supplies ($61,000) have been allocated between all Units based upon their respective Percentage of Common Interest. The Retail Units will share in the cost of a service elevator. This cost is anticipated to be $ 7,000.

(9) INSURANCE – (Budget - $85,200)

Based upon the proposal dated November 6, 2015 from the Rampart Group, Inc., having an office at 1983 Marcus Avenue, Lake Success NY 11042, the following insurance coverage will be obtained for the Building for the First Year of Condominium Operation:

A Comprehensive Condominium Package Policy, including Boiler & Machinery and Water Damage, with the following general coverage and limits:

Property Policy

$ 55,500,000	All Risk, "Special" Form, Replacement Cost with Agreed Amount on Building, No Co-insurance, $10,000 Deductible, TRIA included
$ 1,500,000	Business Income Limit
Included	Equipment Breakdown

General Liability Policy

$1,000,000	Each Occurrence
$2,000,000	General Aggregate
$1,000,000	Personal & Advertising Injury
$1,000,000	Employee Benefits Liability - $1,000 Deductible
$ 5,000	Medical Payments
$1,000,000	Fire Legal Liability
$1,000,000	Non-owned Automobile/ Hire Car

Directors and Officers Liability

$1,000,000	Annual Aggregate-$ 2,500 Retention

Crime Policy

$1,000,000	Limit of Liability- $5,000 Retention

Umbrella Liability

$ 75,000,000 Per Occurrence/ Aggregate

The annual premium for the above mentioned insurance portfolio is estimated to be $ 85,200.

The insurance costs are for the entire Condominium and have been allocated among all Units based upon each unit's respective Percentage of Common Interest.

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

Each individual Unit Owner must obtain additional insurance at such Unit Owner's own cost for the following coverage, which is not included in the above coverage:

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

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

(10) MANAGEMENT FEE - (Budget - $60,000)

At or prior to the first closing the Condominium Board is expected to enter into a management agreement with Halstead Management, LLC. have an office at 770 Lexington Avenue, New York, NY 10065, a real estate management firm. The managing agent will receive an annual fee of $ 60,000 payable in equal monthly installments of $ 5,000. The initial term of the management agreement will be for two years after which the agreement shall automatically renew on a month to month basis. The managing agent's fee for the First Year of Condominium Operation is comparable to the "going rate" for similar services in comparable buildings.

This budgeted item will be allocated to all Units within the Condominium based upon each Unit's respective Percentage of Common Interest.

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

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

The Condominium Board will engage a law firm to act as the attorney for the Condominium. The estimated cost for these minor legal services for the Condominium's First Year, which do not include special collection matters or litigation, is $ 6,000. It is anticipated that the Condominium Board will enter into an agreement with Bass & Lemer, LLC., having an address at 836 Hempstead Avenue, West Hempstead, NY 11552, to provide auditing, tax return preparation and financial statement services for the Condominium. It is estimated that the first year cost for these services will be $ 6,000.

This budgeted item will be shared by all Units based upon each Unit's Common Interest Percentage.

(12) NON-RESIDENT MANAGERS UNIT COST - (Budget - $66,000)

The Non-Resident manager will reside in an apartment within the legal distance requirements of the Condominium in an apartment to be rented by the Condominium.

The Condominium will be responsible for the rent on the apartment. The estimated cost for the Manager's Unit for the Condominium's First Year of Operation is $66,000 and will be allocated to all Units in the same manner as the Manager's salary and benefits in Note 2. The Manager will be responsible for the cost of the electricity and basic telephone service.

(13) ADMINISTRATION – (Budget - $ 36,000)

The budgeted amount includes anticipated expenses for telephone, cell phones, internet, postage, printing, miscellaneous office supplies, payroll processing costs, permits and fees and local telephone usage in the Manager's office and other administrative costs associated with the Condominium.

This budgeted item will be allocated to all Units based upon each Unit's respective Common Interest.

(14) RESERVE FUND – (Budget - $118,795)

This reserve fund will be used towards future capital repairs, replacements and improvements of certain Common Elements and facilities of the Building. The budgeted amount for the Reserve Fund is a result of a Reserve Fund Study. No representation is made as to the actual or anticipated cost, or timing or nature of any such capital work or the adequacy of any such reserve.

This reserve fund will be allocated to all Units based on each Unit's Percentage of Common Interest.

(15) CONTINGENCY – (Budget - $25,000)

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

The budgeted item will be shared by all units based upon each Unit's respective Common Interest.

(16) TOTAL PROJECTED EXPENSES – (Budget - $1,794,581)

The projections set forth in this Budget assume that the First Year of Condominium Operation will cover the period from July 1, 2018 through June 30, 2019.

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

SCHEDULE B-1 - PROJECTED INDIVIDUAL ENERGY COSTS BUDGET

SCHEDULE B-1
Projected Individual Energy Costs Budget

Cosentini Associates, having an office at Pennsylvania Plaza, 3rd Floor, New York, NY 10121 provided the attached estimate of annual electric energy costs for lighting and for operating the typical electrical appliances located in each Residential Unit.

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

ESTIMATED COST OF ELECTRICITY FOR ESSEX CROSING - SITE 1

	Area (sq ft)	Load (Kw)	Yearly Hours of Use (H)	Basic Rate (KwH)	Cost
5th Floor					
Apartment 5-A	1,189				
Lighting and Receptacles		3.6	730	2,604	$596.40
Cooling		3.0	900	2,675	$612.81
Heating		2.1	1,800	3,820	$876.16
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,041	$2,989.53
Apartment 5-B	897				
Lighting and Receptacles		2.7	730	1,964	$449.32
Cooling		2.2	900	2,018	$461.70
Heating		1.6	1,800	2,882	$660.37
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				10,807	$2,475.55
Apartment 5-C	670				
Lighting and Receptacles		2.0	730	1,467	$334.98
Cooling		1.7	900	1,508	$344.23
Heating		1.2	1,800	2,153	$492.62
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				9,070	$2,075.99
Apartment 5-D	1,434				
Lighting and Receptacles		4.3	730	3,140	$719.81
Cooling		3.6	900	3,227	$739.60
Heating		2.6	1,800	4,607	$1,057.21
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				14,916	$3,420.77
Apartment 5-E	856				
Lighting and Receptacles		2.6	730	1,875	$428.67
Cooling		2.1	900	1,926	$440.48
Heating		1.5	1,800	2,750	$630.08
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				10,493	$2,403.38
Apartment 5-F	983				
Lighting and Receptacles		2.9	730	2,153	$492.64
Cooling		2.5	900	2,212	$506.20
Heating		1.8	1,800	3,158	$723.93
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				11,465	$2,626.93
Subtotal				69,792	$15,992.15

6th Floor					
Apartment 6-A	1,383				
Lighting and Receptacles		4.1	730	3,029	$694.12
Cooling		3.5	900	3,112	$713.20
Heating		2.5	1,800	4,444	$1,019.52
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				14,526	$3,331.00
Apartment 6-B	1,906				
Lighting and Receptacles		5.7	730	4,174	$957.55
Cooling		4.8	900	4,289	$983.86
Heating		3.4	1,800	6,124	$1,406.02
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				18,529	$4,251.58
Apartment 6-C	1,002				
Lighting and Receptacles		3.0	730	2,194	$502.21
Cooling		2.5	900	2,255	$516.04
Heating		1.8	1,800	3,219	$737.97
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				11,610	$2,660.37
Apartment 6-D	1,066				
Lighting and Receptacles		3.2	730	2,335	$534.44
Cooling		2.7	900	2,399	$549.16
Heating		1.9	1,800	3,425	$785.26
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				12,100	$2,773.02
Apartment 6-E	623				
Lighting and Receptacles		1.9	730	1,364	$311.31
Cooling		1.6	900	1,402	$319.90
Heating		1.1	1,800	2,002	$457.89
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				8,710	$1,993.26
Apartment 6-F	677				
Lighting and Receptacles		2.0	730	1,483	$338.50
Cooling		1.7	900	1,523	$347.85
Heating		1.2	1,800	2,175	$497.80
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				9,123	$2,088.31
Subtotal				74,598	$17,097.55

7th Floor					
Apartment 7-A	927				
Lighting and Receptacles		2.8	730	2,030	$464.43
Cooling		2.3	900	2,086	$477.22
Heating		1.7	1,800	2,978	$682.54
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				11,036	$2,528.36
Apartment 7-B	928				
Lighting and Receptacles		2.8	730	2,032	$464.93
Cooling		2.3	900	2,088	$477.74
Heating		1.7	1,800	2,982	$683.28
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				11,044	$2,530.12
Apartment 7-C	1,355				
Lighting and Receptacles		4.1	730	2,967	$680.01
Cooling		3.4	900	3,049	$698.71
Heating		2.4	1,800	4,354	$998.83
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				14,312	$3,281.72
Apartment 7-D	1,008				
Lighting and Receptacles		3.0	730	2,208	$505.23
Cooling		2.5	900	2,268	$519.14
Heating		1.8	1,800	3,239	$742.40
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				11,656	$2,670.93
Apartment 7-E	1,077				
Lighting and Receptacles		3.2	730	2,359	$539.98
Cooling		2.7	900	2,423	$554.85
Heating		1.9	1,800	3,460	$793.39
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				12,184	$2,792.38
Apartment 7-F	626				
Lighting and Receptacles		1.9	730	1,371	$312.82
Cooling		1.6	900	1,409	$321.46
Heating		1.1	1,800	2,011	$460.11
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				8,733	$1,998.54
Apartment 7-G	626				
Lighting and Receptacles		1.9	730	1,371	$312.82
Cooling		1.6	900	1,409	$321.46
Heating		1.1	1,800	2,011	$460.11
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				8,733	$1,998.54
Subtotal				68,965	$15,802.05

8th Floor					
Apartment 8-A	921				
Lighting and Receptacles		2.8	730	2,017	$461.41
Cooling		2.3	900	2,072	$474.12
Heating		1.6	1,800	2,959	$678.11
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				10,990	$2,517.80
Apartment 8-B	773				
Lighting and Receptacles		2.3	730	1,693	$386.86
Cooling		1.9	900	1,739	$397.53
Heating		1.4	1,800	2,484	$568.74
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				9,858	$2,257.29
Apartment 8-C	1,565				
Lighting and Receptacles		4.7	730	3,427	$785.79
Cooling		3.9	900	3,521	$807.39
Heating		2.8	1,800	5,028	$1,154.02
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				15,919	$3,651.36
Apartment 8-D	1,294				
Lighting and Receptacles		3.9	730	2,834	$649.29
Cooling		3.2	900	2,912	$667.15
Heating		2.3	1,800	4,158	$953.75
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,845	$3,174.35
Apartment 8-E	756				
Lighting and Receptacles		2.3	730	1,656	$378.30
Cooling		1.9	900	1,701	$388.73
Heating		1.3	1,800	2,429	$556.18
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				9,728	$2,227.36
Apartment 8-F	1,224				
Lighting and Receptacles		3.7	730	2,681	$614.03
Cooling		3.1	900	2,754	$630.92
Heating		2.2	1,800	3,933	$902.02
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,309	$3,051.13
Subtotal				73,649	$16,879.28

9th Floor					
Apartment 9-A	913				
Lighting and Receptacles		2.7	730	1,999	$457.38
Cooling		2.3	900	2,054	$469.98
Heating		1.6	1,800	2,933	$672.20
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				10,929	$2,503.71
Apartment 9-B	756				
Lighting and Receptacles		2.3	730	1,656	$378.30
Cooling		1.9	900	1,701	$388.73
Heating		1.3	1,800	2,429	$556.18
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				9,728	$2,227.36
Apartment 9-C	1,517				
Lighting and Receptacles		4.6	730	3,322	$761.61
Cooling		3.8	900	3,413	$782.55
Heating		2.7	1,800	4,874	$1,118.55
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				15,552	$3,566.87
Apartment 9-D	1,294				
Lighting and Receptacles		3.9	730	2,834	$649.29
Cooling		3.2	900	2,912	$667.15
Heating		2.3	1,800	4,158	$953.75
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,845	$3,174.35
Apartment 9-E	756				
Lighting and Receptacles		2.3	730	1,656	$378.30
Cooling		1.9	900	1,701	$388.73
Heating		1.3	1,800	2,429	$556.18
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				9,728	$2,227.36
Apartment 9-F	1,224				
Lighting and Receptacles		3.7	730	2,681	$614.03
Cooling		3.1	900	2,754	$630.92
Heating		2.2	1,800	3,933	$902.02
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,309	$3,051.13
Subtotal				73,090	$16,750.79

10th Floor					
Apartment 10-A	906				
Lighting and Receptacles		2.7	730	1,984	$453.85
Cooling		2.3	900	2,039	$466.36
Heating		1.6	1,800	2,911	$667.03
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				10,876	$2,491.39
Apartment 10-B	739				
Lighting and Receptacles		2.2	730	1,618	$369.73
Cooling		1.8	900	1,663	$379.93
Heating		1.3	1,800	2,374	$543.61
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				9,598	$2,197.44
Apartment 10-C	1,471				
Lighting and Receptacles		4.4	730	3,221	$738.44
Cooling		3.7	900	3,310	$758.74
Heating		2.6	1,800	4,726	$1,084.55
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				15,200	$3,485.90
Apartment 10-D	1,294				
Lighting and Receptacles		3.9	730	2,834	$649.29
Cooling		3.2	900	2,912	$667.15
Heating		2.3	1,800	4,158	$953.75
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,845	$3,174.35
Apartment 10-E	756				
Lighting and Receptacles		2.3	730	1,656	$378.30
Cooling		1.9	900	1,701	$388.73
Heating		1.3	1,800	2,429	$556.18
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				9,728	$2,227.36
Apartment 10-F	1,224				
Lighting and Receptacles		3.7	730	2,681	$614.03
Cooling		3.1	900	2,754	$630.92
Heating		2.2	1,800	3,933	$902.02
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,309	$3,051.13
Subtotal				72,555	$16,627.57

11th Floor					
Apartment 11-A	1,312				
Lighting and Receptacles		3.9	730	2,873	$658.35
Cooling		3.3	900	2,952	$676.46
Heating		2.3	1,800	4,215	$967.06
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,983	$3,206.03
Apartment 11-B	1,728				
Lighting and Receptacles		5.2	730	3,784	$867.89
Cooling		4.3	900	3,888	$891.74
Heating		3.1	1,800	5,552	$1,274.47
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				17,166	$3,938.27
Apartment 11-C	1,294				
Lighting and Receptacles		3.9	730	2,834	$649.29
Cooling		3.2	900	2,912	$667.15
Heating		2.3	1,800	4,158	$953.75
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,845	$3,174.35
Apartment 11-D	756				
Lighting and Receptacles		2.3	730	1,656	$378.30
Cooling		1.9	900	1,701	$388.73
Heating		1.3	1,800	2,429	$556.18
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				9,728	$2,227.36
Apartment 11-E	1,224				
Lighting and Receptacles		3.7	730	2,681	$614.03
Cooling		3.1	900	2,754	$630.92
Heating		2.2	1,800	3,933	$902.02
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,309	$3,051.13
Subtotal				68,031	$15,597.14

12th Floor					
Apartment 12-A	1,296				
Lighting and Receptacles		3.9	730	2,838	$650.30
Cooling		3.2	900	2,916	$668.18
Heating		2.3	1,800	4,164	$955.23
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,860	$3,177.87
Apartment 12-B	1,672				
Lighting and Receptacles		5.0	730	3,662	$839.69
Cooling		4.2	900	3,762	$862.76
Heating		3.0	1,800	5,372	$1,233.09
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				16,738	$3,839.70
Apartment 12-C	1,294				
Lighting and Receptacles		3.9	730	2,834	$649.29
Cooling		3.2	900	2,912	$667.15
Heating		2.3	1,800	4,158	$953.75
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,845	$3,174.35
Apartment 12-D	756				
Lighting and Receptacles		2.3	730	1,656	$378.30
Cooling		1.9	900	1,701	$388.73
Heating		1.3	1,800	2,429	$556.18
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				9,728	$2,227.36
Apartment 12-E	1,224				
Lighting and Receptacles		3.7	730	2,681	$614.03
Cooling		3.1	900	2,754	$630.92
Heating		2.2	1,800	3,933	$902.02
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,309	$3,051.13
Subtotal				67,480	$15,470.41

13th Floor					
Apartment 13-A	890				
Lighting and Receptacles		2.7	730	1,949	$445.79
Cooling		2.2	900	2,003	$458.08
Heating		1.6	1,800	2,860	$655.20
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				10,753	$2,463.23
Apartment 13-B	2,022				
Lighting and Receptacles		6.1	730	4,428	$1,015.98
Cooling		5.1	900	4,550	$1,043.89
Heating		3.6	1,800	6,497	$1,491.74
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				19,416	$4,455.76
Apartment 13-C	1,294				
Lighting and Receptacles		3.9	730	2,834	$649.29
Cooling		3.2	900	2,912	$667.15
Heating		2.3	1,800	4,158	$953.75
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,845	$3,174.35
Apartment 13-D	756				
Lighting and Receptacles		2.3	730	1,656	$378.30
Cooling		1.9	900	1,701	$388.73
Heating		1.3	1,800	2,429	$556.18
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				9,728	$2,227.36
Apartment 13-E	1,224				
Lighting and Receptacles		3.7	730	2,681	$614.03
Cooling		3.1	900	2,754	$630.92
Heating		2.2	1,800	3,933	$902.02
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				13,309	$3,051.13
Subtotal				67,051	$15,371.84

14th Floor					
Apartment 14-A	1,942				
Lighting and Receptacles		5.8	730	4,253	$975.69
Cooling		4.9	900	4,370	$1,002.49
Heating		3.5	1,800	6,240	$1,432.62
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				18,804	$4,314.95
Apartment 14-B	2,307				
Lighting and Receptacles		6.9	730	5,052	$1,159.54
Cooling		5.8	900	5,191	$1,191.37
Heating		4.1	1,800	7,412	$1,702.35
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				21,597	$4,957.42
Apartment 14-C	2,045				
Lighting and Receptacles		6.1	730	4,479	$1,027.57
Cooling		5.1	900	4,601	$1,055.79
Heating		3.7	1,800	6,571	$1,508.73
Kitchen Appliances		6.0	657	3,942	$904.16
Washer		8.6	120	1,032	$227.04
				19,592	$4,496.25
Subtotal				59,994	$13,768.62
Total				695,206	$159,357.38

OPINION OF COUNSEL RE: REAL PROPERTY LAW SECTION 339-I

STARR ASSOCIATES LLP
ATTORNEYS AT LAW

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NEW YORK, NY 10017
TEL 212 620 2680
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www.starr-lawfirm.com

July 13, 2016

Site 1 DSA Owner LLC
c/o Taconic Investment Partners LLC
111 Eighth Avenue, Suite 1500
New York, New York 10011

Re: 242 Broome Street Condominium
242 Broome Street
New York, New York 10002 ("Property")

Ladies and Gentlemen:

You have requested our opinion regarding the allocation of Common Interest to the Units at the Property as required by NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion shall have the same meaning as set forth in the Condominium Offering Plan ("Plan") for the Property.

In connection with the rendering of this opinion we have reviewed the determination of Common Interest as shown on Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is also based upon the factual determinations made by Penmark Property Advisors, LLC ("Real Estate Broker") 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 Real Estate Broker. Accordingly, in the event that facts presented by Real Estate Broker were or prove incorrect in no event will Starr Associates LLP be liable.

Based upon our review of the foregoing, we have determined that the method selected by Real Estate Broker to calculate the percentage of Common Interest is permissible under Real Property Law ("RPL") Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will Sponsor, Starr Associates LLP, Selling Agent, Managing Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable Law.

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

Very truly yours,

STARR ASSOCIATES LLP

By: Samantha Sheeber
Name: Samantha Sheeber
Title: Partner

REAL PROPERTY LAW SECTION 339-i COMPLIANCE LETTER

PENMARK
PROPERTY ADVISORS, LLC

July 17, 2016

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

Re: Condominium Offering Plan
242 Broome Street Condominium
242 Broome Street
New York, New York 10002 ("Property")

Dear Sir/Madam:

SITE 1 DSA OWNER LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained Penmark Property Advisors, LLC ("Firm") to calculate 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 40 years and have been actively associated with sale and management of condominium and cooperative buildings.

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

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

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

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

Very truly yours,

PENMARK PROPERTY ADVISORS, LLC

By: _____
Name: Leslie Bogen Winkler
Title: Manager

PENMARK PROPERTY ADVISORS, LLC
828 HEMPSTEAD TURNPIKE FRANKLIN SQUARE, NY 11010
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AFFORDABLE UNITS

In furtherance of a plan for redevelopment of this and adjacent parcels as part of an Urban Development Actions Area Project, the Property is being developed pursuant to a certain Land Disposition Agreement ("LDA") between the City of New York ("City") acting through HPD, and the New York City Economic Development Corporation ("EDC").

Among other things, the LDA requires that 11 of the Residential Units be set aside as Affordable Units. An Affordable Housing Declaration will be recorded prior to the sale of any Affordable Unit which, along with other documents to be recorded against the Property, sets forth the terms and provisions with respect to maintaining permanent affordability of the Affordable Units, including the terms and conditions of Initial Sales, Resales, occupancy and leasing restrictions, other transfers, and/or refinancing of the Affordable Units.

Pursuant to the Affordable Housing Declaration, the Affordable Units shall be overseen by an Administering Agent which will be selected by Sponsor and approved by HPD. The Administering Agent Agreement shall be assigned by Sponsor and assumed by the Condominium Board upon the First Closing. A copy of the proposed Administering Agent Agreement is set forth in Part II of the Plan.

The Administering Agent shall oversee the Affordable Units and its responsibilities shall include, but are not limited to, determining the eligibility of Purchasers for the initial purchase and resale of the Affordable Units, as well as for leasing the Affordable Units, and transferring ownership of an Affordable Unit from one party to another. It shall be the responsibility of the Administering Agent, and the Condominium Board, to ensure that the Affordable Units remain permanently *affordable*, in accordance with the terms of the Affordable Declaration. The fees for the Administering Agent's services to the Condominium are included in the Schedule B Budget.

Generally, the Affordable Units are to be maintained affordable, in perpetuity, for Households with incomes no greater than 110% of AMI and sold to Households with annual incomes at the time of initial purchase, no greater than 130% of AMI ("Affordability Requirements"). The occupancy requirements dictate that Eligible Buyers must covenant that they shall own and occupy their Affordable Unit solely as a Primary Residence. The initial sales price of each Affordable Unit ("Initial Price") must be in accordance with the Affordability Requirements and an Administering Agent who shall, pursuant to a separate agreement with HPD, establish criteria for selecting Eligible Buyers or purchasers of Affordable Units and the method of determining future resale prices. The terms of the LDA and the Affordable Housing Declaration run with the land, bind Sponsor and Purchasers, and are enforceable by HPD.

The Purchase Prices of the Affordable Units have been established by Sponsor in accordance with the Affordable Unit Requirements and are not subject to approval by the Department of Law. The Purchase Prices are calculated based on a 10% Downpayment with Monthly Housing Costs calculated to not exceed 33% of 110% of AMI as determined by the Administering Agent and approved by HPD. Purchase Agreements for Affordable Units are contingent upon up to 90% financing as set forth in the Purchase Agreement.

At closing of Initial Sales by Sponsor to Eligible Buyers, each Affordable Unit Owner will be required to execute and deliver a Substitute Enforcement Mortgage ("Enforcement Mortgage"), and a Substitute Enforcement Note to HPD in the principal amount of $100,000 ("Enforcement Note"). All subsequent transfers of Affordable Units must assume the Enforcement Note and Enforcement Mortgage until their maturity date and comply with the Affordable Housing Declaration. The sum secured represents a portion of the land subsidy provided to Sponsor in connection with its acquisition of the Property from the City and HPD and guarantees compliance with the terms of the Affordable Housing Declaration. The principal amount shall not accrue interest nor shall any installments or payments be required under the Enforcement Note. The Enforcement Note and Enforcement Mortgage may be accelerated to the extent of any Applicable Percentage of Resale Profits or Refinancing Profits from the resale or refinancing of the

Affordable Unit and may be called upon the occurrence of a default that remains beyond any applicable cure period, including a failure to comply with Owner Occupancy Requirements, the Affordable Housing Declaration, the Enforcement Note and/or the Enforcement Mortgage. The Enforcement Note and Enforcement Mortgage mature 60 years from the First Closing ("Maturity Date"). On the Maturity Date, the Enforcement Note shall be deemed paid in full and the debt forgiven, provided that throughout the term of the Note and on the Maturity Date, there has been no default in the Owner Occupancy Requirements or otherwise. Prior to the Maturity Date, all transferees shall assume the obligations of the Enforcement Note and Enforcement Mortgage, subject to reduction in the amount of Indebtedness to the extent of any Resale Profits or Refinancing Profits in connection with the transaction.

The Owner Occupancy Requirements and all covenants of the Affordable Housing Declaration are independent covenants that run with the land and the Property in perpetuity and continue after satisfaction of the Enforcement Note and the termination of the Enforcement Mortgage.

No Affordable Unit may be purchased or occupied by any Household or other person without the prior written consent of the Administering Agent. Except for Succession, a Homeowner may remain in ownership and in occupancy of its Affordable Unit, notwithstanding that such Homeowner's Annual Income, at any time after Initial Occupancy, may exceed maximum income limits.

Eligible Buyers and Affordable Unit Owners must covenant to continuously occupy its Affordable Unit as its sole primary residence; reside and sleep in such Affordable Unit no less than 270 days per year (unless on active military duty in which case days on active away military duty are counted toward the required occupancy days); not lease except as authorized or permit the Affordable Unit to be occupied for transient occupancy or by a person who is not an Eligible Buyer; identify the Affordable Unit as the sole address/residence on government documents such as license, tax returns, etc.; not own, acquire or lease any other residential property within a 100 mile radius of New York, and if such is obtained through inheritance to sell such property within 1 year of transfer of title; and annually, complete and submit an updated Owner Occupancy Certificate in the form set forth as Exhibit B to the Affordable Housing Declaration set forth in Part II of the Plan.

Affordable Units may only be resold to an Eligible Buyer at a Resale Price restricted by an established appreciation rate and otherwise in compliance with the Affordable Housing Declaration. Under the terms of the Enforcement Mortgage and Enforcement Note, 10% of the Resale Profits (all cash and non-cash consideration less the original cash purchase price net of certain disbursements and costs of sale), are due to HPD, upon a resale to an Eligible Buyer to be applied toward reduction of the principal amount of the Enforcement Note. Affordable Units may not be leased for more than a cumulative total of 18 months in any 5 year period on specific stated terms, including maximum rent and qualifying tenant income. Transient occupancy and/or occupancy of an Affordable Unit by a Household not independently eligible to purchase the Affordable Unit are prohibited.

Affordable Units may be refinanced provided the new loan does not exceed 90% of the Resale Price; is a fixed interest loan; must be with an HPD approved institutional lender; subject to compliance with procedures set forth by the Administering Agent; and conform to the Affordable Housing Declaration and all other HPD homeownership requirements then in effect. A percentage of Refinancing Profits will be utilized to reduce the outstanding obligation of the Enforcement Note.

Monthly Housing Costs, comprised of Monthly Fees, Mortgage Payments and Real Estate Taxes, may not exceed 33% of 110% of AMI. The total amount of increases in Monthly Fees over any given 12 month period shall be the lesser of (1) the increase in Monthly Fees charged by the Condominium Board for such period; and (2) a percentage increase in Monthly Fees equal to the percentage increase in rents approved by the Rent Guideline Board for 2 year rent stabilized leases for such 12 month period. These increases may not be limited to Affordable Units alone but must be assessed against all Residential Units, but they are limited in increase so that the levy of Monthly Fees and or the levy of special assessments may not result in Monthly Housing Costs in excess 33% of 110% of AMI for the Affordable Units.

NON-RESIDENTIAL UNITS

As more particularly described in the Declaration and in the Description of Property and Improvements, each of which are contained in Part II of the Plan, the Condominium will contain 5 Non-Residential Units consisting of 4 Retail Units and 1 Community Facility Unit.

Non-Residential Units

The Non-Residential Units are not being offered for sale at this time but may (i) be transferred to an entity affiliated with Sponsor and/or (ii) be offered or transferred by Sponsor pursuant to a "No-Action," "No Jurisdiction," or similar ruling issued by the Department of Law. Except as set forth in the Acquisition Documents, the sale or transfer of the Non-Residential Units requires the consent of the EDC for a period of 10 years from November 25, 2015. Following such 10 year period or, prior to such time, upon the consent of EDC, the Non-Residential Units or any additional condominium units created as a result of a subdivision of a Non-Residential Unit may be offered for sale pursuant to a "No-Action," "No Jurisdiction," or similar ruling issued by the Department of Law. The Community Facility Unit shall be used as a community facility in perpetuity and as a cultural facility for a period of 20 years from November 25, 2015.

Retail Unit 1 will consist of approximately 11,614 square feet and will be located on portions of the 1st Floor.

Retail Unit 2 will consist of approximately 19,926 square feet and will be located on portions of the 1st, 2nd, 3rd and 5th Floors.

Retail Unit 3 will consist of approximately 4,318 square feet and will be located on portions of the 5th Floor.

Retail Unit 4 will consist of approximately 17,769 square feet and will be located on portions of the Cellar, 1st, 2nd, 3rd, 5th and 6th Floors.

The Community Facility Unit will consist of approximately 18,461 square feet and will be located on portions of the Cellar, 1st, 2nd, 3rd, 5th and 6th Floors.

The Retail Units

No representation is made with respect to the future owners or tenants of any of the Retail Units. Sponsor currently anticipates that Retail Unit 3 and a portion of the Community Facility may comprise a catering facility/event space ("Event Space") which shall be regularly utilized for parties and events that may last until the early morning hours with food and beverage service, music, noise, lights, odors, vibrations and other disturbances potentially affecting the residents of the Building. The Retail Unit 3 Owner and its Permitted Users shall have a perpetual easement in and through the Community Facility Unit (as reflected on the Tax Lot Drawings). It is anticipated that the Event Space will be operated daily. The Event Space shall also include and have exclusive use of the 5th Floor terrace adjacent to Retail Unit 3 which may be open air and/or tented. The Event Space and the use thereof will comply with all Laws, including those regarding noise and liquor licensing.

The Event Space may be operated as a joint venture between the owner of Retail Unit 3 and its Permitted Users and they shall have a license to use, lease, maintain and operate the Event Space.

The Community Facility Unit

The Community Facility Unit will be developed and used in accordance with the Acquisition Documents with the expectation that at least 15,000 square feet of the Community Facility Unit will be used

as a museum or other not-for-profit use. There may be additional restrictions on the use of the Community Facility Unit pursuant to the documents entered into with the Owner of such Unit.

General

Each Non-Residential Unit Owner shall have the right and easement (i) for ingress and egress through all Common Elements or any portion of the Property for the purpose of accessing any portion of such Non-Residential Unit or any portions of the Building servicing such Non-Residential Unit; (ii) for the purpose of exiting the Building in the event of an emergency, and (iii) to erect, maintain, replace and/or repair any sign and/or lighting on the exterior façade of the Building immediately adjacent to such Non-Residential Unit of such size and content as the Non-Residential Unit Owner shall determine, in the storefronts (if any) and windows of such Non-Residential Unit for the purposes of advertising the sale or lease of all or any portion of such Non-Residential Unit and/or operation of any business of a tenant or occupant of such Non-Residential Unit. Each Non-Residential Unit Owner shall each be entitled to utilize such rights and easements for their own account or the account of their respective Permitted Users.

Each Non-Residential Unit Owner (subject to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit) shall have the right, but not the obligation, at such Non-Residential Unit Owner's sole cost and expense to alter, modify, and/or restore the exterior façade of the Building appurtenant to such Non-Residential Unit (including storefronts (if any) and windows of such Non-Residential Unit) and to create additional means of egress and ingress to such Non-Residential Unit, provided that such alterations, modifications and/or restorations are in compliance with Law and the terms of the Declaration and By-Laws, including, without limitation, the Condominium's right to approve in its reasonable discretion any structural changes or changes which alter the Building's architectural standards.

Each Non-Residential Unit Owner and its Permitted Users shall have an easement to use the sidewalks (if any) immediately adjacent to such Non-Residential Unit for any purposes permitted by Law, including without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalks adjacent thereto provided the entrances and loading berths to the Building are not impeded by such use. In the event a Non-Residential Unit Owner or its Permitted Users utilizes such sidewalks, the cost of maintenance and repair of such sidewalk during the period of such use or resulting from such usage shall be borne by such Non-Residential Unit Owner.

All or any part of the Non-Residential Units may be leased or subleased by the respective Non-Residential Unit Owner, subject to compliance with Law and the Acquisition Documents.

The Non-Residential Unit or any additional condominium units created as a result of a subdivision of a Non-Residential Unit may be offered for sale at any time by a duly filed amendment to the Plan or pursuant to a "No-Action," "No Jurisdiction," or similar ruling issued by the Department of Law

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

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

No representation is made with respect to the ownership of all or any portion of the Non-Residential Units or as to who the future owners or tenants of any portion of the Non-Residential Units may be at any time or as to the uses to which any portion of the Non-Residential Units may be put at any time except that the Non-Residential Units may be used for any purpose permitted by Law other than the Prohibited Uses and in accordance with the Condominium Documents and the Acquisition Documents. No assurance, representation, or warranty is given that any tenants, occupants or users of the Non-Residential Units will not

be objectionable to Residential Unit Owners or other parties. The uses of the Non-Residential Units may generate noise, odors, vibrations, traffic, fumes or other disturbances over which the Residential Unit Owners will have no control. At least 15,000 square feet of the Community Facility Unit shall be used as a community facility in perpetuity and as a cultural facility for a period of 20 years from November 25, 2015.

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

The following is a summary of certain additional rights and obligations of the Non-Residential Unit Owners relating to the use and ownership of the Non-Residential Units, subject, however, to the terms of the Acquisition Documents (see the Declaration and By-Laws for details):

(i) each Non-Residential Unit Owner and its Permitted Users, shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units to make alterations, additions, improvements, installations, modifications or repairs in or to the interior portions of the Non-Residential Units, whether or non-structural, ordinary or extraordinary, and to subdivide and/or combine such Non-Residential Unit, provided that such alterations, additions, improvements or repairs are in compliance with Law and the terms of the Declaration and By-Laws;

(ii) each Non-Residential Unit Owner and its Permitted Users shall have an easement to use the sidewalks (if any) immediately adjacent to such Non-Residential Unit for any purposes permitted by Law, including without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalks (if any) immediately adjacent thereto provided the entrances and loading berths to the Building are not impeded by such use. In the event a Non-Residential Unit Owner or its Permitted Users utilizes such adjacent sidewalks (if any), the cost of maintenance and repair of such sidewalk during the period of such use or resulting from such usage shall be borne by such Non-Residential Unit Owner;

(iii) each Non-Residential Unit Owner shall have the right to make all arrangements for the prompt repair and restoration of such Non-Residential Unit to the extent the Non-Residential Unit is damaged or destroyed by fire or other casualty;

(iv) each Non-Residential Unit Owner and its Permitted Users shall have the right and an easement (a) for ingress and egress through all Common Elements for the purpose of accessing such Non-Residential Unit or any portion of the Building servicing such Non-Residential Unit; (b) to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or facilities forming a part of or relating to the Non-Residential Unit in, over, under, through or upon the Common Elements or elsewhere on the Property; and (c) to erect, maintain, repair and replace one or more signs and lighting of such size and content as the Non-Residential Unit Owner shall determine, in the storefronts (if any) and windows of such Non-Residential Unit for the purposes of advertising the sale or rental of all or any portion of a Non-Residential Unit or the operation of any business of a tenant or occupant of a Non-Residential Unit. Notwithstanding the foregoing, the Non-Residential Unit Owners shall

not be permitted to erect any signage and/or lighting on the exterior façade of the Building except as set forth in the Condominium By-Laws;

(v) each Non-Residential Unit Owner (subject to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit), shall have the right, but not the obligation, at such Non-Residential Unit Owner's sole cost and expense, to alter, modify, and/or restore the exterior façade of the Building appurtenant to such Non-Residential Unit (including storefronts (if any) and windows of such Non-Residential Unit) and to create additional means of egress and ingress to such Non-Residential Unit, provided that such alterations, modifications and/or restorations are in compliance with Law and the terms of the Declaration and By-Laws, including, without limitation, the Condominium's right to approve in its reasonable discretion any structural changes or changes which are inconsistent with the Building's architectural standards;

(vi) the Condominium Documents may not be amended or modified so as to adversely affect a Non-Residential Unit Owner without the prior written consent of the affected Non-Residential Unit Owner;

(vii) each Non-Residential Unit Owner shall have the right to sell or lease all or any portion of a Non-Residential Unit without complying with any right of first refusal or transfer fee contained in the Declaration or By-Laws;

(viii) members of the Condominium Board designated by a Non-Residential Unit Owner may only be removed by such Non-Residential Unit Owner, who alone will have the right to elect or designate a replacement; and

(ix) any decisions by the Condominium Board which solely affect a Non-Residential Unit may be made only by the member of the Condominium Board designated by such Non-Residential Unit Owner, if applicable.

The Owner of any non-residential condominium unit created as a result of the sub-division of a Non-Residential Unit will retain the same rights afforded the Non-Residential Unit Owners as set forth herein.

CHANGES IN PRICES AND UNITS

Purchase prices and other terms of sale for the Units offered are negotiable, in Sponsor's sole discretion, subject to the Affordable Unit requirements with respect to the Affordable Units. Sponsor reserves the right to enter into a Purchase Agreement with a Purchaser, as a result of an individually negotiated transaction, to sell one or more Units at prices lower than those set forth in Schedule A, or to modify any other term of sale, without filing an amendment to the Plan. No Purchaser has the right to benefit from any price, term or condition negotiated with any other Purchaser. Sponsor further reserves the right, at any time and without notice to, or consent of, any Purchaser, Unit Owner or mortgagee, to increase the price of any Unit by a duly filed amendment to the Plan, except that no change with respect to any Unit for which a Purchase Agreement has been fully executed may be made without the consent of such Purchaser. Purchase prices set forth in Schedule A must 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 or more lines of Units or Unit models or is to be advertised. Modifications to the terms and conditions of sale affecting all Purchasers must be modified by a duly filed amendment to the Plan.

The location in the Building, approximate size and layout of the Units are shown on the Floor Plans set forth in Part II of the Plan. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to (a) change the size, layout and square footage of, or number of rooms in, any Unsold Residential Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more such Units into two or more separate Unsold Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Unsold Residential Units, altering any boundary walls between two or more Unsold Residential Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit without changing the percentage of Common Interest of such Unit, and (c) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their aggregate Common Interest. In the event of any change pursuant to either (b) or (c) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements will be made with respect to such Unsold Residential Unit for which a Purchase Agreement is then in effect which increases or decreases the square footage (excluding interior partitions) or Common Interest by more than 5%, or materially changes the Unsold Residential Unit size, the layout or Common Interest of such Unsold Residential Unit, unless the Purchaser consents to such changes. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Unit and will not have any claim against Sponsor as a result of any such change and such change will not affect a Purchaser's obligations under the Purchase Agreement or the Plan. If Purchaser's consent is required as a result of a change due to field conditions, construction variances and tolerances or as a result of Law, including, but not limited to applicable Building codes and regulations, and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to refund to Purchaser the Deposit made under the Purchase Agreement and any interest earned thereon, except for any Unit Upgrade Funds. If Sponsor leases an Unsold Residential Unit, Sponsor's rights with respect to changing the size, layout or square footage of the Units as set forth in this Section of the Plan shall be subject to the rights of the existing tenancies under the leases.

Any change in the number of Residential Units (whether Market Rate or Affordable) requires the consent of HPD.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price of the Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue of a non-material inaccuracy or error in the Floor Plans.

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

Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Unit Owner, any non-material portion of the Common Elements for the exclusive use of such Unit Owner, provided that such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan and the Declaration and Floor Plans will be amended, if required. Additionally, Sponsor reserves the right, in its sole and absolute discretion, to reconfigure and reallocate the size, layout and configuration of the Non-Residential Units and the Common Elements appurtenant to any of the Non-Residential Units, including, without limitation, the egress corridor located on the First Floor of the Building, without the consent of any Unit Owner and/or the Condominium Board, provided that such reconfiguration and/or reallocation has no material and adverse impact on any Unit Owner.

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

USE AND OCCUPANCY AGREEMENTS

Sponsor reserves the right with respect to any Unsold Residential Unit, to enter into a pre-closing Use and Occupancy Agreement with the Purchaser of such Unsold Residential Unit on an interim basis on such terms and conditions as may be agreed to between Sponsor and Purchaser. Purchasers are advised that the occupancy under such Use and Occupancy Agreement is not subject to any governmental regulations, including, without limitation, rent regulations or continued occupancy. Such use and occupancy fees shall be determined by Sponsor in its sole and absolute discretion. No occupancy may commence until a TCO has been obtained for such Unsold Residential Unit.

The Use and Occupancy Agreement will provide, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unsold Residential Unit which is the subject of the Use and Occupancy Agreement will constitute a default under the Use and Occupancy Agreement entitling Sponsor, at its option, to terminate such Use and Occupancy Agreement in accordance with Law. In addition, each Purchase Agreement will provide that an uncured default by the Purchaser under any Use and Occupancy Agreement with respect to the Unsold Residential Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its option, to terminate such Purchase Agreement and to exercise any remedies provided therein. If Sponsor elects to terminate the Purchase Agreement, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified default and follow the default procedures set forth in the section of the Plan entitled "Procedure to Purchase." However, prior to Sponsor utilizing the default under the Use and Occupancy Agreement to declare a default under the Purchase Agreement, Sponsor must obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser unless the Purchaser has vacated the Unit. In addition, in the event a Purchaser is permitted to take possession of the Unsold Residential Unit prior to Closing, such Purchaser will be required to obtain casualty and liability insurance for their own benefit in such amounts as determined by Sponsor.

In the event (i) that Purchaser defaults under the terms of the Use and Occupancy Agreement which default is not cured within 10 days of notice (other than Purchaser's failure to make a Payment within ten (10) days of the first day of the month in which such Payment is due, in which event Sponsor shall not be required to send notice of default and the event of default shall be deemed to have occurred on the 11th day after the date on which such Payment is due), or (ii) that the term of the Use and Occupancy Agreement expires, Purchaser agrees to vacate and deliver full possession of the Unit to Sponsor in broom-clean condition within 10 days of written notice from Sponsor or its attorney.

The Use and Occupancy Agreement shall be substantially in the form set forth in Part II of the Plan.

Purchasers entering into a Use and Occupancy Agreement for an Unsold Residential Unit will be required to pay the legal fees of Attorney for Sponsor in connection therewith upon execution of the Use and Occupancy Agreement. All other charges or other fees due under the Use and Occupancy Agreement will be adjusted as of the Closing of Title to the Unsold Residential Unit and no portion of the Use and Occupancy fee paid under the Use and Occupancy Agreement will be credited towards the Purchase Price of an Unsold Residential Unit unless the Use and Occupancy Agreement expressly provides. Notwithstanding the foregoing, Sponsor will be under no obligation to enter into any Use and Occupancy Agreement.

All Use and Occupancy Agreements for Unsold Affordable Units will comply with the Affordable Housing Declaration.

PROCEDURE TO PURCHASE

A Purchaser desiring to purchase a Residential Unit will be required to execute a Purchase Agreement, which will be in the form set forth in Part II of the Plan. A Purchaser also interested in acquiring a Storage Locker will be required to execute the form of Rider annexed to the Purchase Agreement set forth in Part II of the Plan. Eligible Buyers of Affordable Units must also comply with the applicable requirements of this Section.

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

Although a Purchaser may obtain financing from any lending institution or other source, Purchaser's obligation to purchase a Residential Unit is not contingent on Purchaser obtaining financing, except for Eligible Buyers under the limited conditions set forth in the Section below and the terms of the Purchase Agreement. Neither Sponsor nor Selling Agent makes any representation as to the availability or terms of any form of financing. Purchasers may want to finalize their financing arrangements before signing a Purchase Agreement. While the First Closing is projected to occur on or around July 1, 2018, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment.

Purchase Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the Purchaser. Sponsor reserves the right to request thorough identification and financial information (including credit reports and litigation searches) concerning any Purchaser, subject to any limitations and requirements imposed by Law.

Sponsor will have 30 days after delivery by Purchaser of an executed Purchase Agreement and the required Deposit, within which to accept or reject the Purchase Agreement. If a Purchase Agreement is not accepted by Sponsor within the 30 day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and the Deposit shall be returned to Purchaser within 30 days thereafter. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, to refuse to approve and execute (a) a Purchase Agreement for any Residential Unit, except as prohibited by Law, and (b) a Purchase Agreement for more than one Residential Unit to any Person.

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

At the time of execution of a Purchase Agreement, Market Rate Unit Purchasers are required to deliver an Initial Deposit in an amount equal to 10% of the Purchase Price. Market Rate Unit Purchasers are required to deliver an Additional Deposit in an amount equal to 5% of the Purchase Price upon the earlier to occur of (i) 6 months after such Market Rate Purchaser executes the Purchase Agreement or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective. A Market Rate Unit Purchaser

executing a Purchase Agreement on or after the date the Plan is declared effective is required to make the full Deposit in an amount equal to 15% of the Purchase Price. Sponsor may require that Purchasers of more than a single Market Rate Unit deliver a Deposit in excess of that set forth in the Plan, which amount shall be on terms individually negotiated with each Market Rate Purchaser. Eligible Buyers of Affordable Units are only required to make a single Deposit equal to 5% of the Purchase Price which sum shall be payable at the time of execution of the Purchase Agreement. All Deposits must be by official bank check drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association or by wire transfer. made payable to the direct order of "Starr Associates LLP, as escrow agent." All checks delivered in payment of the Deposit shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be cancelled and of no further force or effect.

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

The Balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Residential Unit and, if applicable, the Storage Locker License by wire transfer (at Sponsor's sole option) or, official bank check drawn on or issued by a 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 shall so notify Purchaser. Any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. The deed and Storage Locker License will be substantially in the form as set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposit will be credited or paid to Purchaser at Closing.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about July 1, 2018. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the projected date or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame, to rescind their Purchase Agreement. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Unit Upgrade Funds to the extent that such funds have been expended. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

Following the Plan being declared effective, Sponsor will deliver to each Purchaser a written notice of the time and place of Closing at least 30 days prior to the Closing Date specified therein ("Scheduled Closing Date"). In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole discretion,

may elect by notice to Purchaser to either: (i) cancel the Purchase Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) the entire Deposit and any interest earned on the Deposit and (b) Unit Upgrade Funds. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with the Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection).

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

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS UNDER THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF ALL DEPOSITS AND THE BALANCE OF THE PURCHASE PRICE. FUNDS DRAWN ON FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE.

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

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

such Unit Owner of the terms, provisions and conditions of the By-Laws of the Condominium. In the event that such Foreign Government Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Foreign Government Unit Owner is in default. Thereafter, the Foreign Government Unit Owner shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

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

Purchasers are prohibited from listing their Unit for sale with any broker or placing or authorizing any listing in any broker's listing system or any other listing service or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale for a period of twelve (12) months after the First Closing without the prior approval of Sponsor. The foregoing restriction shall no longer apply at such time as Sponsor no longer owns any Unsold Residential Units.

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

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

The risk of loss to any Residential Unit by fire or other casualty until the Closing for such Residential Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Residential Unit, at which time such risk, to the extent not covered by existing insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore 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 a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Residential Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price of the Residential Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Residential Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Residential Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Residential Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return the Deposit, together with any interest earned thereon, except for any Unit Upgrade Funds to the extent that such funds have been expended, to

Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

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

Sponsor is obligated to provide only the equipment, fixtures and furnishings set forth in the "Description of Property and Improvements" set forth in Part II of the Plan. If a Person desiring to purchase a Residential Unit requests that Sponsor perform special or additional work in the Residential Unit or provide extra or upgraded fixtures or finishes, including, but not limited to, any deviation from the materials or specifications described in the Description of Property and Improvements set forth in Part II of the Plan, and Sponsor agrees in writing to perform such work and/or provide such fixtures or finishes, then Sponsor may require such Person to deposit an amount greater than the Deposit required under the Purchase Agreement.

SPONSOR SHALL IN NO EVENT BE OBLIGATED TO PERFORM ANY WORK TO THE PROPERTY, THE BUILDING, THE UNITS OR THE COMMON ELEMENTS OTHER THAN AS REQUIRED BY THE TERMS OF THE PLAN AND THE "DESCRIPTION OF PROPERTY AND IMPROVEMENTS" SET FORTH IN PART II OF THE PLAN.

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

At Closing, each Purchaser will be required to execute and deliver a Unit Power of Attorney in favor of the Condominium Board and Sponsor, the failure of which shall be a default under the Purchase Agreement entitling Sponsor to all of the remedies set forth in the Plan and the Purchase Agreement.

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

FOR AFFORDABLE UNIT PURCHASERS ONLY:

The Initial Sale of Affordable Units to Eligible Buyers shall be made in accordance with the Affordable Housing Declaration and pursuant to a lottery conducted in accordance with HPD's marketing guidelines. Applications for the lottery shall be completed by prospective Purchasers of the Affordable Units during the designated application period, the time and duration of which shall in accordance with such guidelines. There shall be no fee for each application, but Sponsor reserves the right to charge a fee for a credit and criminal record investigation fee, the amount of which shall be approved by HPD. The lottery will

be held approximately 7 to 10 business days after the close of the application period. Applications for the lottery shall be mailed to a post office box location which shall be specified in the advertisements. The application will require prospective Purchasers of Affordable Units to supply substantial personal and financial information including, without limitation, employment status, annual income and monthly debts, a criminal background check, and an authorization to check credit history. Applications which are timely received will be opened at random by Sponsor in the presence of one or more representatives from HPD and logged in the order in which they were opened.

Pursuant to the Affordable Unit Requirements, certain applications will be prioritized based upon the following preferences: 5% of the Affordable Units (1 Unit) for mobility impairments, 5% of the Affordable Units (1 Unit) for NYC municipal employees, 2% of the Affordable Units (1 Unit) for visual or hearing impairments, 50% of the Affordable Units (6 Units) for residents of Community Board 3, which includes a Former Site Tenant which is a tenant who lived in a building in Seward Park Urban Renewal Area, which is bounded by Delancey Street to the North, Essex Street to the West, Grand Street to the South and Willet Street to the East, between 1967 and 1973 when the buildings were cleared. Residents of New York City shall also have priority over non-residents. Once the foregoing preferences have either been achieved, or waived by HPD, following the lottery, non-preference applications shall be submitted for approval.

Sponsor assumes that prospective purchasers of Affordable Units will be interviewed by a staff member of HPD. Applicants shall receive a notice in the mail prior to the interview and shall have not less than 10 business days between the postmark date on the letter and the interview date. In cases where the prospective Purchaser does not respond to the notice, Sponsor shall mail such prospective Purchaser a second letter to request an interview. The prospective Purchaser shall be given 5 business days from the postmark date on the second letter in which to respond. Pursuant to HPD's marketing guidelines, home visits may be made in order to assess the prospective Purchaser's qualification for eligibility.

As discussed further in other sections of the Plan, the Affordable Units are being offered solely to parties whose annual Household income is no greater than 130% of AMI. If it is determined that an applicant meets the income eligibility requirements, then a credit check shall be performed on the applicant. The credit investigation fees payable by the applicant and is non-refundable. Applicants who are advised that they appear to be ineligible because of income, creditworthiness, or any other element of their application will be so informed in writing.

HPD will notify applicants whom it has preliminarily determined to be eligible to purchase, to obtain a copy of the Plan. Applicants shall have a period of 10 business days from the date of the postmark on the notice to deliver the requisite Deposit, and executed Purchase Agreement to Sponsor. Purchasers who fail to deliver the requisite Deposit and executed Purchaser Agreement within such time frame shall be deemed to have waived their right to purchase an Affordable Unit, and Sponsor shall proceed to offer the Affordable Unit to the next eligible applicant on the log.

Prospective Purchasers who submit 2 or more copies of an eligibility application shall be automatically disqualified from consideration. No employee, agent, employee of an agent, or family member of Sponsor shall be permitted to apply for an Affordable Unit through the lottery procedure or through open marketing, if applicable.

In the event that Affordable Units are available after all applications have been processed, the applicant log has been reviewed in its entirety, and Affordable Units remain available, Sponsor may request HPD's consent to conduct open marketing. Open marketing would allow Sponsor to implement additional marketing devices such as additional signage. Sponsor may also hire brokers to sell the remaining Affordable Units under an open marketing campaign.

Sponsor is not permitted to either countersign Purchase Agreements or to collect any Deposit from any prospective Purchaser of an Affordable Unit until HPD has approved the Purchaser's purchase application in writing.

Purchaser and the Affordable Unit shall be bound by the Affordable Unit Requirements, which are incorporated herein by reference. As a condition of purchasing an Affordable Unit, Purchaser shall be fully qualified as an Eligible Buyer approved as an Eligible Buyer by HPD and shall execute any documentation necessary to satisfy HPD as to such requirements. It is a condition to receiving the benefit of the below-market Purchase Price that in the event that Purchaser ceases to qualify as an Eligible Buyer at any time from the date of the Purchase Agreement until the closing date, Sponsor reserves the right to unilaterally terminate a Purchaser's Purchase Agreement and return that Purchaser's Deposit with all interest accrued and thereafter neither party shall have any further rights or obligations with respect to their Purchase Agreement. In the event Sponsor conveys the Affordable Unit to Purchaser and subsequently it is determined that Purchaser fraudulently certified its Annual Income to Sponsor or to HPD, the deed conveying title to the Affordable Unit shall become void and Purchaser shall be evicted from the Affordable Unit.

Financing Contingency for Affordable Unit Purchasers

In order for Sponsor to accept a Purchase Agreement with a financing contingency, an Eligible Buyer must deliver to Sponsor prior to or with an executed Purchase Agreement and Deposit, a letter of prequalification or "preliminary approval" of Purchaser's eligibility for a mortgage loan secured by the Affordable Unit from JP Morgan Chase Bank, M&T Bank and Citibank, or other bank as approved by Sponsor in its sole discretion. The financing contingency will be for a mortgage up to 90% of the Purchase Price. Provided Purchaser delivers such letter to Sponsor prior to or with the executed Purchase Agreement and Deposit, the terms of the financing contingency shall be as set forth in the Purchase Agreement contained in Part II of the Plan.

ESCROW AND TRUST FUND REQUIREMENTS

All deposits, down payments, advances and payments made by Purchasers prior to the Closing ("Deposits") will be held in escrow in conformity with the disclosure contained in this Section of the Plan and in accordance with the escrow provisions contained in the Purchase Agreement.

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

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

All Deposits made by Purchasers prior to the Closing of each individual transaction will be placed in a segregated special escrow account of Starr Associates LLP, the escrow agent ("Escrow Agent"), whose address is 220 East 42 Street, Suite 3302, New York, New York 10017 and whose telephone number is (212) 620-2680. As of the Filing Date of the Plan, the attorneys who are signatories on these accounts authorized to withdraw funds, acting singly, are: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq and Adam Kriegstein, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any Authorized Signatory is Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

Escrow Agent has established a master escrow account entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account") at Signature Bank located at 261 Madison Avenue, New York, NY 10016 ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York. Deposits properly made payable to "Starr Associates LLP, as Escrow Agent" will be placed in the Master Escrow Account within 5 business days after tender by Purchaser to Sponsor or Selling Agent. Any subsequent Deposit tendered by Purchaser after the Initial Deposit will be placed in the Master Escrow Account within 10 business days after tender by Purchaser to Sponsor or Selling Agent. Escrow Agent shall execute the Purchase Agreement Escrow Rider with respect to its obligations in this Section.

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

All Deposits, except for any Unit Upgrade Funds, are and shall continue to be the Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, until such time as Sponsor is entitled to the Deposit as per GBL § 352-h. Unit Upgrade Funds will initially be placed in the Master Escrow Account. However, Purchasers should note that such funds may be released from the Master Escrow Account by Escrow Agent to Sponsor to pay, or reimburse Sponsor, for such upgrades or extras. As a result, in the event Sponsor cancels the Purchase Agreement or Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, Purchaser will not receive a refund of any of the Unit Upgrade Funds, except if Sponsor abandons or withdraws the Plan in which case the Unit upgrade funds will be returned to Purchaser. Escrow Agent shall be under no duty to verify that Sponsor used or committed such funds for upgrades or extras.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the tender of the Deposit. If Purchaser does not receive notice that the Deposit has been placed in the Master Escrow Account within 15 business days after tender of the Deposit, Purchaser may cancel the Purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after tender or crediting of the Deposit by notice delivered to Sponsor and to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. Escrow Agent will not be required to send the letter referred to above to each Purchaser in connection with any additional Deposits tendered by Purchaser after the Initial Deposit (or in connection with any changes in the interest rate).

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

Under current Law, the sub-accounts at the Escrow Bank are insured by the Federal Deposit Insurance Corporation ("FDIC") to a maximum of $250,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $250,000 such Deposit will not be FDIC insured in excess of $250,000; and (ii) while the Deposit is in the non-interest bearing portion of the Master Escrow Account, the Deposit may not be fully FDIC insured even if the Deposit does not exceed $250,000. No representation is made with respect to any further changes in Law which may increase or decrease such limit.

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

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

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

portion thereof is delivered by wire transfer to Escrow Agent, any wiring fees charged by the initiating and/or receiving banks will be Purchaser's obligation.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to Sponsor only in the event there is a Consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of June 15, 2015, the interest rate for the Escrow Bank is 0.30%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no guarantee of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Master Escrow Account into the sub-escrow account portion of the Master Escrow Account, as determined by whether and when the Deposit clears.

All instruments shall be made payable directly to the order of "Starr Associates LLP, as escrow agent." Endorsed instruments will not be accepted.

If a check delivered by a Purchaser fails for collection, the Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed).

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

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

Escrow Agent shall release the Deposits if so directed:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ASSIGNMENT OF PURCHASE AGREEMENTS

No Third-Party Assignment

Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld or delayed. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay to Starr Associates LLP a fee of $1,250, in advance, for preparation of an assignment and assumption agreement. Any purported assignment by Purchaser in violation of this Section shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in the Section of the Plan entitled "Procedure to Purchase," and shall be voidable at the option of Sponsor.

Notwithstanding the foregoing, Purchase Agreements for Affordable Units may not be assigned.

EFFECTIVE DATE

The offering by Sponsor of the Residential Units under the Plan is contingent upon the Plan being declared effective. The First Closing shall not occur until the Plan has been declared effective. The Plan may be declared effective, at Sponsor's option by (i) an amendment to the Plan or (ii) notice to each Purchaser stating that the Plan is declared effective and submission of an amendment to the Department of Law within 5 days confirming that the Plan was declared effective on a specified date. The Plan may be declared effective, at Sponsor's option, at any time when bona fide purchasers, including investors, have executed Purchase Agreements with respect to not less than 20% of the Units offered for sale (i.e. 9 Units assuming 55 Units offered for sale). The Plan must be declared effective at such time as Purchase Agreements have been executed and are in effect with respect to 80% of the Units offered for sale (i.e., 44 Units assuming 55 Units offered for sale). In the event that all Purchase Agreements are rescinded or terminated prior to the date of the First Closing, Sponsor will re-declare the Plan effective by submission of an amendment to the Department of Law.

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

Once the Plan has been declared effective, it may not thereafter be abandoned, except that, prior to the First Closing, the Plan may, at the option of Sponsor, be abandoned in the event of: (1) the existence of one or more title defects (including violations of record or work orders of a mortgagee or insurance carrier) affecting any one or more Units or the Property that cannot be removed, complied with or cured without litigation or for less than ½ of 1% of the total offering amount in the aggregate, and which are not waived by the Purchasers thereof; (2) a substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than ½ of 1% of the total offering amount in the aggregate; or (3) a taking of a material portion of the Property in condemnation proceedings or by eminent domain. Excluded from the dollar amounts set forth in (1) and (2) above are attorneys' fees and title defects (including violations of record or work orders) or determinations of any authority or regulatory association which existed on the Filing Date of the Plan and were either known to Sponsor or were a matter of public record.

If the Plan is abandoned and Sponsor has accepted Purchase Agreements, then Sponsor shall file an amendment with the Department of Law abandoning the Plan together with a form RS-3. If Sponsor has accepted Purchase Agreement, all Deposits, together with any interest earned thereon, including for Unit Upgrade Funds, will be returned to Purchasers 5 days after the Filing Date of the amendment abandoning the Plan. Upon the return of the Deposits, as aforesaid, the Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to Purchaser under the Plan or the Purchase Agreement. If the Plan is abandoned and Sponsor has not accepted Purchase Agreements, then Sponsor shall file a form RS-3 with the Department of Law without an amendment, which form RS-3 shall be served simultaneously by Sponsor on all commercial and professional tenants, if any.

TERMS OF SALE

The term "Closing" refers to the conveyance of title to a Residential Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the Purchase Price for such Residential Unit. The Closing to each Residential Unit shall be held at the office of Starr Associates LLP, 220 East 42nd Street, New York, New York or at such other place as Sponsor may designate.

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

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

(b) a TCO or PCO for the Residential Unit is in effect. Issuance of a TCO or PCO for the Residential Unit shall be deemed presumptive evidence of substantial completion of the Residential Unit and is the only construction-related prerequisite that must occur before Sponsor may require the closing of title. A TCO is not required for the closing of Storage Locker Licenses. A Purchaser will be required to consummate the purchase of the Residential Unit and a Storage Locker License simultaneously at Closing even though a TCO has not been issued for the Storage Locker Area. In such event, the proceeds from the sale of the Storage Locker License will be held in the Storage Locker Escrow by Escrow Agent until such time as a TCO has been issued for the Storage Locker Area. The Storage Locker Escrow will not be held in an interest bearing escrow account, and, therefore, Purchaser will earn no interest on the Storage Locker Escrow.

(c) the recording or filing of the Declaration, By-Laws, Tax Lot Drawings and architect and tax authority certifications required by Section 339-p of the New York Condominium Act or other applicable Law, the Affordable Housing Declaration and such other documents as may be required by Law.

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

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

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

(g) in the case of Affordable Units, approval of Eligible Buyers by HPD.

(h) the conveyance of title to the Residential Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions and (2) liens and encumbrances other than Permitted Encumbrances to which the Residential Unit's title is subject, either (A) which have been expressly accepted by Purchaser, or (B) for which the instrument required to remove it of record has been delivered to the Title Company for recording in the proper office, together with the requisite recording or filing fees or delivered to the representative of Purchaser's title insurance company (or, if none, to Purchaser's attorney); or (C) as to which the Title Company will insure (without additional premium to Purchaser) that such lien or encumbrance will

not be collected out of or enforced against the Residential Unit; or (D) as to which Sponsor, at its sole option, pays and discharges from monies paid by Purchaser at Closing.

Sponsor shall be entitled to deliver a 30 day closing notice once the Plan has been declared effective and prior to meeting the remaining Closing prerequisites set forth in this section, including, but not limited to, the issuance of a TCO or PCO.

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

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

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

(c) a notice to Managing Agent indicating whether a child under the age of 11 will be living or residing (even temporarily) in the Residential Unit or if the Purchaser wants to have window guards and/or legally compliant window stops installed on the windows of the Residential Unit even though no child under the age of 11 will be living in the Residential Unit. In the event that window guards and/or legally compliant window stops are to be installed in the Residential Unit, such installation shall be performed at the direction of Managing Agent and the cost thereof (for the window guards and/or legally compliant window stops and installation and any additional equipment required by Law) shall be charged to and paid by the Purchaser of the Residential Unit.

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

(e) all other documents necessary and/ or customary in connection with the conveyance of a condominium unit as directed by Sponsor's attorney, including, without limitation, all additional documents required for the purchase of an Affordable Unit under the Affordable Unit Requirements (as defined in the Plan) and/or by HPD, including, without limitation, the Owner Occupancy Affidavit in the form annexed to the Purchase Agreement as Schedule D, the Enforcement Mortgage, and the Enforcement Note.

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

Ongoing construction in the Building or other Units and/or the absence of a TCO or PCO for any other Unit or portion of the Common Elements shall not constitute a basis for Purchaser's failure or refusal to close.

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in the sale.

In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances, which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title subject to the title defect or (ii) terminate the Purchase Agreement, within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. A Purchaser electing to proceed with the purchase of the Unit will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Purchase Agreement and

will have no claim or right of action against Sponsor for damages or otherwise by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money in excess of ½ of 1% of the Purchase Price of the affected Unit to make title insurable or to eliminate any encumbrances or title defects. If Purchaser elects to terminate the Purchase Agreement, Sponsor shall cause the Deposit together with any interest earned thereon, except for any Unit Upgrade Funds to the extent such funds have been expended to be returned to Purchaser, within 30 days after receipt of Purchaser's termination notice. Upon making such refund, Sponsor and Purchaser shall be relieved of all further obligations and liabilities under the Purchase Agreement and the Plan.

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

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

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

Any personal property located within the Unit (if any) on the date the Purchase Agreement is executed or located within the Common Elements on the date the Declaration is filed, that is owned by Sponsor, is included in the conveyance unless specifically excluded in the Purchase Agreement or the Plan.

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

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

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

(b) If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium therefor, which will vary depending upon the amount requested. Purchasers are advised that because the Building will contain 10 or more Units the premium will be calculated at a discounted rate of 70% of the standard fee policy rates. First American Title Insurance Company, having an office at 666 Third Avenue, New York, New York 10017 (Telephone: (212) 922-9700, Facsimile: (212) 922-0881) ("Title Company"), has provided Sponsor with the standard fee policy rates as set forth below:

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

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

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

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

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

SIMULTANEOUS MORTGAGE RATE SCHEDULE

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

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

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

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

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

	Purchase Price $500,000 or less	Purchase Price Greater than $500,000
Tentative City Tax:		
Consideration	$400,000	$1,500,000
Tax Rate	x 1%	x 1.425%
Tentative tax	$ 4,000	$ 21,375
Tentative State Tax:		
Net Consideration	$400,000	$1,500,000
Rounded up to nearest $500	$400,000	$1,500,000
Tentative tax ($2 per $500)	$ 1,600	$ 6,000
City Tax:		
Consideration	$400,000	$1,500,000
Tentative taxes	+ 5,600	+ 27,375
Taxable Consideration	$405,600	$1,527,375
Tax Rate	x 1%	x 1.425%
City Tax	$ 4,056	$ 21,765
State Tax:		
Net Consideration	$400,000	$1,500,000
Tentative taxes	+ 5,600	+ 27,375
Taxable Consideration	$405,600	$1,527,375
Rounded up to nearest $500	$406,000	$1,527,500
State Tax ($2 per $500)	$ 1,624	$ 6,110

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

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

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

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

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

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

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

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

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

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

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

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

(3) If Purchaser requires that the Closing occur other than at the office of Starr Associates LLP, or such other place as Sponsor may designate, and Sponsor consents to such change (in Sponsor's sole discretion), an additional attendance fee of $750 for each Closing held within Manhattan. No Closing will be held in any borough outside Manhattan.

(4) 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 (which request in all instances must be received by Sponsor's attorney no later than 7 business days prior to the Scheduled Closing Date), a fee of $1,250, payable in advance, for preparation of an assignment agreement.

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

(6) If Purchaser obtains mortgage financing, the Purchaser shall pay an additional fee of $750 to defray the costs associated therewith.

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

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

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

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

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

Partial Assignments of Sponsor's Construction Loan Mortgage

In the event that Sponsor is ineligible for a mortgage tax credit, in whole or in part, Sponsor's intention is for its mortgage lender to assign a portion of its mortgage(s) ("Mortgage") to each Purchaser's lender, with the lender's cooperation, when and if a Purchaser obtains financing. Each Purchaser's loan would, therefore, consist of a portion of the assigned Mortgage, for mortgage tax purposes.

Mortgage assignments (as opposed to new mortgages) are exempt from mortgage recording tax. Since a portion of the Mortgage would be assigned to each Purchaser's lender as each Unit is conveyed from Sponsor to Purchaser, the Purchaser would be exempt from paying mortgage recording tax to the City and State of New York to the extent that his mortgage consists of the assigned Mortgage. At the closing, Sponsor would receive a payment from Purchaser equal to (but not in excess thereof) the mortgage tax that would otherwise be payable to the City and State of New York on the recording of Purchaser's mortgage.

The partial mortgage assignment would have no adverse impact on the purchase price of the Unit or on Purchaser's mortgage payment. Pursuant to the terms of the Purchase Agreement, the form of which is set forth in Part II of the Plan, all Purchasers will be required to advise their lender of this provision in the Plan and in the Purchase Agreement, and make a good faith effort to cooperate with Sponsor and Sponsor's lender in connection with the partial assignment of its Mortgage.

Example of Estimated Closing Costs for a Typical Market Rate Unit

A numerical example of estimated closing costs and expenses for a single Market Rate Unit with a Purchase Price of $2,000,000 and a mortgage of $1,000,000 are set forth below by way of illustration only. All tax rates, title insurance premiums and recording rates are subject to change:

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium for $2,000,000 of owner's insurance	(70% first condo bulk sale rate)	$5,717.00
Mortgage Insurance Premium for $1,000,000 of lender's insurance	(21% first condo bulk sale simultaneous rate)	$791.00
NYC RPT Tax	NOTE: transfer taxes are based upon bulked-up consideration of $1,036,500. The NYC RPT rate is 1.425%.	$29,020.00
NYS Mansion Tax	1% of bulked-up consideration	$20,365.00
NYS Transfer Tax	The tax rate is $2 for every $500 of consideration or fraction thereof.	$8,146.00
Mortgage Recording Tax	The tax rate is 2.175%. The borrower pays 1.925% - $30. This does not include the lender's ¼ point of mortgage tax in the amount of $2,500.	$19,200.00
Departmental and Bankruptcy Searches	Title Searches	$419.00
Estimated Recording Fees	(one deed, one mortgage and one condo power of attorney)	$525.00
Estimated Lender's Title Endorsements	Three endorsements at $25 each.	$75.00
Closing fees to Starr Associates LLP	Basic closing fee, ACRIS document preparation fee and mortgage financing fee	$3,500.00
Working Capital Contribution	2 months' Common Charges	See Schedule A
Total Estimated Closing Costs	Excluding Working Capital Fund	$87,758.00

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

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

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

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

Example of Estimated Closing Costs for a Typical Affordable Unit

A numerical example of estimated closing costs and expenses for a single Affordable Unit with a Purchase Price of $270,409 and a mortgage of $256,888.55 (95% of Purchase Price) are set forth below by way of illustration only. All tax rates, title insurance premiums and recording rates are subject to change:

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium for $270,409 of owner's insurance	(70% first condo bulk sale rate)	$905.00
Mortgage Insurance Premium for $256,888.55 of lender's insurance	(21% first condo bulk sale simultaneous rate)	$257.00
NYC RPT Tax	NOTE: transfer taxes are based upon bulked-up consideration of $274,195. The NYC RPT rate is 1%.	$2,741.95
NYS Transfer Tax	The tax rate is $2 for every $500 of consideration or fraction thereof.	$1,098.00
Mortgage Recording Tax	The tax rate is 2.05%. The borrower pays 1.80% - $30. This does not include the lender's ¼ point of mortgage tax in the amount of $642.25.	$4,594.20
Departmental and Bankruptcy Searches	Title Searches	$500.00
Estimated Recording Fees	One deed, one mortgage and one condo power of attorney	$200.00
Estimated Lender's Title Endorsements	Three endorsements at $25 each.	$75.00
Closing fees to Starr Associates LLP	Basic closing fee and ACRIS document preparation fee and mortgage financing fee	$3,500.00
Working Capital Fund	2 months' Common Charges	See Schedule A
Total Estimated Closing Costs	Excluding Working Capital Fund	$13,871.15

This example does not include the following costs or fees, to the extent applicable: Purchaser's financing costs, legal fees of Purchaser's attorney, additional legal fees payable to Sponsor's attorney as set forth in paragraph (g) above, recording additional documents, penalty for late closing or adjustments with Sponsor (including mortgage recording tax reimbursement), apportionment of real estate taxes and insurance as described below and a credit check fee required by HPD as a part of the Affordable Unit application process. Notwithstanding the foregoing, pursuant to the Affordable Housing Declaration, a Purchaser of an Affordable Unit shall have no obligation to pay closing costs and expenses in excess of 5% of the Purchase Price which excess closing costs and expenses shall be paid for by Sponsor.

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

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

In the event Sponsor obtains a construction or acquisition loan which satisfies certain parameters and pays a mortgage recording tax thereon, it is specifically understood that, any mortgage tax credit shall inure to the benefit of Sponsor. Accordingly, at Closing, each Purchaser may pay all or a portion of the mortgage recording tax to Sponsor, to the extent of any mortgage tax credit allowed.

Closing Adjustments

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

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

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

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

With respect to subsequent Future Taxes, until the Units are separately assessed and individual tax bills are issued, the Condominium Board shall collect a Unit Tax Payment from each Unit Owner which Unit Tax Payment shall constitute additional Common Charges. Unit Tax Payments shall be payable by Unit Owners within 5 days of the date billed by the Condominium Board and shall be due and payable by such Unit Owner to the Condominium Board irrespective of whether such Unit Owner is required to escrow funds with a Lender in connection with a mortgage loan on such Unit. If any Unit Owner fails to make the Unit

Tax Payment as set forth above, the Condominium will have a lien on the Unit for non-payment in the same manner as Common Charges (see the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection: " Common Charges: Collection and Lien for Non-Payment" for details).

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

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

Other Costs

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

RIGHTS AND OBLIGATIONS OF SPONSOR

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

(a) Sponsor has procured financing for the construction of the Building from Goldman Sachs Bank USA ("Construction Lender"). Sponsor will receive advances each month from Construction Lender provided Sponsor complies with the provisions of the construction loan regarding its responsibilities to use the funds advanced in the agreed manner and generally proceeds with the construction as agreed to in the loan documents. Pursuant to the terms of the construction loan documents, Sponsor must (i) enter into Purchase Agreements for at least 20% of the Residential Units prior to declaring the Plan effective, and (ii) meet certain minimum release prices prior to Construction Lender's release of its lien against the Residential Unit.

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

(c) Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about July 1, 2018. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the projected date or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor, it being understood that nothing contained in this Section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreement for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Unit Upgrade Funds to the extent such funds are expended. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon, except for any Unit Upgrade Funds to the extent such funds are expended (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

(d) Sponsor will perform such work and supply such materials, or will cause the same to be performed and supplied, and will bear all costs and expenses in connection therewith, as is necessary in order to complete the Building with a quality of construction comparable to the currently prevailing local standards and in accordance with the Plans and Specifications.

(e) Notwithstanding anything to the contrary, Sponsor reserves the right, in its sole and absolute discretion, without prior notice to Purchasers or amendment to the Plan to (i) modify from time to time the

Condominium Documents and the Plans and Specifications (including changes in layouts and designs) as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of the Units, or due to structural, architectural or mechanical considerations, or otherwise in accordance with the Section of the Plan entitled "Changes in Prices and Units," and/or (ii) substitute materials, appliances, equipment and fixtures that are of Equal or Better Quality in place of those described in the Plan and the Plans and Specifications. Notwithstanding the foregoing, no such modification, including any change in the Common Interest or in the amount or quality of Common Elements will be made which: (x) materially and adversely affects a Unit Owner or Purchaser; (y) increases any obligation of a Unit Owner or Purchaser to any adverse and material degree; or (z) with respect to such Unsold Residential Unit for which a Purchase Agreement is then in effect, increases or decreases the square footage (excluding interior partitions) or Common Interest by more than 5%, or materially changes the unit size, layout or percentage of Common Interest of such Unsold Residential Unit, unless the Purchaser consents to such changes. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Residential Unit and will not have any claim for damages or losses against Sponsor as a result of any such change and such change will not affect a Purchaser's obligations under the Purchase Agreement or the Plan, it being understood that nothing contained in this Section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. If Purchaser's consent is required as a result of a change due to field conditions, construction variances and tolerances or as a result of Law, including, but not limited to applicable Building codes and regulations, and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to refund to Purchaser the Deposit made under the Purchase Agreement and any interest earned thereon, except for any Unit Upgrade Funds to the extent such funds are expended. Any material and adverse modification will be reflected in an amendment to the Plan.

(f) At the First Closing, Sponsor will deliver, assign, or otherwise grant to the Condominium Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from contractors, suppliers, or others in connection with the construction and equipping of the Building, except that assignable warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in any Unit shall be assigned to the Purchaser on the Closing Date, including the warranties and undertakings received by Sponsor which relate to appliances, equipment, or fixtures located in the Units and the Common Elements. Sponsor makes no representation as to which, if any, of the warranties and other undertakings will continue to remain in force upon the Closing of any particular Unit. Sponsor shall have no liability or responsibility in the event a warrantor is unable, unwilling or for any reason, fails to perform under its warranty.

(g) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("PCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and PCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property 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 DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance units, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario will occur. No closing of a Residential Unit will occur prior to the issuance of a TCO for the particular Residential Unit. Sponsor will undertake the responsibility for extending each TCO prior to its expiration, and ultimately for obtaining a PCO covering the entire Building within 2 years from the date of the issuance of the first TCO, subject,

however, to (i) Force Majeure, (ii) actions by Unit Owners or tenants of Unit Owners, (iii) work undertaken in a Unit by a Unit Owner, except in instances where Sponsor or Sponsor-controlled Condominium Board have given its consent to a Unit Owner to perform alterations, (iv) work undertaken in Common Elements by the Condominium Board after Sponsor no longer controls the Condominium Board (v) work undertaken in the Non-Residential Units or (vi) any other cause over which Sponsor has no control. Sponsor makes no representation or guarantee that the DOB will issue the PCO within such 2 year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the PCO for the Building, and shall exercise best efforts to obtain the PCO within such 2 year period while keeping the TCO current. Unit Owners and the Condominium Board shall be obligated to cooperate with, and refrain from obstructing, Sponsor in these undertakings.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations prior to the procurement of a PCO, such renovations may cause additional delays in the issuance of a PCO. Nevertheless, Sponsor and its principals are obligated to procure the PCO. However, Sponsor or the Condominium Board may refuse to permit a Residential Unit Owner to perform alterations until such time as a PCO has been obtained.

Additionally, since more than 50% of the square footage of the Building is comprised of commercial space which will likely be leased to retail tenants in "white box" condition (i.e. with minimally finished or unfinished interiors), DOB will not issue a PCO for the entire Building until such time as the retail tenants have completed customization of such retail unit. As such, the issuance of a PCO for the Building will likely experience significant delays.

Purchasers are advised to visit the DOB website for further recommendations when purchasing a Unit in a building that does not have a PCO. A Factsheet on Certificates of Occupancy is currently available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

(h) If Sponsor fails to obtain a PCO for the Building prior to the First Closing, Sponsor will be obligated to: (i) direct the Escrow Agent to hold and maintain those monies received pursuant to all Purchase Agreements (see the Section of the Plan entitled "Escrow and Trust Fund Requirements") which would otherwise be payable to Sponsor in the special trust account required by the General Business Law of the State of New York, Sections 352-e(2)(b) and 352(h), provided, however, that if Sponsor's architect, engineer or other qualified expert (collectively, "Sponsors Representative") certifies that a lesser amount than the amount held in the special trust account is reasonably necessary to complete the work needed to obtain a PCO, then the amount exceeding the sum so certified by Sponsor's Representative shall be released from the special escrow account to Sponsor; or (ii) Sponsor shall deposit with Escrow Agent cash or an unconditional, irrevocable letter of credit or post a surety bond in an amount Sponsor's Representative, from time to time, certifies is reasonably necessary to complete the work needed to obtain the PCO. The Buildings Department advises Purchasers of houses and apartments who close title with only a TCO in place to consult with their attorneys or engineers for assurance that sufficient funds are escrowed or otherwise secured for Sponsor to obtain the PCO.

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

(j) The Building will contain certain major mechanical equipment, including, but not limited to, elevator machine rooms, fans, pumps, emergency generator, domestic water tanks, chillers, packaged units and cooling towers (collectively, "Equipment") located on the 4th Floor, roof levels and throughout the Building which may cause noise and vibration. While Sponsor will endeavor to reduce excessive noise and vibration emanating from the Equipment, it will be impossible to eliminate such noise and vibration entirely.

As a result, Residential Units and amenity areas in close proximity may be affected. Notwithstanding the foregoing, any noise or vibration shall not violate any building code related thereto.

(k) No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. It is anticipated that during the first few years of Condominium operation, construction workers and related personnel will be at the Building from time to time, completing construction of the Building and the Units, making adjustments and corrections and performing various tasks relating to the completion of construction. During this period various building systems, including but not limited to water and gas supply, air conditioning, heating, cooling, ventilating and elevators, may require substantial time to complete and may need to be shut down temporarily. Various other adjustments to windows and elevators and other systems may require substantial time to be completed after the First Closing. In addition, the presence of scaffolding, hoists or construction elevator shafts or similar temporary construction facilities, may delay the Closing of Title to certain Residential Units or lines of Residential Units until such scaffolding, hoists, elevators or temporary facilities are no longer needed and are removed. A Purchaser who closes title to his or her Unit during the course of construction of the Common Elements or other Units acknowledges that construction noise, vibration, fumes, odors, dust, debris, scaffolding and other temporary interruption of services may affect Purchaser's enjoyment of the Unit during such period. With regard to the foregoing, in executing a Purchase Agreement, Purchaser acknowledges that Sponsor shall not be liable to Purchaser whatsoever or any third party in the event of non-completion of any item of construction on any projected date, or any interruption of services in the Building. Furthermore, Sponsor makes no representation or warranty (express or implied) that any noise, odors, fumes or vibrations, if any, emanating from mechanical equipment belonging to the Condominium or the Non-Residential Units will not disturb occupants of the Residential Units, and Sponsor shall have no liability whatsoever for any such disturbance to any Unit Owner or occupant.

(l) Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Units, the Building or the Common Elements except as otherwise expressly provided in the Plan. Sponsor agrees to complete construction and to cause all mechanic's liens with respect to the construction of the Building to be promptly discharged or bonded or to deliver any and all requested documents to the title company necessary to insure title to the Unit at no additional cost to Purchaser, if such mechanics lien creates a defect in title (all subject to Sponsor's rights to abandon the Plan).

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

(n) Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") does <u>not</u> apply to this offering as the Building comprises more than 5 stories. Sponsor makes no other

warranties, express or implied, in connection with this offering of the Units and all such warranties are excluded, except as provided in the limited warranty ("Limited Warranty") set forth in this Section. Sponsor will correct, repair, or replace any and all defects relating to construction of the Building, Common Elements or the Units or in the installation or operation of any appliances, fixtures, or equipment therein, or will cause the same to be corrected, repaired, or replaced, but only if:

(1) such defects are due to improper workmanship or construction practices or the use of materials that are of lesser quality and design than those in the Plans and Specifications for the same; and

(2) Sponsor is notified by the Condominium Board or the affected Unit Owner, as the case may be, of the same in accordance with the following, which notice shall be by certified mail, return receipt requested:

(i) with respect to any latent defect (that is, a defect that is not visually ascertainable) in the construction of a Unit, within 1 year of the earlier to occur of the (a) the Closing of Title to the Unit or (b) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing;

(ii) with respect to any patent defect (that is, a defect that is ascertainable through inspection) in the construction of a Unit within 6 months of the earlier to occur of the (A) the Closing of Title to the Unit, or (B) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing, provided, in each instance such patent defect is not caused by the Unit Owner or other occupant of the Unit;

(iii) with respect to any defects (patent or latent) in the construction of the Common Elements, within 1 year from the date of substantial completion of the portion of the Common Elements claimed to be defective. The issuance of a TCO or PCO covering such Common Elements shall be presumptive evidence that the construction of the Common Elements has been substantially completed.

The method of correcting any defect will be selected by Sponsor in its sole discretion. The quality of construction as to any such correction will be comparable to local standards customary in the particular trade or trades involved and will be in accordance with the Plans and Specifications.

Sponsor will be conclusively considered to have discharged any obligation that it may have with respect to the repair of a defect or replacement of a defective item, whether patent or latent, if:

a. Sponsor is not notified of the existence of such defect, in the manner and within the appropriate time period specified above;

b. The Condominium Board and/or Managing Agent and/or the Unit Owner fails to allow prompt access to the Unit in question by Sponsor or Sponsor's contractors;

c. Sponsor has corrected, or caused the correction of, the defect in accordance with the practice of the industry, as determined by Sponsor's general contractor, architect, or engineer, in their sole judgment; or

d. Purchaser, through any act or omission, is the cause of such defect or obstructs, delays, prevents or hinders Sponsor from gaining access to the Unit to repair a defect or replace a defective item.

(3) This Limited Warranty is only available to the first Purchaser of the Unit and Sponsor shall have no liability to any subsequent Purchaser with respect to any claimed defects relating to the construction of the Units, the Common Elements or the Building.

(o) Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Unit Owner as a result of any conditions that are immaterial with regard to the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including appliances and bathroom fixtures) or any other condition:

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

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

(iii) resulting from Purchaser's (i) failure to maintain such appliances, equipment, finishes, materials or fixtures in accordance with manufacturers' guidelines and specifications and (ii) renovations and/or alterations to a Residential Unit or its appurtenant Residential Limited Common Elements; or

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

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

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

c. the installation of access panels throughout the Unit as required by DOB or otherwise installed by Sponsor as reasonably necessary or customary, irrespective of the location and/or quantity of such access panels.

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

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

f. variations in wood floor stains, finishes, grain, tone and seams between floor boards;

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

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

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

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

However, Sponsor is obligated to construct the Building in accordance with the terms of the Plan, all applicable Laws and the Acquisition Documents. Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filing or refinishing the same not caused by the use of the Units by Unit Owners, but Sponsor will not be obligated to replace any such surfaces. Additionally, during the course of construction concrete cracks and/or chips of a material nature on the exterior façade of the Building may be repaired by Sponsor by field patching or other means consistent with good construction practices.

THE ITEMS AND CONDITIONS DESCRIBED ABOVE IN (IV) ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE CONDITIONS IN THEIR UNITS OR THE COMMON ELEMENTS. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF SUCH ITEMS AND CONDITIONS AND SHALL NOT BE LIABLE TO ANY PURCHASER OR CONDOMINIUM BOARD THEREFOR. IF PURCHASER OR CONDOMINIUM BOARD DESIRES TO CORRECT OR REPAIR ANY SUCH ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THE PURCHASER OR CONDOMINIUM BOARD MUST PROCEED AT ITS SOLE COST AND EXPENSE AND/OR UTILIZE ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO IT BY SPONSOR.

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

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

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

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

(t) Sponsor will pay or cause to be paid all contractors, subcontractors and materialpersons 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 Sponsor's construction thereof.

(u) No Closing of a Unit will occur prior to the issuance of a TCO for the particular Unit. Sponsor will perform any work and/or supply any material necessary to obtain a PCO.

(v) Sponsor shall be obligated to defend any suits or proceedings arising out of Sponsor's obligations set forth in the Plan and shall be obligated to indemnify the Condominium Board and Unit Owners against any such action or proceeding.

(w) At or subsequent to the First Closing, Sponsor will deliver to the Condominium Board copies of the following documents, as applicable, and as otherwise in Sponsor's possession: (i) mechanical, electrical and plumbing "as-built" drawings for the Building; (ii) operating and maintenance manuals for mechanical equipment; (iii) electronic system manuals; (iv) major equipment start-up sheets and control system as-built; and (v) original test and balance report for HVAC system.

(x) 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 and Specifications 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 and, in addition, such architect or professional engineer shall make periodic inspections at various stages of construction to determine that the Building is built in accordance with the Plans and Specifications.

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

(z) Sponsor will pay all Common Charges (once Common Charges have been assessed by the Condominium Board), Special Assessments and real estate taxes allocated to any Unsold Residential Units in accordance with the provisions of the By-Laws. Sponsor expects to have the financial resources to meet the aforesaid obligations and to fund same from income from projected sales, the rental or leasing of Unsold Residential Units and Sponsor's other financial resources. No bond or other security will be posted by Sponsor with respect to this obligation.

(aa) At or prior to the First Closing, the Condominium Board or Sponsor (on behalf of the Condominium Board) will procure 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, the types and cost of which insurance has been reflected in the First Year's Budget. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws.")

(bb) 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 Purchasers and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of 6 years from the date of the recording of the Declaration. In addition, a set of Tax Lot Drawings showing the layout, location and approximate dimensions of each Unit and its Unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the Register's Office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

(cc) Sponsor will deliver to the Condominium Board copies of all books of account and records pertaining to the Building's operation which are in Sponsor's possession.

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

(ee) The risk of loss to any Residential Unit by fire or other casualty until the Closing for such Residential Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Residential Unit, at which time such risk, to the extent not covered by existing insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Residential Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion as set forth in the Purchase Agreement) to repair or restore the Residential Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price of the Residential Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Residential Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Residential Unit or if the 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 the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return the Deposit, together with any interest earned thereon except for any Unit Upgrade Funds to the extent such funds have been expended, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

(ff) Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Units and the Common Elements. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere

with the use of any Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personal property or fixtures contained therein.

(gg) Sponsor intends, in good faith, to sell rather than rent Residential Units. However, under the Plan, Sponsor has reserved the unconditional right to rent rather than sell Residential Units after the consummation of the Plan. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium. Although Sponsor shall make a good faith effort to sell the Affordable Units, it reserves the right to rent such Units to persons whose annual Household income is no greater than 130% of AMI. The rents shall be determined by HPD and HDC as a percentage of prescribed income.

(hh) Sponsor intends to offer Unsold Market Rate Units for sale both to Purchasers for personal occupancy and Purchasers who are purchasing for investment or resale. Purchasers for investment or resale may rent such Units rather than use such Units for personal occupancy. As a result, some and possibly many Units, including Unsold Affordable Units, may be occupied by renters instead of Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers of Units, the Condominium Board is unable to limit the number of Purchasers who purchase Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Unit Owners who are not occupants. It is possible that those Unit Owners who occupy their Units may have different interests than those Unit Owners who purchased such Units as an investment.

(ii) All representations under the Plan, all obligations pursuant to the General Business Law Section 352-e, and such additional obligations under the Plan which are to be performed subsequent to the Closing Date shall survive delivery of the deed.

(jj) Sponsor does not anticipate that any Excess Development Rights will remain upon completion of the Building. However, if the applicable provisions of the Zoning Resolution change in the future, such changes may generate transferable Excess Development Rights which will not be included in the Property and shall be the exclusive property of Sponsor. Sponsor cannot represent the amount of transferable Excess Development Rights that could result from such changes. Neither the Condominium Board nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights. (See the section of the Plan entitled "Rights and Obligations of Sponsor" and the Declaration in Part II of the Plan for details.)

(kk) The Condominium is being developed in accordance with New York City's Quality Housing Program which is set forth in Article II, Chapter 8 of the New York City Zoning Resolution which encourages development consistent with the character of established neighborhoods. It has bulk regulations which set height limits and allows high lot coverage buildings that are set at or near the street line. The Quality Housing Program also requires amenities relating to interior space, recreation areas and landscaping.

Obligations of Sponsor under the Plan with respect to the Building and the Units shall be enforceable by the Condominium Board on behalf of all Unit Owners. Obligations of Sponsor shall be enforceable by individual Unit Owners if either (i) the Condominium Board fails to take reasonable action to enforce such obligations within 120 days following the giving of notice of such claim by any Unit Owner to the Condominium Board or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid 120-day period.

Obligations of Sponsor under the Plan shall inure solely to the benefit of Purchasers of Units directly from Sponsor and shall not inure to the benefit of any Purchaser or tenant upon the resale, assignment or subletting of a Unit.

Sponsor has sufficient resources to fund its obligations set forth in the Plan. 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 shall survive the delivery of the respective deeds to the Units to Purchasers.

In the event Sponsor is unable to perform its material obligations under the Plan, all sales will cease, Sponsor will promptly submit an amendment to the Plan setting forth its inability to perform such material obligations under the Plan, and will offer all Purchasers the right to rescind their Purchase Agreements within 15 days after the Presentation Date of the amendment. Any Purchaser electing rescission pursuant to the offer will have their Deposit and any interest accrued thereon returned, except for any Unit Upgrade Funds to the extent that such funds have been expended.

The foregoing sets forth the entire obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Purchase Agreements. Sponsor makes no representations or warranties other than as set forth in the Plan.

The terms of the Plan will govern in the event of a conflict between the Plan and any other document or advertisement used in connection with the Plan.

Use of Unsold Residential Units

Sponsor reserves the right, without prior notice or amendment to the Plan, to use any Unsold Residential Unit as sales, rental offices and model units and in any other manner in compliance with Law including, without limitation, the Affordable Unit Requirements. In the event Sponsor thereafter elects to sell any such Unsold Residential Unit which is a Market Rate Unit, Sponsor may require Purchaser to purchase all or any of the furniture, furnishings, finishes, equipment or decorations (including wall coverings, window treatments, carpeting, and the like) ("FFE") therein and pay, in addition to the Purchase Price of the Unit, such amounts as Sponsor may determine.

Sales Center/Model Unit/Marketing Materials

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

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

Sponsor's Easement Rights

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

Condominium Name

Pursuant to the Declaration, Sponsor shall own and control all rights to the name of the Condominium and/or the Building. In addition, Sponsor shall have the right to utilize other names for the Building or portion thereof for marketing and/or promotional purposes, without the consent of the Condominium Board or the Unit Owners.

CONTROL BY SPONSOR

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor. Sponsor presently anticipates that the initial members of the Condominium Board shall be Colleen Wenke, Winthrop Wharton, and Isaac Henderson, who shall serve as President, Vice President and Secretary/Treasurer, respectively. Each of these individuals is a principal of, or is affiliated with, Sponsor. Sponsor reserves the right to designate different individuals to serve on the initial Condominium Board in lieu of the above mentioned individuals. The initial Condominium Board shall conduct all affairs of the Condominium.

Sponsor will have voting control over the Condominium Board until the earlier of: (i) the fifth anniversary of the First Closing; (ii) the Closing of Title to all Units (including the Non-Residential Units); or (iii) the date on which Sponsor otherwise exercises its right to relinquish voting control of the Condominium Board ("Sponsor Control Period"). Notwithstanding the relinquishment of control by Sponsor, the Condominium Board cannot take any action whatsoever which would interfere to any degree with Sponsor's rights under the Plan or Sponsor's ability to meet its obligations under the Plan, including, without limitation, Sponsor's obligation to procure a PCO for the Building. Additionally, for so long as Sponsor continues to be able to designate the Non-Residential Members and the 2 Residential Members, the Residential Unit Owners may never have control, through the Condominium Board, of matters concerning the General Common Elements.

At meetings of the Residential Unit Owners, Sponsor will have the right to vote all of the Common Interest attributable to the Unsold Residential Units as it sees fit. When voting for members of the Condominium Board, each Residential Unit Owner shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Residential Unit per Residential Member to be elected. However, at elections of members to the Condominium Board held during the Sponsor Control Period, Sponsor shall have the right to designate 3 of the 5 Residential Members of the Condominium Board.

So long as Sponsor shall continue to own at least 1 Unsold Residential Unit, Sponsor shall have the right to designate 2 Residential Members to the Condominium Board, and shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Residential Members of the Condominium Board.

Within 30 days after the expiration of the Sponsor Control Period, and assuming the First Annual Meeting has occurred, 1 of the 3 Residential Members of the Condominium Board who were designated by Sponsor shall resign and a replacement shall be filled by a vote of the Residential Unit Owners (including Sponsor) at a special meeting called for such purpose.

The number of members of the Condominium Board may not be increased or decreased without the consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Residential Unit.

During the Sponsor Control Period, Sponsor will through its control of the Condominium Board have control of the maintenance and operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners.

For so long as Sponsor continues to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit; or (b) assess any Common Charges or Special Assessments for the creation of, addition to, or replacement of all or part of a working capital, reserve, contingency or surplus fund; or (c) increase or decrease the number, or change the kind of employees from those described in the First Year's Budget; or (d) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget, except as is

required to reflect normal annual increases in operating services incurred in the ordinary course of business; or (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to enable the Condominium Board to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

CONDOMINIUM BOARD

The affairs of the Condominium shall be governed by the Condominium Board. The term of office of the members of the Condominium Board shall be for 1 year or until their successors are elected. Members of the Condominium Board shall serve without compensation. Any member of the Condominium Board may resign membership at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

The First Annual Meeting will be held approximately 30 days after the later to occur of (i) the second anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 50% in number of all Residential Units offered for sale.

Commencing with the First Annual Meeting, the Condominium Board shall consist of 9 individuals, 4 of whom shall be elected and/or designated in accordance with the terms of the By-Laws by the Market Rate Unit Owners (including Sponsor) and 1 of whom shall be elected by the Affordable Unit Owners (collectively, the "Residential Members"), and 4 members in the aggregate with 1 member each designated by each of the Retail Unit 1 Owner, Retail Unit 3 Owner, Retail Unit 4 Owner and the Community Facility Unit Owner (collectively the "Non-Residential Members"). Except for members designated by Sponsor and/or a Non-Residential Unit Owner, all members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult family members of an individual Residential Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Residential Unit Owners or Permitted Mortgagees. The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

A Residential Member of the Condominium Board may be removed with or without cause by an affirmative vote of a majority of Residential Unit Owners who are present at a meeting containing a quorum of Residential Unit Owners, provided, however, that any Residential Member designated by Sponsor may only be removed and replaced by Sponsor, and further provided, however, that a Non-Residential Member of the Condominium Board may only be removed by the Non-Residential Unit Owner who designated such member, who alone shall have the right to designate a replacement. No member of the Condominium Board shall continue to serve on the Condominium Board if, during the term of office, such member shall cease to be a Unit Owner or an interested party as described in the By-Laws; provided, however, that these provisions respecting Unit Ownership and occupancy, and Condominium Board membership, shall not apply to members of the Condominium Board designated by Sponsor and/or the Non-Residential Unit Owners.

A successor officer may be elected at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose. The President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Unit Owners having in aggregate no less than 40% of the Common Interest of all Unit Owners.

All officers, and members of Condominium Board and employees of the Condominium will be insured at all times from and after the First Closing under directors and officers liability insurance in favor of the Condominium. The amount and cost of the insurance has been provided for in the First Year's Budget.

To the extent permitted by Law, members of the Condominium Board will have no liability to Unit Owners except for liability for bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any member of the Condominium Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing, except in the cases of bad faith or willful misconduct. The Condominium Board has a fiduciary duty to act in the best interests of the

Condominium. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interest indemnify each member of the Condominium Board against any liability or claim except those arising out of the bad faith or willful misconduct of such member of the Condominium Board.

After the Sponsor Control Period, a majority of the Residential Members of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor or its principals. In addition, no individual may be elected to serve on the Condominium Board, (nor may continue to serve on the Condominium Board) if (i) such individual has been convicted of a felony or (ii) the Condominium Board has perfected a lien against the Unit owned or occupied by such individual and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than one individual of a designated Unit serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Purchasers should refer to the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" subsection "Amendments to Condominium Documents" for a discussion of the procedures to amend the Condominium Documents.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Residential Units

Generally, subject to the treatment of Affordable Units as detailed below, each Residential Unit Owner may lease the Residential Unit for terms of not less nor more than 1 year or sell the Residential Unit provided the Residential Unit Owner ("Offering Unit Owner") first gives the Condominium Board, on behalf of all Residential Unit Owners, notice of intention to sell or lease together with any and all application forms and documentation required by the Condominium Board, and an opportunity to purchase or lease such Residential Unit at the same price or rental and on the same terms as were offered in good faith by a prospective Purchaser or lessee, as more specifically provided in the By-Laws. If the Condominium Board does not elect to purchase or lease the Residential Unit within 30 days after receipt of notice, the Offering Unit Owner will have an additional 60 days to enter into a written agreement with the prospective Purchaser or lessee, as the case may be, embodying the terms set forth in such notice. In the event such written agreement is not executed by the Offering Unit Owner within such 60 day period or such sale or rental is not consummated within an additional 60 days following the expiration of such 60 day period, the Offering Unit Owner will be required to again first offer the same to the Condominium Board, provided that the Condominium Board shall be entitled to waive, or to permit an extension of, either or both of such 60 day periods. The Condominium Board may not exercise its option to purchase or lease any Residential Unit without prior approval of a majority in interest of all Residential Unit Owners. The By-Laws permit the Condominium Board to (i) borrow money on behalf of the Condominium for the benefit of Residential Unit Owners, (ii) increase Common Charges assessed against all Residential Unit Owners and (iii) impose Special Assessments against all Residential Unit Owners, in the event the Condominium Board elects to exercise its right of first refusal. Purchaser should refer to Article 7 of the By-Laws for details concerning the Condominium Board's election to exercise its right of first refusal. Any such deed given by an Offering Unit Owner shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Condominium Documents, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the Residential Unit or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by Law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws.

With respect to Affordable Units, an Affordable Unit Owner may only resell the Affordable Unit to an Eligible Buyer approved by the Administrative Agent and HPD at a Resale Price restricted by an established appreciation rate and otherwise in compliance with the Affordable Housing Declaration. Under the terms of the Enforcement Mortgage and Enforcement Note, 10% of the Resale Profits (all cash and non-cash consideration less the original cash purchase price net of certain disbursements and costs of sale), are due to HPD, upon a resale to an Eligible Buyer to be applied toward a reduction of the principal amount of the Enforcement Note. The Affordable Units may not be leased for more than a cumulative total of 18 months in any 5 year period on specific stated terms, including maximum rent and qualifying tenant income. Transient occupancy and/or occupancy of the Affordable Unit by a Household not independently eligible to purchase the Affordable Unit are prohibited.

Any purported sale or rental of a Residential Unit in violation of this Section shall be voidable at the election of the Condominium Board. The Condominium Board may not discriminate against any person on

the basis of color, race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

A Market Rate Unit Owner may lease, sell or convey the Market Rate Unit to a Family Member, may convey the Market Rate Unit by gift, may devise the Market Rate Unit by will, or have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Market Rate Unit Owner shall be bound by, and the Market Rate Unit shall be subject to, the preceding restrictions. In addition, any Market Rate Unit Owner may lease, sell or convey the Market Rate Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws. The provisions of this paragraph with respect to Affordable Units and Affordable Unit Owners are subject to the terms of the Affordable Unit Requirements.

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

A Residential Unit (including Affordable Units) may not be sold or leased unless all unpaid Common Charges and liens against the Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to the sale or rental. In addition, the Condominium Board and the Managing Agent may (i) establish reasonable restrictions with respect to the sale or rental of Residential Units and (ii) implement fees in connection with the sale or rental of Residential Units, which shall be payable by the Offering Residential Unit Owner. The Condominium Board has the right, in its sole discretion, to terminate a lease, if the tenant has violated the terms of the Condominium Documents, including the Residential Rules and Regulations beyond all applicable notice and grace periods. If the tenant fails to vacate after receipt of the termination notice from the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings against the tenant.

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

Notwithstanding anything contained herein to the contrary, prior to the Closing of Title to a Residential Unit, the Purchase Agreement prohibits a Purchaser from listing the Residential Unit for sale with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Residential Unit for sale, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion.

Advertising

Purchasers are prohibited from listing their Unit for sale with any broker or placing or authorizing any listing in any broker's listing system or any other listing service or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale for a period of twelve (12) months after the First Closing without the prior approval of Sponsor. The foregoing restriction shall no longer apply at such time as Sponsor no longer owns any Unsold Residential Units.

Sales and Leases of Non-Residential Units

Subject to the terms of the Acquisition Documents, Non-Residential Unit Owners are free to sell or lease all or any portion of the Non-Residential Units without first notifying or obtaining the approval of the Condominium Board and without payment of any fee or charge to the Condominium Board or Managing Agent.

All Commercial Leases, as defined in the Declaration, shall be subject and subordinate to the terms and conditions of the Condominium Documents. A Non-Residential Unit Owner may provide in any Commercial Lease entered into by it for all or a portion of its Non-Residential Unit, any and all of the rights the Non-Residential Unit Owner has under the Declaration and the By-Laws, provided in no event shall a tenant under a Commercial Lease be entitled to exercise any voting rights of a Non-Residential Unit Owner under the Condominium Documents or to designate any Condominium Board members or officers of the Condominium or exercise any power of attorney granted to a Non-Residential Unit Owner hereunder or to execute any applications, instruments or documents or other agreements on behalf or in lieu of a Non-Residential Unit Owner. The Non-Residential Unit Owner granting a tenant under a Commercial Lease any of its rights under this Declaration or the By-Laws shall indemnify, defend, and hold harmless the Condominium Board and the other Unit Owners from all claims arising out of the granting or exercise of such rights by any of its tenants under a Commercial Lease. The foregoing indemnification shall not affect any legal or equitable obligations the tenant under a Commercial Lease has to the indemnifying Unit Owner in regard to any such claims

In connection with a Commercial Lease, the Condominium Board will provide an Estoppel Certificate and/or a Non-Disturbance Agreement (in the form attached to the By-Laws as an Exhibit with such commercially reasonable changes as may be mutually agreed to by the Qualified Tenant) upon a written request of a Qualified Tenant under a Qualified Lease provided such Qualified Tenant complies with the requirements set forth in the By-Laws to secure same.

Sales of Storage Locker Licenses

Storage Lockers may not be licensed independently of the ownership of a Residential Unit and may be licensed only to another Residential Unit Owner or Purchaser who is simultaneously purchasing a Residential Unit. These restrictions shall not apply to Sponsor, who may sell, assign, transfer or lease any Storage Locker to any party in its sole discretion. Each Residential Unit Owner will be required to maintain insurance for the Storage Locker in amounts sufficient to cover the property located therein. If the Condominium Board terminates a Storage Locker License or a Residential Unit Owner surrenders an Storage Locker License without assigning the Storage Locker License to another Residential Unit Owner, the Condominium Board shall have the right to issue a new Storage Locker License to another Residential Unit Owner, in its sole discretion.

Upon the issuance of a Storage Locker License to a Residential Unit Owner (by assignment or otherwise), such Storage Locker License shall be assignable as set forth above without the consent of the Condominium Board provided written notification of such assignment is delivered to the Condominium Board. Neither Sponsor nor the Condominium Board shall have any obligations or liabilities with respect to private assignments between Unit Owners.

Use of Units and Common Elements and Storage Lockers

A Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution of the City of New York as may be amended from time to time, and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory," "bed and breakfast," "Air B&B" or other transient hotel-type use. A Residential

Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, a member of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing. A Residential Unit may be used for any other purpose, provided such use is permitted by, and complies with Law (including the provisions of Real Property Law Section 421-a) does not violate the then existing TCO or PCO covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use.

A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor shall have the right to use any unassigned Storage Locker for any purpose permitted by Law or to change the permitted use of such unassigned Storage Locker subject to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

Use and occupancy of the Residential Units and the Storage Lockers shall be subject to the Rules and Regulations of the Condominium, which may be amended by the Condominium Board from time to time. The Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Locker Licenses.

All or any portion of the Non-Residential Units may be used for any purpose permitted by Law other than the Prohibited Uses and in accordance with the Condominium Documents and the Acquisition Documents.

No Unit Owner, tenant or occupant, shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances as defined in the By-Laws. Hazardous Substances shall not include any customary cleaning solutions as long as same are stored and used as required by 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 of the By-Laws. Each Unit Owner, the Condominium and the Condominium Board, shall indemnify, defend and hold the others and their respective officers, directors, shareholders, members, and managers harmless from and against any and all loss, liability, claims, penalties, costs and expenses, including without limitation, attorneys' fees and disbursements, incurred by the Condominium, the Condominium Board, the other Unit Owners and/or other indemnified parties arising in connection with a violation of the terms of this provision.

Notwithstanding the foregoing, Sponsor may, without the permission of the Condominium Board or any Unit Owners: (a) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing TCO or PCO for the Building or any other governmental regulations; (b) retain ownership of one or more Unsold Residential Units for use as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Residential Units or the Non-Residential Units, or for any other purpose, subject only to compliance with Law; and (c) lease any Unsold Residential Unit.

The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and capable and which are incident to the use and occupancy of Units.

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Residential Unit without the consent of the Condominium Board. Each Residential Unit Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Condominium, the Condominium Board, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Residential Rules and Regulations

adopted by the Condominium Board with respect thereto, including without limitation, the number of such pets. Notwithstanding the foregoing, the Condominium Board shall have the right to adopt a no-pet policy for the Building or policies with respect to size or number of pets per Unit.

Each Unit Owner shall keep the Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair the Unit in accordance with the provisions of the By-Laws and Law. The Residential Rules and Regulations concerning the use of Residential Units may be amended from time to time by the Condominium Board provided that copies thereof are furnished to each Residential Unit prior to the time that they become effective (except that no amendment thereof affecting the Unsold Residential Units may be made unless agreed to in writing by Sponsor).

Mortgage of Residential Units by Residential Unit Owners

Each Residential Unit Owner may mortgage the Residential Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against the Residential Unit, other than Permitted Mortgages. Sponsor shall have the right to mortgage any Unsold Residential Unit and Non-Residential Unit without any restriction or limitation.

Affordable Units may be refinanced provided the new loan does not exceed 90% of the Resale Price; is a fixed interest loan; must be with an HPD approved institutional lender; subject to compliance with procedures set forth by the Administering Agent; and conform to the Affordable Housing Declaration and all other HPD homeownership requirements then in effect. A percentage of Refinancing Profits will be utilized to reduce the outstanding obligation of the Enforcement Note.

As more particularly set forth in the Section entitled "Amendments to Condominium Documents," in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Residential Rules and Regulations. The By-Laws provide that no more than 3 Residential Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are (i) Sponsor, or (ii) Institutional Lenders.

Common Charges: Determination and Assessment

Common Expenses, which are payable by Unit Owners and are included in their Common Charges, are allocated among Unit Owners either based on actual usage of services and facilities or in proportion to their respective Common Interest (in the case of the Non-Residential Units) and in proportion to their respective Residential Common Interest (in the case of Residential Units). The Condominium Act and the Condominium By-Laws do, however, provide authority for the Condominium Board to set and collect Common Charges payable by the Affordable Unit Owners in a manner that (i) is not proportional to the respective Common Interests of such Affordable Units, (ii) limits the amount charged to such Affordable Unit Owners prescribed by Law, or (iii) limits the rate at which the amount charged to the Affordable Unit Owners may increase which currently is capped at the percentage increase in rents approved by the Rent Guidelines Board for two (2) year rent stabilized leases for the year in which the increase is being levied. As such, the Common Charges listed in Schedule A have been allocated in favor of the Affordable Units in order for Sponsor to be in compliance with the Affordable Housing Declaration resulting in higher Common Charges payable by the Market Rate Unit Owners and the Non-Residential Unit Owners. Common Expenses include, among other things, (a) all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or

improvement to, the Common Elements, (b) water charges and sewer rents in connection with the Building; and (c) amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves for capital expenditures or in connection with the purchase or lease by the Condominium Board of any Unit. In addition, the Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Locker Licenses.

At least annually, the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess among all Unit Owners, Common Charges to meet Common Expenses. The Condominium Board must provide a copy of such budget to Sponsor even if Sponsor no longer owns any Units.

During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided all expenses of the Condominium (inclusive of insurance premiums and reserves required by lenders) are paid by Sponsor. If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the post-closing amendment to the Plan. In the event the Condominium Board elects to extend the Waiver Period, Sponsor will amend the Plan to disclose the extended Waiver Period. In the event that the term of the Waiver Period has not already been disclosed, Sponsor shall additionally file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan.

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

Pursuant to the Affordable Unit Requirements, the Initial Prices for Affordable Units were established so that the sum of Monthly Housing Costs, including principal and interest (assuming that the mortgage constitutes 90% of the Purchase Price at the prevailing rate of interest) did not exceed 30% of 110% of AMI.

Common Charges: Collection and Lien for Non-Payment

Under the provisions of Section 339-z of the New York Real Property Law and the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit in proportion to the respective Common Interest. Pursuant to the provisions of Section 339-aa of the New York Real Property Law, during the Sponsor Control Period, Sponsor shall cause the Condominium Board to file a lien for unpaid Common Charges against any Unit owned by Sponsor in which Sponsor is more than 30 days in arrears. All such liens, however, to the extent permitted by Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until 6 years from the date of filing (unless foreclosure of such lien is started within such 6 year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing such lien. In addition, the Condominium Board may assess Unit Owners a late charge of

$150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, and interest at the rate of 1.5% per month of such unpaid amounts (less any "late charges" theretofore collected), plus all expenses of collection, including but not limited to attorneys' fees and costs.

No Unit Owner may become exempt from liability for Common Charges by waiving use of any of the Common Elements or by abandonment of the Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges subsequent to a permissible sale, transfer or other conveyance of the Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying the Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, become exempt from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to the Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages. However, in no event shall Sponsor be permitted to convey any Unsold Residential Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unsold Residential Unit thereafter accruing, unless: (i) the aggregate Residential Common Interest appertaining to the Unsold Residential Units constitutes 15% or less of the total Residential Common Interest then appertaining to all Residential Units; (ii) at least 5 years have elapsed from the date of the First Closing; and (iii) at the time of conveyance, Sponsor shall pay the Condominium Board a sum equal to the product of the then current monthly Common Charges for the Unsold Residential Units being conveyed multiplied by 24.

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

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

Repairs to, and Maintenance of, Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Unit (other than to the Common Elements contained therein), including all mechanical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), the plumbing, appliances in the Units, the fireplace, firebox, dampers, mantel and flue, if any, and the interior side of entrance doors thereto, and the Terrace doors, shall be performed by the Unit Owner at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a General Common Expense (c) in or to the Residential Common Elements shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a

Residential Common Expense; (d) in or to the Residential Limited Common Elements shall be performed (i) by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense, if involving structural or extraordinary maintenance, repair or replacement, (except if necessitated by the negligent act or omission of the Unit Owner) or (ii) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving painting, decorating, and non-structural ordinary maintenance, repairs and replacements; and (e) in or to the Retail 3 Limited Common Elements shall be performed (i) by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a General Common Expense, if involving structural or extraordinary maintenance, repair or replacement(except if necessitated by the negligent act or omission of the Retail Unit 3 Owner), or (ii) by the Retail Unit 3 Owner, at the Retail Unit 3 Owner's sole cost and expanse, if involving painting, decorating, and non-structural ordinary maintenance, repairs or replacements. All painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, in or to all other Common Elements shall be performed by the Condominium Board and the cost and expense thereof shall be allocated in accordance with Section 5.3(b) of the By-Laws.

Any Residential Unit Owner having access to a Terrace shall keep such Terrace free of snow, ice and accumulation of water. In order to promote a consistent appearance of the Building from the outside, no Residential Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Residential Unit in such a way that will alter the conformity of the Building, without the prior written approval of the Condominium Board. Additionally, the type, size and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior written approval of the Condominium Board and shall be in compliance with Law.

The exterior and interior glass surfaces of all windows located in any Residential Unit shall not be colored or painted and are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense. The cleaning of the exterior portion of the glass surfaces of all windows must be performed by a professional window washing company, except that the cleaning of storefront windows on the 1st Floor may be performed by employees of a Non-Residential Unit Owner or its Permitted Users. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Unit Owner thereof at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner), including the expense of an exterior hoist if the replacement window does not fit into the service elevator. Notwithstanding the foregoing, prior to the replacement of any glass window the Unit Owner must obtain the prior written approval of the Condominium Board, with respect to the type of replacement windows installed.

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

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, are either (x) necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., or (y) required as a result of special or custom work performed in the Unit by the Unit Owner, such maintenance, repairs or replacements will be made by the Condominium Board, and any portion of the cost thereof attributable to such Unit Owner's acts or omissions shall be paid by such Unit Owner.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep the Unit in such condition,

the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the subsection below entitled "Rights of Access" for details.)

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

Alterations, Additions and Improvements of Units and Common Elements

No Residential Unit Owner may make any structural alteration, addition, improvement or repair in or to the Residential Unit or its appurtenant Residential Limited Common Elements, if any, without the prior written approval of the Condominium 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 Condominium Board.

To the extent that any alterations are commenced in a Unit by a Residential Unit Owner prior to Sponsor's completion of any unfinished work Sponsor agreed to perform after the Closing of the Unit, Sponsor shall be relieved of completing all such work.

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Residential Unit, or its appurtenant Residential Limited Common Elements each Residential Unit Owner is required by the By-Laws to (i) obtain the written approval of the Condominium Board, (ii) obtain the written approval of the Condominium Board of the Unit Owner's contractors and suppliers, (iii) obtain such insurance as the Condominium Board may require, (iv) agree to indemnify Sponsor, the Condominium Board, Managing Agent and the other Unit Owners against any liability arising from such alterations, additions, improvements or repairs, (v) agree to pay and reimburse the Condominium Board for all architectural, engineering, legal and other fees incurred in connection with such alterations, additions, improvements or repairs, (vi) execute and enter into an alteration agreement, in form and substance prepared by the Condominium Board, setting forth the terms and conditions under which such alterations, additions, improvements or repairs, may be made, including without limitation, the days and hours during which any work may be performed, and (vii) agree to pay a fee to the Managing Agent for processing such alteration applications. In connection with such alterations, additions, improvements and/or repairs, each Residential Unit Owner shall employ only such laborers and other workers as shall not conflict with any other workers employed in the Building or otherwise cause disharmony with any Building service union as determined by the Condominium Board in its sole and absolute discretion. Residential Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor unless expressly agreed to in writing by the Condominium Board or Sponsor unless expressly agreed to in writing by the Condominium Board or Sponsor. Under no circumstances shall a Residential Unit Owner be allowed to commence any work until all of the conditions set forth above have been complied with. Any failure to meet these conditions shall be a default by Residential Unit Owner under the Condominium Documents.

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

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

structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Residential Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialperson, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Residential Unit, or the Non-Residential Units provided any alteration to such Unsold Residential Unit or Non-Residential Units shall be in accordance with, and only as permitted by, the Condominium Act and Law.

Sponsor and the Non-Residential Unit Owners shall each have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or representatives of holders of Mortgages on Units to: (a) make alterations additions, improvements, or repairs in or to their respective Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (b) subdivide, combine and change the boundary walls of their respective Units, subject, however to the Condominium's right to approve in its reasonable discretion any structural changes or changes which are inconsistent with the Building's architectural standards. (See the Section of the Plan entitled "Changes in Prices and Units" for details.)

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) affect in any way the outside appearance of the Building or the sidewalks and public ways abutting the Building, (3) result in or materially threaten the cancellation of any insurance carried by the Condominium Board or any Unit Owner hereunder, (4) be in violation of any applicable Law or any insurance requirements with respect to the insurance referred to in clause (3) above, (5) be in violation of the certificate of occupancy for such Unit or the Building, (6) be in violation of the Declaration or these By-Laws or the Rules and Regulations of the Condominium Board promulgated thereunder, (7) materially adversely affect the Building systems, or (8) materially adversely affect the delivery of any service that the Condominium Board or any Unit Owner is permitted to receive or required or permitted to provide hereunder.

Insurance

The Condominium Board is required to obtain and maintain the forms of insurance described in the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." The Condominium Board is not required to obtain or maintain any insurance with respect to the Units, any Residential Limited Common Elements appurtenant thereto and any Unit Owner Property or any liability with respect to occurrences in or about each Unit or its Residential Limited Common Elements. Consequently, each Unit Owner at his sole cost and expense is required to obtain casualty insurance with respect to the Unit, including, without limitation, the flooring, fixtures, furniture, furnishings and personal property located within the Unit, any Residential Limited Common Elements appurtenant thereto, and any Storage Locker licensed by the Unit Owner and liability insurance with respect to occurrences in or about the Unit, any Residential Limited Common Elements appurtenant thereto, and any Storage Locker licensed by the Unit Owner. All such certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional insureds and shall be delivered to the Condominium at the Closing of Title to the Unit. All such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board, Sponsor and any Managing Agent, manager, Non- Resident Manager and other persons authorized by the Condominium Board, will have a right

of access to any Unit and Storage Locker for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit and Storage Locker or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner or its Permitted User correct any condition originating in any Unit and Storage Locker and threatening another Unit or any Common Element or Storage Locker, and for any other purposes provided in the Plan, Declaration or as may be required by Law, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the occupants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements (including Storage Lockers) for purposes of performing certain alterations and repairs in or about Unsold Residential Units or Non-Residential Units or Storage Lockers and in fulfilling Sponsor's obligations under the Plan, provided that access to any Unit or Storage Locker may not be exercised in such a manner as will unreasonably interfere with the use of such Unit or Storage Locker for its permitted purposes.

Compliance with Condominium Documents

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

Examination of Books and Records

Each Unit Owner and each mortgagee of a Unit shall be permitted upon prior request, to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium or the Managing Agent.

Self-Help

In the event that any Unit Owner fails to maintain or repair the Unit or any Residential Limited Common Elements appurtenant to such Unit, if any, or any Storage Locker, if any, or in the event of any breach of the Condominium Documents, then, as set forth in Article 9 of the By-Laws, the Condominium Board shall have certain rights to perform such maintenance or repairs, or to cure such breach, at such Unit Owner's expense.

General

All restrictions and prohibitions, set forth herein with regard to the use of a Residential Unit and its appurtenant Residential Limited Common Elements shall not apply to Sponsor or any principal of Sponsor owning or leasing such Residential Unit.

Purchasers should refer to the Section of the Plan entitled "Non-Residential Units" for a summary of additional rights and obligations of the Non-Residential Unit Owners.

RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD/ SUMMARY OF BY-LAWS

Condominium Board

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor (collectively, the "Members"). The Condominium Board will call the First Annual Meeting to elect a new Condominium Board approximately 30 days after the later to occur of (i) the second anniversary of the First Closing or (ii) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 50% in number of all Residential Units offered for sale. At such meeting, the incumbent Condominium Board shall resign and, subject to the rights of Sponsor and the Non-Residential Unit Owners to designate members of the Condominium Board, the Residential Unit Owners (including Sponsor) shall elect and/or or designate a new Condominium Board consisting of 8 members. (See the subsection below entitled "Meetings and Votes of Unit Owners" and the Section of the Plan entitled "Control by Sponsor" for details.) Thereafter, at each annual meeting, members of the Condominium Board shall be elected and/or designated and shall serve until the next annual meeting thereof and until a successor has been elected and/or designated.

Except for the Members of Condominium Board designated by Sponsor and/or the Non-Residential Unit Owners, all Members of the Condominium Board must be either Residential Unit Owners or certain interested parties as described in the By-Laws. No member of the Condominium Board shall continue to serve on the Condominium Board if, during such Member's term of office, such member shall cease to be a Residential Unit Owner or an interested party. All Members of the Condominium Board shall serve without compensation.

Powers and Duties of and Determinations by the Condominium Board

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. Generally, all determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

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

Notwithstanding anything to the contrary contained herein, so long as Sponsor continues to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent: (a) make any addition, alteration, or improvement to the Common Elements or to any Unit; (b) assess any Common Charges or Special Assessment for the creation of, addition to, or replacement of, all or part of a working capital, reserve, contingency, or surplus fund; (c) increase or decrease the number, or change the kind of employees from that described in the First Year's Budget; (d) enter into any service or maintenance contract for work or otherwise contract for work or services in excess of those set forth in the First Year's Budget, except as is required to reflect normal annual increases in operating services; (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not diminish or eliminate services or facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary, and no alternatives are available, to enable the Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer; or (iv) to ensure the health and safety of the occupants of the Building.

Meetings and Votes of Unit Owners

Annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the First Annual Meeting. At such meetings 5 Residential Members and 4 Non-Residential Members shall be elected and/or designated in accordance with the By-Laws and there shall also be transacted such other business as may properly come before such meetings. In addition, the President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Unit Owners having in aggregate not less than 40% of the total Common Interest. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice, which will be given at least 10 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Residential Unit Owners, the presence in person or by proxy of Residential Unit Owners owning more than 40% of the total Residential Common Interest shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Residential Unit Owners.

At all meetings, each Unit Owner (or their proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Unit.

Officers

The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint additional officers. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Condominium Board members until the first organizational meeting of the Condominium Board following the First Annual Meeting. Thereafter, the President and Vice President must be members of the Condominium Board. No officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium are to be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board.

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board will, except as set forth below, arrange for the prompt repair and restoration thereof (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit). If a casualty loss and/or Taking is limited exclusively to one or more Non-Residential Units and/or the Non-Residential Common Elements, the Non-Residential Unit Owners or its Permitted Users may elect to arrange for the Work.

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Unit Owners in proportion to their respective Common Interest. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to reduce unpaid liens on the Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty and if 75% or more in Common Interest of all Unit Owners (including Sponsor, if Sponsor shall then own any Units and the 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 Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interest, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of the Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on the Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. Any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld or delayed) of the Permitted Mortgagees representing at least 51% percent of the Common Interest of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Condominium Board in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in trust for the benefit of the affect Unit Owners in accordance with Section 254-(4) of the New York Real Property Law.

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the Condominium By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire and casualty insurance with special peril and extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (excluding the Units, any Residential Limited Common Elements appurtenant thereto and any Unit Owner property), together with all service machinery contained therein and covering the interests of the Condominium, and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to General Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all the Condominium Board and all officers, directors and employees of the Condominium; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine.

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

The amount of fire insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the First Annual Meeting shall be in at least the sum set forth in the First Year's Budget.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least 30 days' prior written notice to the Condominium Board and to all of the insureds, including all Unit Owners and Permitted Mortgagees who have requested the same from the Condominium Board in writing. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees, who have requested the same from the Condominium Board in writing. Renewals shall be obtained at least 10 days prior to the expiration of the then current policies.

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

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board may determine. The premiums for all insurance referred to above shall be a General Common Expense.

All Unit Owners are required to obtain casualty and liability insurance for their own benefit covering their Units, any Residential Limited Common Element appurtenant thereto and any Storage Locker. All such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner. All insurance carried by Unit Owners shall be primary and shall not contribute to any insurance that the Condominium Board may have.

Liability of the Condominium Board and Unit Owners

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

Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners approximately 4 months after the end of each fiscal year.

Amendments to Condominium Documents

Generally, subject to certain exceptions concerning, among other things, Sponsor and the Non-Residential Unit Owners and any Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, and provided that required consents of the Mortgage Representatives, if any, are obtained (if applicable), any provision of the Declaration, By-Laws or Residential Rules and Regulations affecting (i) the General Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit

Owners and (ii) the Residential Common Elements or all Residential Unit Owners may be added to, amended, modified or deleted by affirmative vote of at least 66 2/3% in number and Residential Common Interest of all Residential Unit Owners (including at least 66 2/3% in number and Residential Common Interest of all Affordable Units Owners); taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected.

No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or Residential Rules and Regulations, other than those required by Law, shall be effective (a) against Sponsor or any Unsold Unit unless Sponsor has given its written consent thereto, or (b) against the holder of any mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto, or (c) against any Non-Residential Unit Owner and/or any Non-Residential Unit without the prior written consent of the affected Non-Residential Unit Owner.

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of each of the Non-Residential Unit Owners and at least 80% in number and in Residential Common Interest of all Residential Unit Owners. Such vote shall not be effective, however, without the written unanimous consent (which consent shall not be unreasonably withheld or delayed) of the Permitted Mortgagees representing at least 51% percent of the Common Interest of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interest after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Residential Units Acquired by Condominium Board

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

The purchase of any Residential Unit by the Condominium Board on behalf of the Residential Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium Board. If the funds in such account are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Residential Unit Owner in proportion to the Common Interest, as a Common Charge and/or the Condominium Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its Common Interest.

Procedure to Review Real Estate Tax Assessments

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

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

Mechanics' Liens

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

Easements and Licenses

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and their appurtenant Residential Limited Common Elements and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In addition, as set forth in Articles 10 and 11 of the Declaration, Sponsor and the Non-Residential Unit Owners have been granted certain easements with respect to the use and operation of their respective Units.

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

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.

INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Residential Units by Purchasers who use such Residential Units as a personal residence was prepared by Sponsor based, in part, upon the Attorney's Income Tax Opinion prepared by Olshan Frome Wolosky LLP, tax counsel to Sponsor ("Income Tax Counsel"), a copy of which is set forth in Part II of the Plan.

OLSHAN FROME WOLOSKY LLP IS INCOME TAX COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS IN CIRCULAR 230, ALL UNIT OWNERS, POTENTIAL UNIT OWNERS AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THE PLAN AND/OR THE INCOME TAX OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Deductibility of Mortgage Interest and Real Estate Taxes

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

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

Taxation of the Condominium

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

Sponsor anticipates that the Condominium will not qualify as a homeowners association. If the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the

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

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

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

REAL ESTATE TAXES

Purchasers are advised to review Footnote (6) of "Schedule A – Purchase Prices of Units and Related Information" for details concerning real estate taxes for the First Year of Condominium Operation. The information contained therein is based on the real estate tax projection opinion prepared by Marcus & Pollack set forth in Part II of the Plan.

it is estimated that the aggregate real estate taxes payable with respect to all Residential Units for the First Year of Condominium Operation will be approximately $1,777,854 assuming (a) an assessed valuation for the Property of $13,800,000 for the 2018/19 tax year reflecting the assessment for a substantially completed building and based on the real estate tax projection opinion prepared by Real Estate Tax Counsel dated June 17, 2016 set forth in Part II of the Plan, and (b) a tax rate of 12.883 per $100 of assessed valuation.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as an entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Tax Lot Drawings are filed with the Register's Office. For purposes of Schedule A, the projected real estate taxes for the Building were apportioned among the Units based on Common Interest percentages. It is possible that the apportionment will be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. There is no assurance that the City of New York tax assessor will allocate taxes among Units based upon Common Interest percentages. At such time as the Units have been separately assessed for real estate tax purposes, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes assessed against any other Unit.

Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, Tax Counsel, Real Estate Tax Counsel or Selling Agent be liable to any Purchaser nor will any Purchaser have the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that projected herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future. Please refer to the Section of the Plan entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium" for more details.

The Unit Power of Attorney which each Purchaser shall be required to sign at Closing, the form of which shall be substantially as set forth in Part II of the Plan, authorizes the Condominium Board to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Residential Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate in accordance with the Condominium By-Laws.

As of the Filing Date of the Plan, there is one tax certiorari proceeding pending for the reduction of real estate taxes with respect to the Property for the 2014/2015 tax year. Any such proceedings are at Sponsor's sole cost and expense, for Sponsor's benefit.

The Building is located within the Manhattan "geographic exclusion area" under Section 421-a (7)(a)(ii). The Building will meet the affordability requirements of Section 421-a (7)(c) in that not less than

20% of the Residential Units are Affordable Units (11 out of 55 Units) with owners who have a Household income of no more than 130% of AMI.

Since it is anticipated that the Building will be receiving Section 421-a benefits, employees will be paid the prevailing wage as set forth in Section 421-a (8)(b).

ANTICIPATED REAL ESTATE TAX EXEMPTION BENEFITS (421-A)

As more fully explained in the Tax Exemption Benefits Opinion Letter of Real Estate Tax Counsel set forth in Part II of the Plan, the Residential Units of the Property are expected to qualify for partial real estate tax exemption benefits under Section 421-a of the Real Property Tax Law of the State of New York ("421-a Benefits"). Sponsor will apply to the New York City Department of Housing Preservation and Development ("HPD") for preliminary approval of 421-a Benefits for the Residential Units. Upon completion of the Residential Units, Sponsor will apply to HPD for final approval. Sponsor shall not be obligated to incur any extraordinary expenses (beyond the customary expenses associated with such approvals) or commence any litigation to obtain such approval. Sponsor anticipates but does not represent or guarantee that such final approval will be obtained or if obtained, that such 421-a Benefits will be in effect as of the First Closing. In addition, Sponsor also reserves the right to withdraw its 421-a application. If such approval is not obtained or if Sponsor withdraws such application, Purchasers will have no right to rescind their Purchase Agreements even though 421-a Benefits would not be available to the Residential Units. In connection with HPD's enforcement of the 421-a program, all Purchasers are advised that HPD may conduct an audit from time-to-time which may result in a subsequent revocation of 421-a Benefits if all documents required to be filed with HPD are not so filed.

In connection with its application to HPD to obtain 421-a Benefits for the Residential Units, Sponsor will (i) keep all records required by HPD and make such records available to HPD whenever requested by HPD to do so, (ii) in a timely fashion file all applications required to be submitted to HPD in connection with the 421-a Benefits, and (iii) otherwise comply with all procedures required by HPD to properly procure and maintain the 421-a Benefits. In addition, Sponsor will make available to the Condominium Board all 421-a documents for inspection and copying for so long as the Residential Units receive any 421-a Benefits.

Purchasers should note that under current regulations, 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 5 fiscal tax years in annual increments of 20% each. Any further increase in assessed valuation during such 5 year period resulting from a still higher market value is similarly phased in over an additional 5 year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the 5 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 5 year period is called the "transitional" assessed valuation.

Purchasers should note that the real estate taxes that will be payable by the Residential Unit Owners for future years will vary in accordance with the amounts of the Residential Unit's assessed valuation (transitional and actual) and of the real estate tax rate. In this regard, prospective purchasers should note that, assuming the partial exemption from real estate taxes pursuant to 421-a is maintained, the real estate taxes payable by the Residential Unit Owners will in any event increase periodically over the 20 years of condominium ownership as an integral part of the 421-a program. The tax exemption program provides that the increase assessed valuation of the Residential Units in excess of the mini-tax assessed value of $3,303,374 (based upon the portion of the Property's billable assessed valuation allocable to the Residential Units) is subject to 100% exemption for 12 years (plus the period of construction, not to exceed 3 years), 80% exemption for the next 2 years, 60% exemption for the next 2 years, 40% exemption for the next 2 years and 20% exemption for the last 2 years of a 20 year period.

Neither Sponsor, Attorney for Sponsor, Tax Counsel, Real Estate Tax Counsel, Selling Agent, Managing Agent, nor any other person makes any warranty that the partial exemption from real estate taxes under 421-a will be granted in whole or in part, or if granted, will not be later reduced or revoked, or as to the amount of the tax which will be assessed against any Residential Unit or the amount of real estate taxes payable at any time by any Non-Residential Unit Owner or Residential Unit Owner. Purchasers should refer to the Real Estate Tax Opinion Letters set forth in Part II of the Plan for details concerning the assessed

valuation of the Property and the estimated real estate taxes to be imposed against the Property if the 421-a exemption is not granted.

The tax projections found in Schedule A are merely estimates and cannot be construed as an assurance of the actual amount of real estate taxes that will be assessed or the actual amount of any 421-a Benefit.

WORKING CAPITAL FUND AND APPORTIONMENTS

Each Purchaser of a Market Rate Unit shall be required to make a non-refundable contribution to the working capital fund of the Condominium ("Working Capital Fund") at Closing in an amount equal to 2 months' Common Charges with respect to the Market Rate Unit based on the Condominium budget in effect at the time of Closing. The payment to the Working Capital Fund shall be required of all Purchasers of Market Rate Units, whether purchased from Sponsor or from a Market Rate Unit Owner on a resale

At or subsequent to the First Closing, Sponsor will apportion with the Condominium the following items as of midnight of the day preceding the First Closing, to the extent applicable:

(1) employees' wages, vacation and severance pay, pension and welfare benefits and accruals and all other payments or obligations relative to the employees of the Condominium.

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any.

(3) charges for electricity and other utilities for the Common Elements.

(4) cost of fuel on hand (plus sales tax), if any.

(5) charges and receipts in connection with service, maintenance and concession contracts.

(6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units).

(7) cost of building supplies on hand at Sponsor's cost (including sales tax).

(8) premiums for transferable insurance policies, if any.

(9) janitorial service fees, if any.

(10) management fees.

(11) building supplies (including, but not limited, to uniforms, cleaning supplies, carts, luggage).

(12) other customary closing adjustments.

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

If the result of Closing adjustments is a net credit in favor of the Condominium, Sponsor will contribute the amount of such net credit to the Working Capital Fund. If the result of Closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be evidenced by an unsecured, negotiable promissory note, without interest, to be executed by the Condominium Board and delivered to Sponsor at the First Closing to be repaid on the first anniversary of the First Closing. The promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty.

The Working Capital Fund will be used for working capital, a reserve for repairs or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by

allocations from the monthly Common Charges. While Sponsor controls the Condominium Board, the Working Capital Fund will not be used to reduce Common Charges. (See the Section of the Plan entitled "Control By Sponsor" for details.)

The Condominium Board will be able to utilize the funds in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Residential Units. In addition, within 3 months following the end of the Sponsor Control Period, Sponsor shall deliver to the Condominium Board a statement from an officer of Sponsor, certifying in reasonable detail as to any changes in the amount of the Working Capital Fund which have occurred since the First Closing.

No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, including repairs, replacements or major improvements, for the first or any subsequent year of Condominium operation. If additional funds are required over and above the Working Capital Fund to cover expenses of the Building operation, it may be necessary to increase Common Charges or make Special Assessments. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

RESERVE FUND

Schedule B - First Year's Budget includes a line item for a Reserve Fund for the sole purpose of costs and expenses related to capital repairs, replacements and improvements. The Reserve Fund amount was the product of a Reserve Fund Study undertaken by Sponsor. For so long as Sponsor continues to own at least 1 Unsold Residential Unit, the Condominium Board must maintain the Reserve Fund and any change in the amount of the Reserve Fund shall be made only with Sponsor's prior written consent. Sponsor makes no guarantee or representation that the Reserve Fund will satisfy the requirements of a Purchaser's lender. Because the Building will be entirely new construction, Sponsor does not anticipate the imminent need for such capital repairs, replacements or improvements. However, no assurance or guaranty is given that such needs will not arise in the future. Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Common Elements as the need for such arises.

In addition, pursuant to the Affordable Housing Declaration, Sponsor has established a reserve account in the amount of $116,800 ("Reserve Funds"). In accordance with the terms of the HPD Reserve Agreement, a copy of which is set forth in Part II of the Plan, HDC shall serve, without compensation therefor, as the escrow agent and servicer of the HPD Reserve Funds in accordance with the terms of the HPD Reserve Agreement. The HPD Reserve Agreement shall be assigned by Sponsor and assumed by the Condominium Board upon the First Closing. The HPD Reserve Account shall be administered by HPD for the benefit of the Affordable Units.

Funds from the HPD Reserve Account must be kept segregated from all other moneys and shall be drawn on and used solely to pay for all or part of certain capital replacements, operating expenses and maintenance expenses of the Affordable Units in accordance with the terms of the HPD Reserve Agreement. The Reserve Funds shall be disbursed and used solely in accordance with the terms of the HPD Reserve Agreement.

All records of the HPD Reserve Account shall be retained by the Condominium for a minimum of six (6) years and shall be subject to reasonable inspection by HPD during ordinary business hours upon reasonable notice.

Purchasers are advised that there is no provision in either the Affordable Housing Declaration or the HPD Reserve Agreement which requires the HPD Reserve Account to be replenished after one or more withdrawals. Therefore, once one or more withdrawals have been made from the HPD Reserve Account such funds will no longer be available.

MANAGEMENT AGREEMENT

At the First Closing, Sponsor will assign, and the Condominium Board will assume, the Management Agreement for the Condominium between Sponsor and Halstead Management, LLC, ("Managing Agent"), having an office at 770 Lexington Avenue, New York, NY 10065 ("Management Agreement"). Sponsor may, in the alternative, have the Condominium Board enter into the Management Agreement directly with Managing Agent.

The Management Agreement will provide for an initial term of two (2) years commencing on the date of the First Closing ("Commencement Date"). Thereafter, the Management Agreement will continue on a month-to-month basis, but may be cancelled by either party without cause, upon not less than 60 day's prior written notice.

Managing Agent will receive an annual fee, payable in equal monthly installments during the initial term of the Management Agreement as follows: $60,000 per annum. The management fee is comparable to the rate for similar services in comparable buildings. In addition, for services rendered to Residential Unit Owners (other than Sponsor), in connection with processing applications to (i) sell, lease or otherwise transfer Residential Units and obtaining necessary waivers of the right of first refusal by the Condominium Board, (ii) mortgage or refinance of an existing mortgage on a Residential Unit and (iii) alter or renovate a Residential Unit, Managing Agent shall receive a fee from the Residential Unit Owner in such amounts as shall be determined, time to time, by the Condominium Board.

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

(1) billing and collecting Common Charges.

(2) causing the Common Elements to be maintained, repaired and altered in the manner deemed advisable by the Condominium Board.

(3) contracting for necessary services and repairs and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements.

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

(5) supervising, hiring, discharging and paying employees necessary for the proper maintenance and operation of the Building.

(6) rendering monthly statements of receipts and disbursements to Sponsor or other designated entity, upon request.

(7) maintaining payroll records and filing withholding tax statements for employees.

(8) maintaining accurate sets of books for the Condominium Board.

(9) cooperating with the Condominium Board's accountants in preparing and submitting annually to the Condominium Board an operating budget of the anticipated income and expenses for the ensuing year.

(10) attending meetings of the Condominium Board and Unit Owners, and preparing agendas and sending notices relating to such meetings.

(11) causing to be obtained and maintained insurance for the Condominium in amounts deemed advisable by the Condominium Board.

(12) processing applications of Unit Owners for permission to alter the Residential Units.

(13) processing applications for waivers of the right of first refusal.

(14) generally, doing all things deemed reasonably necessary or desirable by the Condominium Board for the proper management of the Building.

Managing Agent, at the expense of the Condominium, will be insured during the term of the Management Agreement under a fidelity insurance policy in favor of the Condominium for any loss resulting from fraudulent or dishonest acts committed by Managing Agent, its directors, officers or employees.

The Management Agreement provides that the Condominium Board shall indemnify Managing Agent with respect to claims in connection with Managing Agent's carrying out the provisions of the Management Agreement or acting under the express or implied directions of the Condominium Board, unless arising from the gross negligence, bad faith or willful misconduct of Managing Agent in carrying out its duties.

Sponsor reserves the right during the Sponsor Control Period to designate any other reputable managing agent to perform all of the duties and services to be performed by Managing Agent under the Plan and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above. The Management Agreement may not be assigned by Managing Agent without the prior written consent of the Condominium Board. The Condominium Board may not assign the Management Agreement.

The engagement of any management company other than the Managing Agent shall be subject to the prior approval of HPD.

There are presently no contracts or leases binding on the Condominium.

IDENTITY OF PARTIES

Sponsor

Site 1 DSA Owner LLC is a limited liability company organized under the laws of the State of Delaware, with an office at c/o Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, NY 10011 ("Sponsor"). The entities comprising Sponsor actively involved in this offering are (i) DSA Phase 1 Holdings LLC ("Holdings") (sole member of Sponsor), (ii) DSA Phase 1 LLC ("Phase 1") (managing member of Holdings), and (iii) Taconic Phase I DSA LLC, L&M DSA Phase I LLC and BFC Phase 1 DSA LLC (each a member of Phase 1).

The principals of Sponsor who will be actively involved in this offering are Charles Bendit and Paul Pariser for Taconic Phase I DSA LLC; Ronald Moelis and Sanford Loewentheil for L&M DSA Phase 1 LLC; and Donald Capoccia, Joseph Ferarra and Brandon Baron for BFC Phase 1 DSA LLC, each having an office address c/o Sponsor at Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, New York 10011.

Mr. Pariser is co-founder/co-chief executive officer of Taconic Investment Partners. Prior to founding Taconic with Charles Bendit, Mr. Pariser was president and CEO of Balfour Holdings, a national investment and development company that acquired assets and focused on the acquisition and redevelopment of master planned communities. Mr. Pariser has been active in the real estate industry since 1978, when he began at Jones Wootton USA, a major international real estate services firm. During his tenure he concentrated on investment and finance and was named a co-managing partner, directing the firm's nationwide operations.

Mr. Bendit is co-founder/co-chief executive officer of Taconic Investment Partners LLC. Prior to forming Taconic with Paul Pariser, Mr. Bendit founded CBC Properties, where he acquired, repositioned and managed more than one million square feet of office properties in New York and Washington, D.C., as well as several hundred apartment units in the New York metropolitan area. Earlier in his career he was a managing director at a major international real estate services firm, where he was responsible for property acquisitions, sales and financing for the firm's international clientele, with a focus on New York, Washington, D.C., and Toronto.

Mr. Moelis is co-founder and principal of L&M Development Partners Inc. (formerly L&M Equity Participants, Ltd.) where he has been involved in the development of commercial and residential real estate for many years. He also serves as Vice Chairman of the New York State Association for Affordable Housing and as an advisory board member of the Housing Partnership. He sits on the Board of Directors of the Citizens Housing & Planning Council, Associated Builders Organization and the NYU Law Real Estate Institute. Mr. Moelis is also on the Board of Overseers at the University of Pennsylvania and the Board of Trustees of the Rye Country Day School. A graduate of the University of Pennsylvania, he holds both a B.A. in history and a B.S. in economics from the Wharton School. Mr. Moelis also has a J.D. from New York University.

Sanford Loewentheil is a third-generation builder and has been a developer for nearly 30 years. Since co-founding L+M Development Partners Inc. (formerly L&M Equity Participants, Ltd.) in 1984, his focus has been on the construction and development of affordable housing in the tri-state area. Mr. Loewentheil is currently working with local high schools and non-for-profit organizations to help enable students from urban areas to attend college. He also serves on the Washington University Arts and Sciences National Council as well as the Board of Trustees of Washington University. He is currently serving on the Board of Trustees of Sulam Yaakov, a synagogue located in Larchmont, NY and on the Board of Trustees of Rye Country Day School located in Rye, NY. He also sits on the Board of Strive For College, a California based not for profit

that addresses the inequities of college access by mentoring high school students with the services of students from local universities.

Brandon Baron is a principal of BFC Partners and has been involved in the development of commercial and residential real estate for over twenty (20) years. BFC Partners has completed 14 condominium and 4 cooperative projects, including Toren, Schaefer Landing, Del Este and Riverbridge Court.

Joseph Ferarra is a principal of BFC Partners and has been involved in the development of commercial and residential real estate for over twenty (20) years. BFC Partners has completed 14 condominium and 4 cooperative projects, including Toren, Schaefer Landing, Del Este and Riverbridge Court.

Donald Capoccia is a principal of BFC Partners and has been involved in the development of commercial and residential real estate for over twenty (20) years. BFC Partners has completed 14 condominium and 4 cooperative projects, including Toren, Schaefer Landing, Del Este and Riverbridge Court.

Prior Offerings

The following principals of Sponsor have taken part in the following prior public offerings which were initially offered during the past 5 years:

Charles Bendit and Paul Pariser:

Project:	**Date Filed:**	**AG File No.:**
71 Laight Street New York, New York	July 2, 2013	CD13-0017

Ronald Moelis and Sanford Loewentheil:

Project:	**Date Filed:**	**AG File No.:**
414 Hicks Street Brooklyn, New York	March 8, 2010	CD09-0294
64 East 111th Street New York, New York	February 14, 2012	CD11-0004
23 West 116th Street New York, New York	October 7, 2013	CD13-0101

Donald Capoccia, Joseph Ferarra and Brandon Baron:

Project:	**Date Filed:**	**AG File No.:**
21 East First Street New York, New York	July 26, 2013	CD13-0070

These principals are current in their financial obligations with respect to these projects.

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

Sponsor and those principals of Sponsor who reside outside of the State of New York have designated the Secretary of State for service of process.

Attorneys for Sponsor

Sponsor has retained the law firm of Starr Associates LLP, having an office at 220 East 42nd Street, Suite 3302, New York, New York 10017 to represent it in connection with the Plan and to serve as Escrow Agent. Samantha Sheeber Esq. and Stephen Gaines, Esq. participated in and supervised the preparation of the Plan. Starr Associates LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to the sale and closing of Residential Units.

Sponsor has retained the law firm of Olshan Frome Wolosky LLP, having an office at 65 East 55th Street, New York, NY 10022 to prepare the Income Tax Opinion for the Condominium and Unit Owners under the direction of Warren Gleicher, Esq.

Sponsor has retained the law firm of Marcus & Pollack, having an office at 708 Third Avenue, New York, NY 10017, to provide the 421-a Real Estate Tax Exemption Benefits opinion set forth in Part II of the Plan.

Selling Agents

Selling Agent for the Condominium for the market rate units will be Douglas Elliman Real Estate ("Douglas Elliman"), having an address at 575 Madison Avenue, New York, New York 10022. Douglas Elliman is a licensed real estate broker whose principals have been engaged in the sale of condominium and cooperative apartments in New York City for over 40 years. Some of those properties include: 150 West 87th Street, New York, New York; 949 Park Avenue, New York, New York; 100 Eleventh Avenue, New York, New York; 333 East 91st Street, New York, New York; 365 Bridge Street, Brooklyn, New York and 11-24 31st Avenue, Long Island City, New York.

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

Selling Agent for the Affordable Units will be Michael Reed, having an address at 1770 Bruckner Boulevard, Bronx, New York 10473. Mr. Reed is a licensed real estate broker who has been engaged in the sale of condominium and cooperative apartments in New York City for over 25 years. Some of those properties include: Ellington on the Park, The Sutton, The Park Clifton, La Ceclia, Via Verde, Madison Park, Madison Court, Madison Plaza, The Palm & The Rio and Lenox Gardens.

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

Managing Agent

Managing Agent for the Condominium will be Halstead Management Company, LLC, having an office at 770 Lexington Avenue, 7th Floor, New York, New York 10065. Managing Agent is a real estate and management firm that has been in business for many years. Managing Agent is a licensed real estate brokerage and management firm, which has been engaged in the management of residential real estate for over several years. It currently provides property management services for many residential cooperatives and condominiums.

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

Construction Professionals

Sponsor has retained the following professionals in connection with the construction of the Building:

a) Architect of Record

SLCE Architects, LLP, having an office at 1359 Broadway, New York, New York 10018 is the architect of record for the Building ("Architect"). The Architect prepared the Floor Plans of Units set forth in Part II of the Plan and the Floor Plans which will be filed with the New York City Department of Finance required in order to create the Condominium. Architect has also examined the physical condition of the Building and has rendered its report thereof and a Certification which is set forth in Part II of the Plan. Architect has been providing architectural services for 50 years and has been the architect of many buildings including Fifteen Central Park West, One Beacon Court, the Knickerbocker and Metropolitan Tower.

b) Design Architect

SHoP Architects, P.C. having an office at 233 Broadway, 11th Floor, New York, New York 10279 is also the design architect for the Building ("Design Architect"). The Design Architect has been providing architectural services for many years and has been the design architect of many buildings.

c) Structural Engineer

WSP USA Corp., having an office at 228 East 45th Street, New York, New York 10017, is the structural engineer for the Building ("Structural Engineer"). The Structural Engineer has been providing structural engineering services for many years and has been the structural engineer of many buildings.

d) Mechanical Engineer

Cosentini Associates, having an office at Pennsylvania Plaza, 3rd Floor, New York, New York 10121, is the mechanical engineer for the Building. The Mechanical Engineer has been providing engineering services for many years and has been the mechanical engineer for many buildings.

Condominium Budget Expert

Sponsor has engaged Penmark Property Advisors, LLC, a division of Managing Agent, having an address at 828 Hempstead Turnpike, Franklin Square, NY 11010, as Sponsor's Budget Expert. The Budget Expert estimated all amounts of income and expenses in "Schedule B - Estimated Budget for Projected First Year of Condominium Operation" in consultation with Sponsor. The Budget Expert has rendered a certification as to the adequacy of the First Year's Budget and a certification as to the adequacy of the Common Charges payable by the Non-Residential Unit Owners, which may be found in Part II of the Plan.

Related Parties

Sponsor and its principals have no affiliation with Selling Agent, Managing Agent, Sponsor's Attorneys, the Architects/Engineers or the Budget Expert, the Construction Professionals, or any person or firm who will provide services to the Condominium subsequent to the First Closing. Neither the Condominium Budget Expert, the Construction Professionals, nor the Attorneys have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

Certain principals of Sponsor are affiliated with Managing Agent and Selling Agent.

No Pre-Sales

Neither Sponsor nor its principals have entered into contracts or agreements, written or oral, or accepted any Deposits or advances of funds for the purchase of Units as of the Filing Date of the Plan.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give all Unit Owners annually:

1. A financial statement of the Condominium prepared by a certified public accountant or public accountant, within approximately 120 days after the end of each fiscal year of the Condominium. Such statement shall be certified while Sponsor is in control of the Condominium Board.

2. At least 30 days' prior notice of the annual Unit Owners' meeting.

3. A copy of the proposed annual budget of the Condominium at least 30 days prior to the date set for adoption thereof by the Condominium Board. While Sponsor is in control of the Condominium Board, such budget shall be certified in compliance with Section 20.4 of the Regulations of the Department of Law.

DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection by Purchasers and their attorneys without charge, and for copying at a reasonable charge, at Sponsor's office for a period of 6 years after the First Closing. In addition, a set of Tax Lot Drawings showing the layout, locations and approximate dimensions of each Unit and its Unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in the Register's Office in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be recorded in the Register's Office.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Copies are contained in Part II of the Plan of the forms of Declaration, By-Laws, Purchase Agreement, Unit Deed, Power of Attorney and other documents (which forms may be revised prior to their recordation or the First Closing, as applicable). Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to in the Plan, copies of which are on file with Sponsor, are not necessarily complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

Since the Building is new construction there are neither commercial nor residential tenants occupying the Building As of the Filing Date of the Plan.

No party other than Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Residential Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor and Purchasers. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially and adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within 15 days from the Presentation Date of such amendment. Sponsor shall promptly return any Deposit, together with any interest earned thereon, as well as any Unit Upgrade Funds, to Purchasers who rescind, except that Sponsor shall retain the Deposit of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Residential Units because of such person's race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

The Property has not been the subject of a prior public offering.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor adopts the "Description of Property and Improvements" set forth in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Building except as set forth in the Description of Property and Improvements or as contemplated to be made as described therein.

PART II

CONDOMINIUM OFFERING PLAN

242 BROOME STREET CONDOMINIUM

242 BROOME STREET
NEW YORK, NY 10002

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Robert Laudenschlager, Partner, SLCE Architects
1359 Broadway, 14th Floor
New York, NY 10018

ARCHITECTS REPORT: 242 Broome Street Condominium
242 Broome Street, New York, NY 10002

July 6, 2016

(a) LOCATION AND USE OF THE PROPERTY:

(1) Address: 242 Broome Street, New York, NY 10002

(2) Block and Lot Number: Block 409, Lot 56, Map No. 12c

(3) Zoning: C6-1, R-7 Equivalent Per Special Permit 120228ZSM

(4) Permissible Use: The proposed use of the cellar for storage, mechanical functions and commercial use is permitted by the New York City Zoning Resolution and Special Permit 120228ZSM. The proposed use of the first floor as commercial use, residential lobby use and community facility use (Use Groups 1-12) is permitted by the New York City Zoning Resolution and Special Permit 120228ZSM. The proposed use of the second through fourth floors as mechanical functions, commercial use, community use and residential accessory use (Use Groups 3-12) is permitted by the New York City Zoning Resolution and Special Permit 120228ZSM. These uses consist primarily of retail stores, service establishments, offices, wholesale establishments, and eating and drinking establishments. The proposed use of fifth floor through fourteenth floors as residential use (Use Groups 1-2) is permitted by the New York City Zoning Resolution Special Permit 120228ZSM.

(5) FEMA zone: The project site is determined to be outside the 0.2% annual chance floodplain.

(b) STATUS OF CONSTRUCTION:

(1) New construction; beginning 2015. Anticipated completion of construction in 2018.

(2) Applicable Building Codes:
2008 New York City Building Code; Multiple Dwelling Law, Housing Maintenance Code, New York Energy Conservation Code, and Federal Housing Authority Fair Housing Act

(3) The proposed new building is class 1B fireproof construction. The building shall be fully wet sprinklered throughout.

(4) A new Certificate of Occupancy is required. No existing Certificate of Occupancy.

(i) All necessary permits will be obtained and all required inspections will be completed prior to obtaining a permanent Certificate of Occupancy.

(5) Alteration Permit Numbers and Description of Work Done: The following applications are on file with the N.Y.C. Department of Buildings and otherwise required. Permits are as noted:

(i) New Building Application, No. 121187045 has been approved by the NYC Department of buildings for general construction as of June 9th, 2015.

(c) SITE:

(1) Size: The Lot Area is 21,996 SF. The site measures approximately 150'-2" on Ludlow Street on its west side, 124'-7" on Broome Street on its south side, 58'-10" on Essex Street on its east side, and 175'-8" on its north side.

(2) Number of buildings and use: There will be one residential, commercial and community facility mixed use building on the site; comprised of a north portion and a south portion in the Floor Plan Section in Part II of the Offering Plan.

(3) Streets owned or maintained by the Project: The site has street frontage on Ludlow Street to the west, Broome Street to the south and Essex Street to the east.

(i) Paving: 2' wide paving is proposed on Ludlow Street, Broome Street and Essex Street as part of the curb reconstruction, 1' full depth paving reconstruction and 1' mill and resurface paving.

(ii) Curbing: New steel faced concrete curb is proposed on Ludlow Street, Broome Street and Essex Street.

(iii) Catch Basins, Drainage: There are no catch basins located within the site's street frontage, no alternative to existing drainage system is proposed.

(iv) Street Lighting: There is one (1) "Bishops Crook" type street light located within the site's street frontage on Ludlow Street approximately 70' from the junction with Broome Street.

(v) The above items are in conformity with local fire district and municipal building codes.

(4) Drives, Sidewalks, and Ramps: The sidewalks extending the entire frontage of Ludlow Street are approximately 12'-0", on Broome Street are approximately 9'-7" and on Essex Street are approximately 12'-7". As part of the project the sidewalks along Ludlow Street and Broome Street will be widened. One (1) existing pedestrian ramp in the corner of the Ludlow and Broome Street will be replaced as part of the project. Two (2) proposed 16' wide curb cuts will be located on Ludlow Street for the two (2) proposed loading berths.

(i) Paving (material and condition): Existing concrete sidewalks are in poor to fair condition and are to be replaced as part of the project.

(ii) Curbing (material and condition): Existing steel faced concrete curbs are in fair condition and are to be replaced, see (c) (3) (ii).

(iii) Catch Basins, Drainage (location and condition): There are no existing catch basins located within the site's sidewalks.

(iv) Street Lighting (material, type, and condition): The sidewalk is lighted by the streetlamps described in (c) (3) (iv).

(v) The above items are in conformity with local fire district and municipal building codes.

(d) UTILITIES:

(1) The Building water supply and the combined sewer outflow will be provided and serviced by the City of New York public utility agencies. All services will be installed in accordance with the New York City Building Department and Building Code. The 6" Building water service will be connected to existing water main at Ludlow Street. The water service will be metered, and a double check valve assembly will be provided to prevent any backflow into the City water main. The combined sewer outflow will be discharged to Ludlow and Broome Streets existing sewer mains.

(2) The fire protection water service will be installed in accordance with the New York City Code and the NFPA standards. The two fire protection 8" water service will be connected to Ludlow and Broome Streets existing water mains. The fire service will be metered, installed in accordance with New York DEP requirements, and it will supply water for the Building sprinkler/ standpipe systems.

(3) Residential gas will be provided by Con Edison and will be collectively metered. Commercial gas will be metered separately.

(4) Electricity is provided and maintained by Con Edison Company, a regulated public utility. The electricity provided to the Building is direct metered by Con Ed. Electric service for the common areas shall be metered and billed to the Condominium Association. The electricity consumed within each Residential Unit shall be individually sub-metered. The costs associated with this electrical use will be allocated to each owner by a 3rd party. The electricity consumed in each Retail Unit and the Community Facility

Unit will be separately direct metered by Con Ed. The meters and electrical service to the Building are the responsibility of the utility company.

(5) The Building will be wired for telephone, cable television and data. It will be a Unit owner's obligation to purchase telephones and arrange for telephone, cable and data services for his or her Unit.

(e) SUB-SOIL CONDITIONS:

(1) Based on the survey drawing, the lot is approximately 21,960 SF. The ground surface varies from approximately Elev. +31.8 feet at the northeast corner to approximately +35 feet at the southwest corner. The site is occupied by a surface parking lot. The "F" subway line, located underneath Essex Street, is estimated to be approximately 46 feet deep and approximately 40 feet east of the property line.

(2) Thirteen test borings were performed to depths ranging from 32 to 102 feet below the current grades. Based on the results of these explorations, the subsurface conditions generally consist of less than 20 ft of fill, and at least 80 feet of primarily loose to medium dense sand.

(3) Estimated depth to groundwater at the site is 27feet below current grade (el. +6 ft).

(f) LANDSCAPING AND ENCLOSURES:

(1) Grass Cover (type, location): None

(2) Trees (type, location):

(i) Trees (type, location): There are six (6) existing trees in front of the project site on Ludlow Street and Broome Street. Four (4) existing trees will be removed; two (2) existing trees will be preserved on-site and receive new tree pits on Ludlow Street. Three (3) new trees will be planted on Broome Street and Essex Street. New and existing trees are to be maintained by the Condominium Association in accordance with New York City Zoning Resolution requirements.

(3) Plantings (type, locations):

(i) 4th Floor Roof Terrace: The total planting coverage is approximately 1000 SF: All plantings are drought tolerant and suitable for part-sun conditions.

(ii) Residential Amenity Roof Terrace:

(a) The total planting coverage is 236 SF. The terrace will be partially planted.

(b) The plantings at the amenity roof terrace shall be maintained by the Condominium Association in accordance with New York City Zoning Resolution requirements.

(4) Irrigation (type, locations):

(i) 4th Floor Roof Terrace: All planting shall be irrigated using a hose irrigation system. The irrigation system shall be organized into zones based on plant type and depth of soil. The controller includes a rain delay sensor to maximize efficiency.

(ii) Residential Amenity Roof Terrace: All planting shall be irrigated using a hose irrigation system.

(5) Planters (type, locations):

(i) Residential Amenity Roof Terrace: Approximately 236 SF of 32" high, movable, Aluminum Planters.

(ii) 1st Floor Residential Entry: Movable planter; dimensions, materials and finish to be determined.

(6) Screens (type, locations):

(i) 6th Floor Roof Terrace: Proposed screens include varying lengths of 6'-0" high wood trellis screens with metal frames separating private terraces. Terrace dividers include 6'-0" wide gates for Fire Department access at building perimeter.

(ii) Roof Level Residential Terraces: Proposed screens include 25 LF of 6'-0" high wood trellis screens with metal frames separating private residential terraces and common terrace from adjacent private terraces.

(7) Fencing (type, location): See section (f)(6) for terrace fencing description.

(8) Gates (type, location): See section (f)(6) for terrace divider gates description.

(9) Garden Walls (type, location): None

(10) Retaining Walls (type, location): None

(11) Display Pools and Foundations (location, materials): None

(12) Paving (type, location):

(i) 4th Floor Roof Terrace: Approximately 3,300 SF of 24"x24" concrete pavers on pedestals.

(ii) Residential Amenity Roof Terrace: Approximately 1,030 SF of 24"x24" concrete pavers on pedestals.

(iii) Private Residential Terraces at 6th Floor and Roof: 24"x24" concrete pavers on pedestals.

(13) Miscellaneous:

(i) 4th Floor Roof Terrace: Approximately 300 SF of electrical heat trace path proposed. Pentair 'Raychem Electromelt' or equivalent.

(ii) Residential Amenity Roof Terrace: 10 LF of wood clad benches is proposed.

(iii) Residential Amenity Roof Terrace: 1 outdoor kitchen with 2 gas grills and 1 exterior rated sink is proposed.

(g) BUILDING HEIGHT:

(1) Total Height: The building is 160'-0" from the average curb level to the finished floor of the roof level and 181'-4" from curb level to the highest point of structure.

(2) Crawl Spaces (floor to ceiling, height): None

(3) Number of Cellars and Sub-cellars: One cellar

(4) Number of Floors: 15 floors plus cellar and mechanical bulkhead.

(5) Equipment Rooms (location and uses): Equipment rooms are located in the Cellar, Floor 1, Floor 4, and at the roof. Cellar mechanical rooms shall be used for water meters, fire pumps, water points of entry, gas meters, IT point of entry, sprinkler equipment, electrical switchgear, and heating and water equipment. Elevator equipment is located in the Cellar, Floor 1, Floor 3 and at the Bulkhead level. There is roof mounted air conditioning located on the roof.

(6) Parapet and railings (height above roof): At the 5th floor Roof Terrace on the north and south elevations there is a new parapet at approximately 3" above finish floor level with a painted aluminum guardrail at 42" above finish floor level. On the east elevation there is a new concrete parapet with painted metal coping at 42" above finish floor level. At the 6th floor of the residential tower on the north, west, south and east elevations there is a new parapet at approximately 10" above finish floor level with a glass guardrail at 42" above finish floor level. At the roof of the residential tower on the north, west, south and east elevations there is a new parapet at approximately 3" above finish floor level with a glass guardrail at 42" above finish floor level. At other roofs and roof bulkheads 42" high open pipe railings are located on open rooftop structures.

CONSTRUCTION FLOOR	MARKETING FLOOR
CELLAR	LOWER LEVEL (LL)
1	1 (GROUND)
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	14
14	PENTHOUSE (PH)
ROOF	ROOF
BULKHEAD	BULKHEAD

(h) STRUCTURAL SYSTEM:

(1) Exterior of Building:

(i) The new building will consist of two structures; defined as the north portion and south wing in the Floor Plan Section in Part II of the Offering Plan. The Residential/Commercial mixed use tower (south portion) shall be of reinforced concrete flat slab supported on reinforced concrete column as gravity support system with reinforced concrete shear wall as lateral brace system. The structure of the north portion shall be of concrete over composite metal deck as floor slab supported by steel beams as gravity support system with steel diagonal braces as lateral brace system.

(ii) Foundations: New foundations consist of 24 in. to 36 in. thick reinforced concrete mat foundation under both the north and south portions at Cellar level, with 42 in. thick mat under shear wall core. The Cellar space will be enclosed by reinforced concrete wall all along perimeter.

(a) A sub-grade drainage system is provided for the foundation of the building. The storm drainage system and piping will be installed in full compliance with the Plumbing Code.

(b) Waterproofing under basement slabs utilizing pre-applied, fully-adhered HDPE sheet membrane waterproofing (horizontal). Below-grade wall waterproofing utilizing self-adhesive composite rubberized asphalt sheet membrane.

(iii) The exterior walls will be as follows:

(a) Anodized aluminum panels and glass curtain wall system with operable casement and fixed windows, which will comply with the code-required R-value of 15.625.

- As per the design professionals' specifications, the curtain walls are to be installed per the manufacturer's installation procedures and in accordance with 2008 New York City Building Code.

(b) Metal and glass storefront system with metal and glass doors with an R-Value of approximately 3.7

- Storefront systems at the north and south portions of the building to be manufactured by AZA|INT. Storefronts are to be metal and glass with a granite base, and metal and glass doors.

(c) Metal Rain-screen wall system with rigid insulation and gypsum board sheathing on metal studs, with an R-Value of approximately 18.

(d) Insulated Metal Panel with operable casement windows on metal studs, internally drained, with an R-Value of approximately 22.

(e) CMU block wall system with batt insulation and gypsum wall board on metal studs, with an R-Value of approximately 10.

(f) At roof bulkheads, CMU block wall system with insulation with decorative metal rain screen, stucco or EIFS; with an R-Value of approximately 16.5.

(g) Face brick cavity wall system or EIFS wall system (barrier type) with batt insulation on metal studs, with an R-Value of approximately 10.

(iv) Windows: All windows shall be new aluminum frame and sash, double glazed fixed or operable units. There will be lot line windows from the 6th floor through the Penthouse floor on the east elevation – see attached drawings. No screens will be provided on any windows. Window wall attenuation of 25dB(A) at the north elevation floors 1-2, 26dB(A) at the north elevation floors 3-5, 25dB(A) at the east elevation on floors 1-5, 26dB(A) at the west elevation on floors 1-5, 25dB(A) at the north elevation on the 6th through Penthouse floors, 21dB(A) at the east elevation on the 6th through Penthouse floors, 19dB(A) at the south elevation on the 6th through Penthouse floors and 24dB(A) at the west elevation on the 6th through Penthouse floors shall be provided in accordance with New York City Zoning Resolution. Typical windows are nominally floor to ceiling. Operable windows will be hopper, awning, tilt/turn, double hung or casement. All operable windows will be provided with limit stops to prevent window from being opened more than 4" (as approved by the Department of Health).

(a) Lot Line Windows:

- The following Residential Units contain (1) one Lot Line Window measuring 4'-4" wide by 8'-1" high: 6A; 6F; 7A; 7G; 8A; 8F; 9A; 9F; 10A; 10F; 11A; 11E; 12A; 12E; 14A; 14E
- The following Residential Units contain (2) two Lot Line Windows; one measuring 4'-4" wide by 8'-1" high; one measuring 3'-0" wide by 9'-0" high (to be verified with Shop Dwgs.): Penthouse Unit A and Penthouse Unit C

(b) Window Manufacturer and Warranties:

- Windows to be manufactured by AZA|INT.
- General Warranty on Curtain Wall system: 5 years
- Warranty on Insulating glass, inclusive of coatings and coatings on aluminum: 10 years
- Warranty on Structural silicone: 20 years

(2) Parapets and Copings: Parapets at concrete masonry walls and reinforced concrete walls shall be flashed and finished with metal coping.

(i) Coping to be constructed with aluminum sheets; ASTM B 209 for Alclad alloy 3005H25 or alloy and temper required to suit forming operations with mill finish. Sheet metal flashing and trim materials to be stainless steel: AISI Type 302-304, complying with ASTM A 167, 2D annealed finish, soft, 28 gage.

(3) Chimneys and Caps: There shall be a compactor trash chute vent placed within a new chimney constructed from reinforced concrete or equivalent to comply with New York City Building Code and it shall project above the level of the roof as required by code. There shall be (3) chimneys from the gas burning direct vent fireplaces located in the Penthouse units A, B and C which will project above the level of the roof as required by code. Metal spark arrestors shall be placed at top of all chimneys.

(4) Balconies and Terraces: There shall be a residential amenity terrace at the roof level of the building, accessed by elevators A1, A2 and by two of the building's egress stairs Stair A and Stair B. There shall be private roof terraces at floors 6, and the roof level (level

15), accessed from inside the 6th floor Units A, B and C and Penthouse Units A, B and C on Floor 14. Two of the building's egress stairs (A and B) have a termination at the roof level of the residential tower; Stair C terminates at the 3rd floor of the north portion; and Stair D terminates at the roof of the north portion, which has an outdoor roof portion. These terraces will be accessible to occupants of the building in case of fire emergency, as required by building code.

(i) Terrace Finish (material): Roof terrace finishes shall be 24"x24" concrete pavers on pedestals above the roofing membrane.
(ii) Balustrade (type, material): None
(iii) Railings (material): Railings at Residential roof terraces shall be glass panels mounted to aluminum framing. The railings at the north portion roof terrace shall be painted aluminum.
(iv) Copings (material): All copings shall be metal parapet caps.
(v) Soffit (material): the Underside of open floors will be insulated metal panels.
(vi) Doors to Balconies and Terraces (type, material): Aluminum, double glazed. No screens will be provided.

(5) Exterior Entrances:

(i) Exterior Doors and Frames (material, type, and lock): All exterior doors at exterior entrances shall be new steel frame or aluminum frame, double glazed units or insulated metal doors equipped with self-closing devices and locks. The residential entrance of the building shall be equipped with a video intercom and door release system for building staff.
  (a) Exterior doors at Residential Unit terraces and Commercial storefronts to be manufactured by AZA|INT. Exterior doors at the north portion storefronts to be manufactured by AZA|INT.
(ii) Exterior Canopies:
  (a) No canopies are to be provided at exterior entrances.
(iii) Exterior Stairs (material, location): None
(iv) Railings (material, location): None
(v) Mail Boxes: (type, location): At least 55 U.S.P.S. approved mailboxes shall be provided in the residential lobby of the building. The postal service employee shall have access to the building by a key to be located in a key keeper. Mailboxes shall be Salsbury #3706D-10 or equivalent in aluminum or powder coated paint finish.
(vi) Lighting (type, location): Interior incandescent, LED, halogen, and/or fluorescent lighting, inside the public entrance and inside other means of egress, shall be provided.

(6) Service Entrances:
(i) Doors and Frames (material, type, lock):
  (a) Overhead coiling insulated door to be fabricated of interlocking slats designed to withstand wind loading. Door curtain slats to be fabricated of cold-rolled galvanized steel sheets. End locks to be fabricated of malleable iron castings, provided on alternate curtain slats for curtain alignment and resistance against lateral movement. Curtain jamb guides to be fabricated of steel angles and/or channels with sufficient depth and strength to retain curtain loading.
(ii) Gates: None
(iii) Exterior Stairs: None
(iv) Railings: None

(7) Roof and Roof Structures:

(i) Type of Roofs for All Areas:

(a) Material: Terrace Roofs are to be cold-applied liquid membrane IRMA type roof. Upon successful completion of the project, and after all post installation procedures have been completed, furnish the Owner with the Manufacturer's twenty (20) year labor and materials membrane guarantee. The guarantee shall be a term type No Dollar Limit (NDL), without deductibles or limitations on coverage amount and cover all components of the system including but not limited to watertight roofing membrane assembly, full adhesion to substrate, flashing, insulation, drainage mat, soil and vegetated mats and pavers.

(b) Insulation:

- IRMA Roof Assembly: Structural Slab, membrane, drainage composite, 4 inches XPS insulation, filter fabric, pedestals and pavers. 4 inches of polystyrene insulation providing an R-value of 20. IRMA Roof Assembly to be manufactured by Kemper, Soprema or approved equivalent.
- Conventional Roof Assembly: Structural slab, insulation adhesive, tapered polyisocyanurate insulation, cover board, base ply, and cap ply (if modified bitumen or reinforced PMMA cold applied liquid membrane). Thickness of insulation varies due to tapering; will average an R-value of 20. Conventional Roof Assembly to be manufactured by Silplast, GAF or approved equivalent.

(c) Surface finish: The roof surface shall be the membrane, except where decking materials above are indicated (see drawings)

(d) Bond or Guarantee: There shall be a guarantee for the roofing materials by the manufacturer. Such roofing shall be guaranteed by the installer for a minimum of two years from the installation date.

(e) Flashing materials including counter flashing: The roof shall be flashed with turned up roofing at the edges.

(ii) Drains:

(a) Location, Material, and Type: Roof and area drains shall be cast iron body with cast iron strainers. There shall be area and overflow drains at the 1st floor sidewalk widening, the roof over Stair C, the 4th floor roof terrace (north portion), the open roof of the north portion, the 6th floor terraces, the roof level and at the roof bulkheads.

(b) Gutters and Leaders: Provided at the stair and elevator bulkheads on the upper roof.

(iii) Skylights (location, type, material): None

(iv) Bulkheads:

(a) Stairs: There shall be a reinforced masonry block or reinforced concrete enclosure at the stair bulkheads.

(b) Elevator: There shall be a reinforced masonry block or reinforced concrete enclosure at the elevator bulkheads.

(v) Metal Work at Roof Levels:

(a) Exterior Metal stairs: None

(b) Vertical Ladders: There shall be a new painted steel ladder leading from the roof to the bulkhead roof to access the cooling tower and elevator machine room.

(c) Railings: There shall be painted steel railings where required.

(d) Hatches to roof: None

(e) Other: None

(vi) Rooftop Facilities: There is a rooftop terrace accessible to all residents of the building at the Roof level. For a more detailed description see Section (h) (4) above.

(8) Fire Escapes: No fire escapes are required, none will be provided.
- (i) Location: Not Applicable
- (ii) Floors covered: Not Applicable
- (iii) Drop ladder: Not Applicable
- (iv) Type: Not Applicable
- (v) Materials: Not Applicable

(9) Yards and Courts: No yards are required, none will be provided.

(10) Interior Stairs:

- (i) Number of Stairs of Each Type: There shall be two "scissor stair" fire stairs centrally located with the building that extend from the first floor through the main roof level. The Penthouse (PH) Units A, B and C will each have an interior accessory stair that extends from the Penthouse floor to the roof.
- (ii) Enclosure: Egress stairs shall be within two-hour rated enclosures. Accessory stairs in the Penthouse Units shall not be enclosed.
- (iii) Stair construction: Egress stairs shall be of reinforced concrete or metal pan with concrete fill construction. PH accessory stairs shall be wood or steel construction.
- (iv) Stringers: Stringers for egress stairs shall be of reinforced concrete or metal construction. Stringers for PH accessory stairs shall have wood construction.
- (v) Treads: Treads for egress stairs shall be reinforced concrete or metal pan with concrete fill. Treads for PH accessory stairs shall be wood.
- (vi) Risers: Egress stairs shall have reinforced concrete or metal risers. PH accessory stairs shall have wood risers.
- (vii) Hand Rails: The height of handrails shall be between 30" and 36" above the nosing of the treads. Handrails at egress stairs shall be painted steel. Handrails at PH accessory stairs shall be painted wood or steel.
- (viii) Guard Rails: Egress stairs shall have metal guardrails at a minimum of 42" above the nosing of the treads as required by code. Guardrails are not required at the PH accessory stairs and will not be provided.

(11) Interior Doors and Frames:

- (i) Unit Entrances and Interior Doors and Frames: Unit entrance doors on the 5th floor shall be 1-1/2 hour rated solid core wood fire doors with hollow metal frames. Unit entrance doors on the 6th floor through the Penthouse floor shall be 3/4 hour rated solid core wood fire doors with hollow metal frames. Interior doors shall be solid core wood or equivalent with wood frames.
- (ii) Corridor Doors: Corridor doors shall be hollow metal doors with hollow metal or wood frame.
- (iii) Egress Stair Doors: Egress stair doors shall be metal fireproof self–closing doors with steel frames. Egress stair doors terminating at private roof terraces or spaces shall be equipped with electrified locks connected to building fire control system.

(12) Elevator:

(i) Number of Passenger and Service Elevators: There will be six (6) elevators, consisting of three passenger elevators and three (3) passenger/service elevators.

(ii) Manufacturer, Age of Each and Capacity:

(a) Elevators to be manufactured by TEI Group.

(b) All equipment will be brand new

(c) A1 will have a capacity of 2,500 lbs. A2 will have a capacity of 2,000 lbs. B1 will have a capacity of 2,500 lbs. C1 will have a capacity of 10,500 lbs. D1 will have a capacity of 2,500 lbs. E1 will have a capacity of 2,500 lbs.

(iii) Type of Operation for Each Elevator: C1 will primarily serve the Community Facility Unit, with Retail Unit 3 access by way of an easement. B1 will serve Retail Unit 2. E1 will serve Retail Unit 4 in the Cellar. A1 will be a residential elevator as well as a "swing" service elevator. A2 will serve the residential floors. D1 will primarily serve Retail Unit 3 and Retail Unit 4.

(iv) Automatic (type of controls): All elevators will have automatic operation.

(v) Floors served:

(a) C1: north portion floors 1 through 4

(b) B1: Residential Podium floors 1 through 3

(c) E1: north portion floors Cellar through 1

(d) A1: Floors Cellar through Roof

(e) A2: Floors 1 through Roof

(f) D1: north portion floors Cellar through 4

(vi) Type:

(a) C1: In-ground hydraulic

(b) B1: Twin jack roped holes-less hydraulic

(c) E1: Twin jack two staged holes-less hydraulic

(d) A1, A2, D1: Machine room-less (MRL)

(vii) Doors:

(a) C1: Front/rear, two speed center opening

(b) B1: Front/rear, two speed side opening

(c) E1: Front/rear, two speed side opening

(d) A1: Front/rear, single speed side opening

(e) A2: Front, single speed side opening

(f) D1: Front, two speed side opening

(viii) Location of Machine Room:

(a) C1: north portion Cellar

(b) B1: south portion Floor 3

(c) E1: north portion Cellar

(d) A1, A2: machine in hoist-way, control room at Roof.

(e) D1: Machine in hoist-way, control room at 4th floor

(ix) Electrical requirements not yet finalized

(13) Elevator Cab:

(i) Kind: The elevator cabs to be manufactured by EDI/ECI.

(ii) Elevator Cab Finishes:

(a) Elevator A1/A2:
Entrance Walls: Stainless Steel
Doors: Blackened Stainless Steel
Side Walls/ Rear Wall: Mosaic Marble Panels
Floor: Cocoa Mat; Color: Charcoal
Ceiling: Painted Stainless Steel
Railing: Wood – Walnut

(b) Elevator B1: Elevator cab finishes to be temporary. Future tenant to provide permanent cab finishes.

(c) Elevator C1:

Entrance Walls: N/A
Doors: Blackened Stainless Steel
Side Walls: Blackened Stainless Steel above; Steel Diamond Plated (painted black) below.
Floor: Rubber
Ceiling: Stainless Steel – Mirror finish
Railing: Stainless Steel

(d) Elevator D1:
Entrance Walls: Aluminum Diamond Plate
Doors: Stainless Steel
Side Walls: Aluminum Diamond Plate
Floor: Rubber
Ceiling: Stainless Steel
Railing: Stainless Steel – satin finish

(e) Elevator E1:
Entrance Walls: Stainless Steel
Doors: Stainless Steel
Side Walls: Stainless Steel
Floor: Rubber
Ceiling: Stainless Steel
Railing: Stainless Steel

(iii) Lighting: The interior of the elevator cab shall be lighted by LED, incandescent, halogen, and/or fluorescent fixtures.

(iv) Elevator Alarm / Safety System:

(a) EMS shall monitor various discrete signals from the elevator system and retain a log of up to the last 200 alarms/events.

(14) Floor Construction: Floors shall be constructed of minimum 8" reinforced concrete slab. New tongue and groove engineered wood finish flooring shall be placed throughout the residential section of the building. Tile and/or stone finishes shall be installed in areas such as bathrooms. New flooring will be placed over radiant in-floor heating system assembly in market rate and penthouse master bathrooms only.

(15) Provisions for Sound Attenuation:

(i) RESIDENTIAL Criteria for Sound Isolation:

(a) Demising partitions between adjacent residential units to have (4) layers of gypsum board with mineral insulation on metal studs.
The demising assembly complies with the Building Code requirement of minimum sound transmission class (STC) of fifty (50) for airborne noise.

(b) Interior partitions within residential units to have (2) layers of gypsum board with mineral insulation on metal studs.

(c) Chase wall partitions (both interior and demising conditions) to have (4) layers gypsum board with an air space on metal studs.
The demising assembly complies with the Building Code requirement of minimum sound transmission class (STC) of fifty (50) for airborne noise.

(d) There are three typical Floor/Ceiling assemblies within residential units

- Dry floor
  - 8" thick CIP concrete slab, with finished floor and Kadex ceiling
  - STC58 per Pliteq test #B3498.9 or equivalent
- Wet floor
  - 8" thick CIP concrete slab with finished
  - STC62 per Pliteq test #5008048 or equivalent
- Base building Mechanical to Residential

- 10" thick CIP concrete slab with resiliently suspended drywall ceiling and thermafiber insulation
- STC67 per Pliteq test #5010015 or equivalent

(ii) Impact Isolation:

(a) Typical dry floor/ceiling between vertically aligned residential units to be an 8" thick CIP concrete slab, wood floor, 5mm underlayment
- IIC58 per Pliteq test #B3498.8 or equivalent

(b) Typical wet floor/ceiling between vertically aligned residential units to be an 8" thick CIP concrete slab, with tile floor, 5mm underlayment
- IIC54 per Pliteq test #7013110 or equivalent

(c) Fitness center to have a resilient gym mat to control typical impact isolation from treadmills, cardio and universal equipment
- Pliteq FIT30 (or equivalent)
- Pliteq FIT70 (or equivalent) to be used if free weight/dumbbell areas are planned
- Pliteq tiles are 2'x2' and have ramped tiles to be used to navigate the finished floor height change

(iii) Background Noise Levels:

(a) Background noise levels to be below 45dBA due to mechanical equipment

(b) Duct lining provided upstream and downstream of fans in ductwork per specification

(c) Appropriate vibration isolation provided per specification

(iv) Specialty Adjacencies:

(a) Residential Amenity space to adjacent residential units.

(b) Rooftop Mechanical to Penthouse
- Background noise levels to be below 45dBA in interiors due to CT, AHU, pumps, E-Gen and all other MEP equipment
- STC60

(c) Rooftop Mechanical to outdoor terraces
- Background noise levels to not exceed 60dBA as measured on terraces

(v) COMMERCIAL/ RETAIL/ COMMUNITY Criteria for Sound Isolation:

(a) Demising partitions between adjacent units to have (4) layer gypsum board wall assembly on metal studs with mineral insulation.
- STC 56 per USG test #USG0840818

(b) Base building is providing a 4-1/2" topping slab on a 3" metal deck on the museum building and 8" thick CIP concrete slab on the tower building. Acoustic performance of each are similar – STC 53 per Kinetics Noise test #AT001049. Additional isolation to be provided by tenants as required to meet maximum allowable noise levels.

(vi) Impact Isolation:

(a) Floor/ceiling between vertically aligned units to be a 4-1/2" topping slab on a 3" metal deck on the museum building and 8" thick CIP concrete slab on the tower building, without a finished ceiling or treated floor above. IIC27 per Kinetics Noise test #AT001049

(b) Background Noise Levels:
- Background noise levels to be NC40 at 10'-0" from base building mechanical rooms. Additional attenuation may be required by tenants when designing air distribution to meet enhanced criteria. For example; a background noise level of NC25 may be more appropriate for a museum space within the galleries.

(i) AUXILIARY FACILITES:

(1) Laundry Rooms: There are no common laundry facilities.
- (i) Location and number of rooms: Each Residential Unit shall have a laundry closet or laundry room equipped with rough plumbing and electrical outlets.
- (ii) Clothes Washers: All Residential Units shall be provided with an electric clothes washer. See section (w).
- (iii) Clothes Dryers: All Residential Units shall be provided with an electric clothes dryer. See section (w).
- (iv) Dryer ventilation: The dryers will be mechanically ventilated on Floors 12, 14 and the Penthouse level. Dryers on Floors 5 through 11 will be vent-less type.

(2) Refuse Disposal: Refuse disposal shall be as required by the New York City regulations.
- (i) Incinerators: None
- (ii) Garbage Disposals: Provided at Market Rate kitchen sinks.
- (iii) Compactors: Wilkinson Hi-rise Model No. 400-C5 or equivalent
- (iv) Approvals by Authority Having Jurisdiction: An application by the Owner must be made to the Sanitation Department of the City of New York to initiate sanitation service for Residential Units.
- (v) Initial Storage Location: There shall be a refuse chute serving each residential floor of the building and leading to a trash storage room at the cellar.
- (vi) Pick-up schedule: The Sanitation Department schedules pick up three times per week for residential refuse. The commercial tenant shall contract directly with a private vendor for refuse removal. All Residential refuse will be moved to Ludlow Street or Broome Street for curb-side pick-up via the service corridor on the 1st floor.

(3) Package Room to be located at the Residential Lobby Concierge Desk on the 1st floor.

(4) The Commercial/Community Bicycle Storage Room will be located on the 1st floor of the north portion; containing wall-mounted bicycle racks with the capacity to store 8 bicycles.

(5) Residential Bicycle Storage Room will be located on the 4th floor of the south portion; containing wall-mounted bicycle racks with the capacity to store 28 bicycles.

(j) PLUMBING AND DRAINAGE:

(1) Water supply:
- i. A new 6" water service will supply domestic water to the Building. The service is metered and protected from backflow by a double check type backflow preventer.
- ii. Sub-meters off the main supply are provided for the cooling tower and commercial spaces.
- iii. The Building water system consists of two pressure water zones served by one quadruplex centrifugal booster located at the Cellar level.
- iv. A complete cold, hot and recirculation water system will be installed to serve the residential zone plumbing fixtures and related equipment.
- v. The cold water system will deliver a minimum of 35 psi to the most remote fixture; each floor contains individual branch shutoffs; and copper type L pipe are used throughout for domestic cold and hot water supply.
- vi. Domestic hot water will be generated by means of water to water domestic heaters using boiler water as the primary agent.
- vii. Domestic hot water for retail and Community Facility TCO spaces are generated by local point of use hot water heaters, sized for the connected load. The heaters meet energy efficiency requirements of NYCECC. Hot water heaters serving tenant fit-out

spaces shall be provided by the tenant occupying the space. Residential spaces are served by central hot water heaters using heat exchangers to generate domestic hot water from boiler water. The water is heated in the central plant on the 4th floor and distributed up the building. A hot water recirculation system returns the water for temperature maintenance to ensure delivery of hot water to all fixtures in accordance with the NYCPC. Residential system has the capacity for 1980 gallons per hour, is manufactured by PVI, and meets all energy efficiency requirements of NYCECC. Controls are provided to minimize energy use by the hot water heaters and recirculating system in accordance with the NYCECC.

viii. The domestic hot water system has been designed in accordance with the New York State Energy Conservation Construction Code.

(2) Fire Protection System:

i. The risers will be interconnected as required by Code.

ii. The amenities, Community Facility, Retail Units, all back of house, and Residential Units/corridors will all be fully sprinklered.

iii. Fire hose racks and cabinets are provided by code and are included in all public, residential, and stairwell enclosures. At 2-hr rated construction, fire hose cabinets shall meet the requirements of the assembly to be code compliant.

iv. All standpipes will be painted red as required by Code.

v. The fire protection system will be designed in accordance with the NYC Code and NFPA Standards as amended and adopted by the City of New York. The Building will be fully sprinklered.

vi. Two 8" fire water services will be provided from the street mains in accordance with the New York City DEP technical requirements. The incoming fire water services will be provided with double detector check valve backflow preventers. The water services will supply a 1000 GPM automatic fire pump located in the cellar level. The fire pump will serve several 6" standpipe risers and a 6" combined standpipe and sprinkler riser.

vii. A pressure maintenance (jockey) pump will be provided for the fire pump.

viii. Fire Department hose valves will be provided as required.

ix. Siamese Fire Department connections are located on each of the three (3) streets that the building faces on. The connections are located in accordance with NYCBC.

x. Sprinklers for trash chute protection will be provided.

xi. Tamper switches will be provided on all fire standpipe and sprinkler control valves.

xii. Each sprinkler floor system connection to standpipe riser and main will be provided with:

- Indicating shutoff valve with tamper switch.
- Check valve.
- Water flow alarm.
- Inspectors test and drain.
- Drain with sight glass and check valve.

xiii. In the Residential Units where there is a ceiling, concealed sprinkler heads shall be specified.

xiv. In the Residential Units where there are soffits adjacent to areas with no ceiling, concealed sidewall sprinkler heads shall be specified.

xv. All washer/dryer closets shall be provided with sprinkler heads.

(3) Soil, Waste and Vent Sanitary Drainage System:

i. The Building will have multiple soils and waste stacks for all areas above grade flowing by gravity.

ii. Sanitary piping is cast iron with no-hub couplings for piping above grade and piping connecting in the cellar to the sewer by gravity. Buried underground sanitary piping is service grade cast iron hub and spigot with gasketed joints.

iii. Fixtures on each residential floor will be piped to vertical risers located in plumbing chases behind or adjacent to fixtures.

iv. All soil and waste stacks will be collected by horizontal mains and branches at the mechanical floor levels and will be routed to several central stacks. The main central stacks will be connected in the basement overhead and run to the street sewer by gravity.

v. All trap seals will be protected with vents as required by the NYC Plumbing Code. The vent system will connect vent piping from fixtures and traps and run to vent stacks in plumbing chases. Vent stacks will terminate on roofs as required. Where the vent terminal location is used for purposes other than weather protection (i.e. an occupied roof), the vent shall terminate 7'-0" above the roof.

vi. All traps subject to evaporation will be provided with a trap seal device or a trap priming device.

vii. Sanitary drainage from fixtures located below the sewer elevation will flow by gravity to sewage ejectors. Each sewage ejector shall be a duplex unit with automatic controls. The sewage ejector discharge piping will connect to the house drain on the downstream side of the sanitary house trap.

viii. Pits at Elevators A1, A2, C1, D1 and E1 will be provided with sump pumps, as required by the NYC Building Code. The pit at Elevator B1 will be provided with a drain. The elevator sump pumps and drains will discharge indirectly into the sanitary system.

ix. All vent stacks will be installed to provide for washing out the bottom of the vent, wherever possible, relief, and yoke vents including the suds pressure zones vents.

(4) Storm Water Drainage System :

i. The storm system has been designed in accordance with NYCBC and NYCDEP regulations. All storm risers connect to a storm detention tank in the cellar. The tank is provided with a constant flow pump that discharges to the street sewer at the rate required by DEP. Site connections plans have been submitted and approved by NYCDEP.

ii. The Storm Drainage System is comprised of primary and secondary roof drains and a detention tank. The tank is sized in accordance with the NYDEP rules and regulations in order to control the rate of discharge to the City sewer.

iii. All roofs, roof setbacks, and terraces will be provided with roof drains and overflow drains. All drains shall be collected and will flow by gravity to multiple storm drainage risers. Risers shall be piped in plumbing chases, offset when required by varying floor conditions. The storm piping system shall have its risers collected and directed to the flow controlled storm detention tank. The tank will be provided with pumps to discharge to the City sewer.

iv. Piping will be pitched in the direction of flow: 1/8" per ft. for piping 4" and larger. Storm piping is cast iron with no-hub couplings for piping above the 2nd floor slab. All storm piping below the second floor slab is pressure-rated galvanized steel pipe with Victaulic mechanical couplings.

(5) Gas Supply System :

i. Natural gas is provided by Consolidated Edison Company and is supplied to the building from the main located in Broome Street.

ii. Three (3) meter sets will be provided by the utility at the cellar level serving the base building. One meter set will be provided for the heating boilers and roof top units, one meter for residential cooking and domestic uses, and one meter for the emergency generator. Space will be provided for the future installation of five (5) additional meters; three (3) for ground floor retail use, and one meter for the Community Facility Unit. The gas meter for residential cooking will be a duplex setup.

iii. The gas dedicated to the emergency generator will be provided by a separate connection to the street main.

iv. Gas mains will be run to the equipment and appliances from the meter room in chases provided from the cellar level to the upper floors. Gas mains to the ranges will be distributed at the mechanical floors and run up to the appliances through partitions as required. Where gas piping is run in demising or corridor partitions to ranges, the partition must be 2-hr rated on at least one side and penetrations sealed accordingly.

v. All piping will be run in accordance with the Codes listed above.

vi. Each meter is provided with a gas booster system to raise the low pressure service from the utility service to the pressure required by the downstream equipment or fixtures.

vii. Gas regulators will be vented as required by the Codes listed above and by the local gas company.

viii. Materials of construction for natural gas piping will be Schedule 40 black steel pipe with 125 psi malleable iron fittings for piping 2" and smaller and butt welded wrought steel fittings for piping 3" and larger. All bare pipe exposed to view will be painted.

ix. Gas service lines shall pitch toward the Building and be provided with drip leg and plugged outlet or drip pot as required.

x. After piping has been sanitized, resume testing all piping receiving gas through the meter and until is fully purged.

xi. On all risers for the apartments a lockable riser valve will be installed at the base of each riser and a 1/8" tapped test connection or a drip leg must be installed downstream and in the vicinity of the gas supply valve.

(k) HEATING:

(1) Method: A condensing-boiler heating plant located on the 4th floor will be capable of maintaining 70deg F indoor temperature within all habitable areas, including corridors, with outdoor ambient condition of 13 deg F with 15 mph winds. Residential Units will be heated via ceiling hung water source heat pumps located within apartments and ducted to linear diffusers. Master bathrooms within market rate and penthouse Residential Units will be supplied with an electric resistance radiant floor heating system. Residential corridors will be heated via a dedicated corridor supply unit. This unit will be located on the roof and have gas fired heaters. Electro/mechanical equipment spaces, elevator machine rooms, tops of stairwells and exits to the roof are heated with electric resistance type heaters, or fan forced cabinet heaters with hot water coils.

(2) The heating system is designed to provide a design air temperature of 68F at a minimum outdoor ambient temperature of 15F.

(3) Number of boilers: (3) Lochinvar Crest FBN3500 boilers (or approved equal) at the 4th floor.

(4) Manufacturer of boilers: Lochinvar or equal

(5) Manufacturer of burners: Lochinvar or equal (integral to boilers)

(6) Type of Controls: The boilers will be controlled via manufacturer-supplied control logic and will also be monitored by the Building's automation system. Systems to include return water temperature sensing and outdoor air temperature sensing for supply water temperature reset.

(7) Radiators, Piping, Insulation, Valves Pumps, etc.: There are no radiators. All piping conveying fluid significantly above or below ambient temperature shall be insulated to minimize heat loss or gain.

(8) Fuel: Natural Gas

(9) Location of Oil tank: N/A

(10) Capacity of Oil Tank: N/A

(l) AIR CONDITIONING:

(1) Type of System: The system is designed to comply with the New York State Energy Code and is designed to maintain interior spaces intended for human occupancy at 78 °F and 50-percent relative humidity when the outdoor air temperature is 89 °F and the coincident wet bulb temperature is 73 °F. Heating and cooling are provided by individual horizontal water source heat pumps located within Residential Units which are supplied with non-refrigerated water by the central condenser water system.

(2) Central System: A two-pipe closed loop condenser water system consisting of 500 tons of cooling towers, primary condenser water pumps, heat exchangers and secondary condenser water pumps is provided. The system will maintain proper temperatures in the condenser water loop to provide year round cooling and heating by rejecting heat at the cooling towers or injecting heat from the boiler plant as necessary.

(3) Cooling Towers: Manufactured by Baltimore Aircoil (or approved equal), two-cells, (each at 250 ton). Cooling tower will be located within a well with solid walls on the roof and provided with vibration isolators to reduce noise transmission to Residential Units.

(4) Individual Units:

(i) Residential Units Space Air Conditioning

(a) The Residential Units will be provided with individual horizontal or vertical water source heat pumps for heating and cooling. Horizontal Heat pumps will be located above the ceiling and ducted to linear diffusers. Heat pumps will be manufactured by Daikin or similar. Each heat pump will be controlled by a manual 7-day programmable thermostat.

(b) The Residential Lobby will be conditioned by a dedicated water source heat pump located on the ground floor. The heat pump will be manufactured by Daikin or similar. The heat pump will be controlled via the Building's automation system and will contain a temperature sensor located within the lobby.

(ii) Air Conditioning of Residential Corridors

(a) The Residential corridors will be air conditioned by air cooled roof-top air conditioning unit. The air conditioning unit will be manufactured by Valent or similar.

(iii) Air Conditioning of Miscellaneous Spaces

(a) Dedicated HVAC units will be provided for the remainder of support spaces serving the Residential Building, i.e. elevator machine rooms, telecom rooms, electrical rooms/closets, etc.

(5) Note: Fiberglass insulation will be used for all the ductwork, piping and equipment insulation. Thickness of insulation will, at a minimum, meet ASHRAE 90.1-2007 requirements.

(m) VENTILATION:

(1) Kitchens:

The residential kitchens will be ventilated with an exhaust ventilation system as indicated on construction drawings for each kitchen. The kitchen exhaust systems will exhaust at least 50 cubic feet of air per minute from each kitchen that they serve. The systems will be designed based on continuous operation of the system. The kitchen exhaust systems will connect directly to the exhaust hoods in the residences and will have the capability to exhaust up to 500 cubic feet per minute of air per hood. The fans will be controlled via variable frequency drives and the fans have been sized to handle about a 55% diversity in the riser that they serve. The kitchen exhaust fans will be manufactured by Greenheck or approved equal.

(2) Bathrooms:
All residential bathrooms will be mechanically exhausted in accordance with NYC Mechanical Code. Air to be exhausted by an energy recovery air conditioning unit located on the roof.

(3) Make-Up Air:
The Residential Units will be provided with an outside air make-up air system. Air to be supplied by an energy recovery air conditioning unit located on the roof. Unit will be manufactured by Innovent or approved equal.

(4) Fireplaces:
Venting complying with the New York City Building Code and any manufacturer requirements will be provided for fireplaces located within Penthouse Units A, B and C.

(5) Dryer Exhaust: Vent-less dryers on Floors 5-11. Mechanically ventilated on Floors 12, 14 and the Penthouse level.

(6) Operable windows naturally ventilate the Building.

(7) Non-residential bathrooms will be mechanically exhausted, complying with the requirement of a rate of 75 cubic feet per minute of air per fixture.

(8) Gas meter room is provided with venting and an exterior louver per the utility company.

(9) Electro/mechanical equipment and storage areas will be ventilated as required to protect equipment or as generally dictated by applicable health or life safety codes.

(n) ELECTRICAL SYSTEM:

(1) Electrical service enters the Cellar and is provided by Con Ed (the Consolidated Edison Co). at 120/208 volts, 3 phase, 4 wire. Main switch gear is located in an electrical service room with distribution for house loads, Residential loads, Retail Units, the Community Facility Unit, and fire pump. Each Residential Unit will be served by a circuit breaker sized for the calculated load of the unit. The provided capacity will be adequate to handle modern usage and appliances such as air conditioners, refrigerators, dishwashers and dryers. Retail Units and their tenants shall arrange for independent accounts with the utility company and their own meter to be installed by Con Ed. In addition, a meter is provided for all common space and house loads.

(2) Metering: The Retail Units, the Community Facility Unit and the commercial space will be separately metered by Con Ed. A single Con Ed meter will be provided for all base building common spaces, back of house spaces, and Residential Units. All Residential Units will then be sub-metered at the distribution panel approximately every third floor.

(3) Distribution/Utilization System: Distribution voltage will be 120/208 volts, 3 phase, 4 wire for base Building. Risers will be in the core of the Building in the electrical closet,

and distribution panels shall be located approximately every 3rd floor. Residential Units will be fed individually from the distribution panel.

(4) Wiring and Raceways:

(i) Wiring:

(a) All insulation will be 600 volt rated.

(b) In general, all feeder cables will be aluminum conductor with type THHN insulation or Metal-Clad 'MC' cable. All branch wiring cables, fire alarm wiring risers, and feeders to apartments will be copper.

(ii) Raceways:

(a) Raceways will be EMT in general. Rigid galvanized steel and PVC will be used for conduits embedded in concrete or under-ground.

(b) Armored cable (BX) will be used for concealed branch circuit wiring, where permissible by code.

(5) Wiring Devices:

(i) Receptacles will be Decora style specification grade, 125 volt, 20 ampere or as required for appliance circuits.

(ii) GFI type outlets will be provided in bathrooms and kitchens.

(iii) Arc fault circuit interrupter type circuit breakers to be used for all receptacle circuits in the Residential Unit.

(6) Apartment Panels:

(i) Panels will be load center circuit breaker type, with a maximum of 42 branch circuits per panel, with minimum 80 ampere capacity, sufficient for all anticipated loads within the Residential Unit including the air conditioning units.

(ii) All panels will be equipped with doors and directories.

(iii) Panels will have copper buses.

(7) Emergency Power:

(i) Common corridors, stair and egress lighting will have emergency power provided by the emergency generator.

(ii) Code required loads will be supplied with emergency generator power through automatic transfer switches.

(8) Lighting and Power:

(i) Switched LED lighting fixtures will be provided in all bathrooms, entries and kitchens.

(ii) GFI receptacles will be provided in bathrooms, kitchens and at outdoor spaces as required.

(iii) Appliance and convenience outlets will be provided in accordance with NYC Electrical Code.

(iv) Roof will be provided with lighting and receptacles for maintenance and general use.

(9) Fire Alarm System:

(i) Each Residential Unit shall be furnished with stand-alone combination smoke/carbon monoxide detectors inside and outside of each sleeping unit. One-way voice communication will be provided in each Residential Unit which will be connected to the Building's fire alarm system. The base Building fire alarm system will include system type smoke detectors for all common area mechanical rooms, electrical rooms, elevator lobbies, mechanical spaces and selected HVAC units as required by Code. Duct smoke detectors initiate fan shutdown on alarm. Elevator lobby smoke detectors initiate elevator recall on alarm. The Building sprinkler system is also monitored by water flow and tamper switches. Duct smoke detectors will be provided in air systems over 2000 cfm.

(o) INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS, SECURITY CLOSED CIRCUIT TV: Security system will include Access control system, Closed Circuit Television System (CCTV), building Intercom system and Residential intercom system. Access Control system will limit the access to back-of-house areas, amenities, Building perimeter doors and other

critical locations. CCTV will provide surveillance and 24/7 recording for selected critical areas. Building intercom system will provide communication between building visitors and concierge. Residential intercom will provide for communications between Residential Units and concierge.

(p) PUBLIC AREA LIGHTING:

(1) All public lighting shall be in accordance with NYC Energy Code and NYC Building Code. All fixtures will be energy efficient and provide sufficient lighting levels in accordance with the code.

(q) GARAGES AND PARKING AREAS: No parking garage is required or provided in the building.
(1) Location of Garages: Not Applicable
(2) Location of Parking Areas: Not Applicable
(3) Surfaces: Not Applicable
(4) Parking: Not Applicable
(5) Garage Ventilation: Not Applicable
(6) Garage Fire Protection: Not Applicable
(7) Drainage: Not Applicable

(r) SWIMMING POOLS: None provided
(1) Type: Not Applicable
(2) Size: Not Applicable
(3) Enclosure: Not Applicable
(4) Pumping and Filter System: Not Applicable
(5) Water Heating Equipment: Not Applicable
(6) Structural Support System: Not Applicable

(s) TENNIS COURTS, PLAYGROUNDS, AND RECREATIONAL FACILITIES:
(1) Tennis Courts: None provided
(i) Type: Not Applicable
(ii) Number and Size: Not Applicable
(iii) Lighting: Not Applicable
(iv) Fencing and Enclosure: Not Applicable
(2) Playgrounds: None provided
(3) Other Recreational Facilities:
(i) Fitness Room:
The fourth floor fitness center has been designed to provide an appropriate quantity of exercise equipment for the number of units in the building. The fitness center has two restrooms and storage spaces.
(ii) Residential Amenity Lounge:
The Fifth Floor Residential Amenity space acts as a multipurpose space for the residents of the building. This space is flexible from business and group meetings to small gatherings. When the lounge is not booked for an event, it functions as a reading room or game room. The fifth floor Residential Amenity space consists of a lounge area, a kitchen, a children's room/ game room and two restrooms.

(t) PERMITS AND CERTIFICATES: See section (b)(4)
The facades of the building are subject to Local law 11/98 under the following law excerpt: "Any other building of which the erection or installation of any exterior wall or enclosures reaches a height greater than six stories shall be required to file an initial report five years from the date when such height is obtained, and thereafter a report each subsequent fifth year; however, such initial report shall be filed no later than five years from the date a Temporary Certificate of Occupancy, or Certificate of Occupancy, whichever is sooner, is received" (a) Inspection requirements.-A critical examination of an applicable building's exterior walls and appurtenances

thereof shall be conducted at periodic intervals as set forth by rule of the commissioner, but such examination shall be conducted at least once every five years.
(1) The initial examination for any building in existence on February twenty-first, nineteen hundred eighty shall be conducted prior to February twenty-first, nineteen hundred eighty-two and the initial examination for any building thereafter constructed shall be conducted in the fifth year following the erection or installation of any exterior wall and/or enclosures.
(2) Such examination shall be conducted and witnessed by or under the direct supervision of a licensed architect or licensed professional engineer by or on behalf of the owner of the building.
(3) Such examination shall include, in addition to an inspection, a complete review of the most recently prepared report.
(4) Such examination shall also be conducted in accordance with applicable rules promulgated by the commissioner.
(5) Notification requirements.-Whenever an architect or engineer learns through a critical examination of a building's exterior walls and appurtenances thereof of an unsafe condition prior to the filing of a report with the department of buildings pursuant to subdivision (c) of this section, he or she shall notify the owner and the department of buildings immediately in writing of such condition.
(6) Report of examination.-Such architect or engineer shall submit a written report certifying the results of such examination to the commissioner, clearly documenting the condition of the exterior walls and appurtenances thereof, as either safe, unsafe or safe with a repair and maintenance program. The report shall include a record of all significant deterioration, unsafe conditions and movement observed as well as a statement concerning the water tightness of the exterior surfaces. Such report must be signed by and bear the professional seal of such architect or engineer.

(u) VIOLATIONS: N/A

(v) UNIT INFORMATION:

Cellar: The cellar shall have space allocated for a Retail tenant, a room for electrical meters and equipment, an area for gas meters, an area for water/fire service meters and pumps, a control room, a trash storage room, and accessory space for the Retail tenant.

(1) Walls shall be exposed reinforced concrete, CMU block and/or furred painted gypsum board. The flooring shall be VCT over concrete or exposed concrete. The ceilings shall be painted gypsum board on metal furring and/or suspended painted gypsum board or painted metal deck or exposed concrete

First Floor: The first floor shall have portions of Community Facility Unit, Retail Units and a Residential lobby. There will be plumbing rough in for a future water closet in the Retail Unit.

(1) Retail Units: Walls shall be exposed reinforced concrete and/or furred painted gypsum board. The flooring shall be exposed concrete. The ceilings shall be exposed concrete or metal deck.
(2) Residential Lobby: Walls and ceilings shall be gypsum board, taped and painted or with other decorative finish. The flooring shall be poured, sealed and polished concrete. The ceilings shall be suspended painted gypsum board.
(3) Community Facility: Walls shall be gypsum board, taped and painted or with other decorative finish. The flooring shall be exposed concrete. The ceilings shall be suspended painted gypsum board or metal deck.

Market Rate Residential Units: 5th Floor through Roof shall be a mixture of one, two and three bedroom units.

(1) Walls shall be painted gypsum board over metal studs or metal furring with painted wood base molding and door trim. The flooring shall be pre-finished, tongue and groove engineered wood flooring. The ceilings shall be painted gypsum board on metal furring, suspended painted gypsum board or finished concrete. All interior finishes shall be new and be in good condition.

5th Floor through Roof shall be (1) one bedroom units with either a master bath, two full bathrooms or a master bath and a powder room; (2) two bedroom units with either a master bath, two full bathrooms, or two full bathrooms and a powder room; and (3) three bedroom units with a powder room and either a master bath or three full baths. The penthouse master bathroom shall have one water closet, two lavatories, one free standing tub and one shower. The market rate master bathroom shall have one water closet, two lavatories and one shower. The second bathroom shall have one water closet, one lavatory, one tub and one in-tub shower. Powder rooms shall have one water closet and one lavatory. Bathrooms shall have stone or tile on floors and shower/tub enclosures, and painted moisture resistant gypsum wallboard on other walls and ceilings. Stone or tile shall be applied over denshield or cement board. All bathroom fixtures and bathroom finishes shall be new and be in good condition.

(i) Refer to "Residential Kitchen and Laundry Appliances and Fixtures" chart

(2) The kitchen area shall have sealed and finished wood veneer cabinetry and stone countertops with under-mount stainless steel kitchen sinks. A new electric oven, gas cooktop, exhaust hood, refrigerator, dishwasher, garbage disposal, and speed oven appliances with rough plumbing and electric outlets shall be provided in each market rate unit. All kitchen fixtures and cabinetry finishes shall be new and be in good condition

(i) Refer to "Residential Kitchen and Laundry Appliances and Fixtures" chart

(3) Each market rate unit shall have a washer and a dryer.

(i) Refer to "Residential Kitchen and Laundry Appliances and Fixtures" chart

Affordable Residential Units: 5th floor through 7th floor shall be a mixture of one, two and three bedroom units.

(1) Walls shall be painted gypsum board over metal studs or metal furring with painted wood base molding and door trim. The flooring shall be tongue and groove engineered wood flooring. The ceilings shall be painted gypsum board on metal furring, suspended painted gypsum board or finished concrete. All interior finishes shall be new and be in good condition.

5th Floor through 7th floor shall be (1) one or (2) bedroom units with a master bath; and (3) three bedroom units with a master bath and a powder room. The master/second bathrooms shall have one water closet, one lavatory & one bathtub w/in-tub shower. Powder rooms shall have one water closet and one lavatory. Bathrooms shall have ceramic tile on floors and shower/tub enclosures, and painted moisture resistant gypsum wallboard on other walls and ceilings. Ceramic tile shall be applied over denshield or cement board. All bathroom fixtures and bathroom finishes shall be new and be in good condition.

(i) Refer to "Residential Kitchen and Laundry Appliances and Fixtures" chart

(2) The kitchen area shall have new high pressure laminate cabinetry and corian countertops with drop-in stainless steel kitchen sinks. A new gas oven/range, microwave, refrigerator and dishwasher appliances with rough plumbing and electric outlets shall be provided in each affordable unit. All kitchen fixtures and cabinetry finishes shall be new and be in good condition

(i) Refer to "Residential Kitchen and Laundry Appliances and Fixtures" chart

(3) Each affordable unit shall have a washer and a vent-less dryer.

(i) Refer to "Residential Kitchen and Laundry Appliances and Fixtures" chart

Residential Kitchen and Laundry Appliances and Fixtures (or equivalent):

UNITS (AFFORDABLE)				
5C, 5E, 5F, 6D, 6E, 6F, 7A, 7B, 7E, 7F, 7G	Refrigerator	FRIGIDAIRE	FFHT1821QS	STAINLESS STEEL
	Range	FRIGIDAIRE	FFGF3053LS	STAINLESS STEEL
	Dishwasher	FRIGIDAIRE	FGID2466QF	STAINLESS STEEL
	Microwave	FRIGIDAIRE	FFMV164LS	STAINLESS STEEL
	Clothes Washer	BOSCH	WAT28400UC	WHITE
	Clothes Dryer	BOSCH	WTG86400UC	WHITE
	Sink	ELKAY	ELUHAD2115	STAINLESS STEEL
	Faucet	GROHE	32665001	CHROME
	Countertop	CORIAN	N/A	N/A
	Backsplash	CORIAN	N/A	N/A
1 & 2 BEDROOM UNITS (MARKET RATE WITH VENTLESS DRYER)				
5D, 6A, 6C, 7C, 7D, 8C, 8D, 8F, 9A, 9C, 9D, 9F, 10A, 10C, 10D, 10F, 11A, 11C, 11E	Refrigerator	GAGGENAU	RB492701	MATCH CABINETRY
	Wall Oven	GAGGENAU	BO48(0/1)611	STAINLESS STEEL
	Dishwasher	GAGGENAU	DF280760	MATCH CABINETRY
	Cooktop	GAGGENAU	VG295214CA	STAINLESS STEEL
	Extraction Hood	BOSCH	HUI56551UC	STAINLESS STEEL
	Wine Storage	GAGGENAU	RW404761	GLASS
	Speed Oven	GAGGENAU	BM48(4/5)710	STAINLESS STEEL
	Clothes Washer	BOSCH	WAT28401UC	WHITE
	Clothes Dryer (VENTLESS)	BOSCH	WTG86401UC	WHITE
	Sink	ELKAY	EFRU2115	STAINLESS STEEL
	Faucet	DORNBRACHT	33826875	POLISHED CHROME
	Hand Spray	DORNBRACHT	27718970	POLISHED CHROME
	Garbage Disposal	INSINKERATOR	BADGER	N/A
	Countertop and Backsplash	MARBLE	5/4"	WHITE
3 BEDROOM UNITS (MARKET RATE WITH VENTLESS DRYER)				
6B, 11B	Refrigerator	GAGGENAU	RB492701	MATCH CABINETRY
	Wall Oven	GAGGENAU	BO480611	STAINLESS STEEL
	Dishwasher	GAGGENAU	DF280760	MATCH CABINETRY
	Cooktop	GAGGENAU	VG295214CA	STAINLESS STEEL
	Extraction Hood	BOSCH	HUI56551UC	STAINLESS STEEL
	Wine Storage	GAGGENAU	RW404761	GLASS
	Speed Oven	GAGGENAU	BM484710	STAINLESS STEEL
	Clothes Washer	BOSCH	WAT28402UC	WHITE
	Clothes Dryer (VENTLESS)	BOSCH	WTG86402UC	WHITE
	Sink	ELKAY	EFRU2115	STAINLESS STEEL
	Faucet	DORNBRACHT	33826875	POLISHED CHROME
	Hand Spray	DORNBRACHT	27718970	POLISHED CHROME
	Garbage Disposal	INSINKERATOR	BADGER	N/A
	Countertop and Backsplash	MARBLE	5/4"	WHITE

Residential Kitchen and Laundry Appliances and Fixtures (or equivalent):

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
UNITS (MARKET RATE WITH VENTLESS DRYER, 30" REFRIGERATOR AND 30" COOKTOP)				
5B, 8B, 9B, 10B, 8E, 9E,10E, 11D	Refrigerator	GAGGENAU	RB472701	MATCH CABINETRY
	Wall Oven	GAGGENAU	BO48(0/1)611	STAINLESS STEEL
	Dishwasher	GAGGENAU	DF280760	MATCH CABINETRY
	Cooktop	GAGGENAU	CG280210CA	STAINLESS STEEL
	Extraction Hood	BOSCH	HUI50351UC	STAINLESS STEEL
	Wine Storage	GAGGENAU	RW404761	GLASS
	Speed Oven	GAGGENAU	BM48(4/5)710	STAINLESS STEEL
	Clothes Washer	BOSCH	WAT28401UC	WHITE
	Clothes Dryer (VENTLESS)	BOSCH	WTG86401UC	WHITE
	Sink	ELKAY	EFRU2115	STAINLESS STEEL
	Faucet	DORNBRACHT	33826875	POLISHED CHROME
	Hand Spray	DORNBRACHT	27718970	POLISHED CHROME
	Garbage Disposal	INSINKERATOR	BADGER	N/A
	Countertop and Backsplash	MARBLE	5/4"	WHITE
UNITS (MARKET RATE WITH VENTLESS DRYER, 36" REFRIGERATOR AND 30" COOKTOP)				
5A, 8A	Refrigerator	GAGGENAU	RB492701	MATCH CABINETRY
	Wall Oven	GAGGENAU	BO480611	STAINLESS STEEL
	Dishwasher	GAGGENAU	DF280760	MATCH CABINETRY
	Cooktop	GAGGENAU	CG280210CA	STAINLESS STEEL
	Extraction Hood	BOSCH	HUI50351UC	STAINLESS STEEL
	Wine Storage	GAGGENAU	RW404761	GLASS
	Speed Oven	GAGGENAU	BM484710	STAINLESS STEEL
	Clothes Washer	BOSCH	WAT28401UC	WHITE
	Clothes Dryer (VENTLESS)	BOSCH	WTG86401UC	WHITE
	Sink	ELKAY	EFRU2115	STAINLESS STEEL
	Faucet	DORNBRACHT	33826875	POLISHED CHROME
	Hand Spray	DORNBRACHT	27718970	POLISHED CHROME
	Garbage Disposal	INSINKERATOR	BADGER	N/A
	Countertop and Backsplash	MARBLE	5/4"	WHITE

Residential Kitchen and Laundry Appliances and Fixtures (or equivalent):

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
UNITS (MARKET RATE WITH VENTED DRYER)				
12A, 12B, 12C, 12E, 14A, 14C, 14E	Refrigerator	GAGGENAU	RB492701	MATCH CABINETRY
	Wall Oven	GAGGENAU	BO48(0/1)611	STAINLESS STEEL
	Dishwasher	GAGGENAU	DF280760	MATCH CABINETRY
	Cooktop	GAGGENAU	VG295214CA	STAINLESS STEEL
	Extraction Hood	BOSCH	HUI56551UC	STAINLESS STEEL
	Wine Storage	GAGGENAU	RW404761	GLASS
	Speed Oven	GAGGENAU	BM48(4/5)710	STAINLESS STEEL
	Clothes Washer	GE	WCVH4800KWW	WHITE
	Clothes Dryer (VENTED)	GE	DCVH480EKWW	WHITE
	Sink	ELKAY	EFRU2115	STAINLESS STEEL
	Faucet	DORNBRACHT	33826875	POLISHED CHROME
	Hand Spray	DORNBRACHT	27718970	POLISHED CHROME
	Garbage Disposal	INSINKERATOR	BADGER	N/A
	Countertop and Backsplash	MARBLE	5/4"	WHITE
3 BED ROOM UNITS (MARKET RATE WITH VENTED DRYER)				
14B	Refrigerator	GAGGENAU	RB492701	MATCH CABINETRY
	Wall Oven	GAGGENAU	BO480611	STAINLESS STEEL
	Dishwasher	GAGGENAU	DF280760	MATCH CABINETRY
	Cooktop	GAGGENAU	VG295214CA	STAINLESS STEEL
	Extraction Hood	BOSCH	HUI56551UC	STAINLESS STEEL
	Wine Storage	GAGGENAU	RW404761	GLASS
	Speed Oven	GAGGENAU	BM484710	STAINLESS STEEL
	Clothes Washer	WHIRLPOOL	WFW92HEFW	WHITE
	Clothes Dryer (VENTED)	WHIRLPOOL	WED92HEFW	WHITE
	Sink	ELKAY	EFRU2115	STAINLESS STEEL
	Faucet	DORNBRACHT	33826875	POLISHED CHROME
	Hand Spray	DORNBRACHT	27718970	POLISHED CHROME
	Garbage Disposal	INSINKERATOR	BADGER	N/A
	Countertop and Backsplash	MARBLE	5/4"	WHITE

Residential Kitchen and Laundry Appliances and Fixtures (or equivalent):

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
UNITS (MARKET RATE WITH VENTED DRYER, 30" REFRIGERATOR AND 30" COOKTOP)				
12D, 14D	Refrigerator	GAGGENAU	RB472701	MATCH CABINETRY
	Wall Oven	GAGGENAU	BO480611	STAINLESS STEEL
	Dishwasher	GAGGENAU	DF280760	MATCH CABINETRY
	Cooktop	GAGGENAU	CG280210CA	STAINLESS STEEL
	Extraction Hood	BOSCH	HUI50351UC	STAINLESS STEEL
	Wine Storage	GAGGENAU	RW404761	GLASS
	Speed Oven	GAGGENAU	BM484710	STAINLESS STEEL
	Clothes Washer	GE	WCVH4800KWW	WHITE
	Clothes Dryer (VENTED)	GE	DCVH480EKWW	WHITE
	Sink	ELKAY	EFRU2115	STAINLESS STEEL
	Faucet	DORNBRACHT	33826875	POLISHED CHROME
	Hand Spray	DORNBRACHT	27718970	POLISHED CHROME
	Garbage Disposal	INSINKERATOR	BADGER	N/A
	Countertop and Backsplash	MARBLE	5/4"	WHITE
UNITS (PENTHOUSE UNITS)				
PHA, PHB, PHC	Refrigerator	GAGGENAU	RC472701	MATCH CABINETRY
	Freezer	GAGGENAU	RF471701	MATCH CABINETRY
	Wall Oven	GAGGENAU	BO48(0/1)611	STAINLESS STEEL
	Dishwasher x 2	GAGGENAU	DF280760	MATCH CABINETRY
	Cooktop	GAGGENAU	VG295214CA	STAINLESS STEEL
	Extraction Hood	BOSCH	HUI56551UC	STAINLESS STEEL
	Wine Storage x 2	GAGGENAU	RW404761	GLASS
	Speed Oven	GAGGENAU	BM48(4/5)710	STAINLESS STEEL
	Warming Drawer	GAGGENAU	WS482710	STAINLESS STEEL
	Clothes Washer	WHIRLPOOL	WFW92HEFW	WHITE
	Clothes Dryer (VENTED)	WHIRLPOOL	WED92HEFW	WHITE
	Sink	ELKAY	EFRU2115	STAINLESS STEEL
	Faucet	DORNBRACHT	33826875	POLISHED CHROME
	Hand Spray	DORNBRACHT	27718970	POLISHED CHROME
	Garbage Disposal	INSINKERATOR	BADGER	N/A
	Countertop and Backsplash	MARBLE	2"	WHITE

Amenity Space - Kitchen Appliances and Fixtures (or equivalent):

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
AMENITY SPACE				
5TH FLOOR	Wall Oven	GAGGENAU	BO480611	STAINLESS STEEL
	Dishwasher	GAGGENAU	DF280760	MATCH CABINETRY
	Cooktop	GAGGENAU	VG295214CA	STAINLESS STEEL
	Extraction Hood	BOSCH	HUI56551UC	STAINLESS STEEL
	Refrigerator	GAGGENAU	RB492701	MATCH CABINETRY
	Sink	ELKAY	EFRU2115	STAINLESS STEEL
	Faucet	DORNBRACHT	33826875	POLISHED CHROME
	Hand Spray	DORNBRACHT	27718970	POLISHED CHROME

Amenity Space - Bathroom Fixtures (or equivalent):

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
AMENITY SPACE				
AMENITY BATHROOM 1				
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Water Closet	DURAVIT	222509	WHITE
	Water Closet tank	GEBERIT	111.335.00.5	N/A
	Actuator	GEBERIT	SIGMA 60	STAINLESS STEEL
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	BLACK
	Lavatory Faucet	DORNBRACHT	33500625	POLISHED CHROME
AMENITY BATHROOM 2				
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Water Closet	DURAVIT	222509	WHITE
	Water Closet tank	GEBERIT	111.335.00.5	N/A
	Actuator	GEBERIT	SIGMA 60	STAINLESS STEEL
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	BLACK
	Lavatory Faucet	DORNBRACHT	33500625	POLISHED CHROME
GYM BATHROOM				
GYM MENS AND WOMENS				
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	BLACK
	Lavatory Faucet	DORNBRACHT	33500625	POLISHED CHROME

Residential Bathroom Fixtures (or equivalent):

UNITS (AFFORDABLE 1 BATHROOM)				
5C, 5E, 5F, 6E, 6F, 7A, 7B, 7F, 7G				
Master Bathroom	Shower Head	DAVINCI	GEN604	CHROME
	Tub Spout	DAVINCI	GOT152	CHROME
	Volume Control	DAVINCI	GOT30120	CHROME
	Thermostatic Mixer	DAVINCI	GOTROBRS1H	CHROME
	3-Way Diverter	DAVINCI	GOTROBRS2H	CHROME
	Hand Shower	DAVINCI	SAR610	CHROME
	Shower Arm	DAVINCI	GOT 645	CHROME
	Lavatory Faucet	DAVINCI	GAN100A	CHROME
	Vanity Washbasin	KOHLER	K-2882	WHITE
	Lavatory Drain/Trap	KOHLER	K-8998	POLISHED CHROME
	Water Closet	CAROMA	828808	WHITE
	Water Closet Seat	CAROMA	326222	WHITE
	Bathtub	BOOTZ	011-7050, 011-7051	PORCELAIN ENAMEL
UNITS (AFFORDABLE 1.5 BATHROOM)				
6D, 7E				
Master Bathroom	Shower Head	DAVINCI	GEN604	CHROME
	Tub Spout	DAVINCI	GOT152	CHROME
	Volume Control	DAVINCI	GOT30120	CHROME
	Thermostatic Mixer	DAVINCI	GOTROBRS1H	CHROME
	3-Way Diverter	DAVINCI	GOTROBRS2H	CHROME
	Hand Shower	DAVINCI	SAR610	CHROME
	Shower Arm	DAVINCI	GOT 645	CHROME
	Lavatory Faucet	DAVINCI	GAN100A	CHROME
	Vanity Washbasin	KOHLER	K-2882	WHITE
	Lavatory Drain/Trap	KOHLER	K-8998	POLISHED CHROME
	Water Closet	CAROMA	828808	WHITE
	Water Closet Seat	CAROMA	326222	WHITE
	Bathtub	BOOTZ	011-7050, 011-7051	PORCELAIN ENAMEL
Powder Room	Lavatory Faucet	DAVINCI	GAN100A	CHROME
	Vanity Washbasin	KOHLER	K-2882	WHITE
	Lavatory Drain/Trap	KOHLER	K-8998	POLISHED CHROME
	Water Closet	CAROMA	828808	WHITE
	Water Closet Seat	CAROMA	326222	WHITE

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
MARKET RATE UNITS (MARKET RATE WITH 1 BATHROOM, 1 SINK)				
UNIT B (8TH-10TH FLOOR)				
Master Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Adjustable Handshower	DORNBRACHT	26403979	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	STAINLESS STEEL
MARKET RATE UNITS (MARKET RATE WITH 1 BATHROOM, 2 SINKS)				
UNIT E (8TH-10TH), UNIT D (11TH-14TH)				
Master Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Adjustable Handshower	DORNBRACHT	26403979	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	STAINLESS STEEL

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
MARKET RATE UNITS (MARKET RATE WITH 1.5 BATHROOM,)				
5B, 6C, 7D, 8A, 9A, 10A, 14A				
Master Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/ Thermostat			
	Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Adjustable Handshower	DORNBRACHT	26403979	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	STAINLESS STEEL
Powder Room	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
MARKET RATE UNITS (MARKET RATE WITH 2 BATHROOM,)				
5A, 6A, UNIT D (8TH-10TH), UNIT F (8TH-10TH), UNIT C (11TH-14TH), UNIT E (11TH-14TH),				
Master Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat			
	Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Handshower	DORNBRACHT	27803892	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	STAINLESS STEEL
Secondary Room	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat	DORNBRACHT	36425970	POLISHED CHROME
	Three Way Diverter	DORNBRACHT	36104882	POLISHED CHROME
	Adjustable Handshower	DORNBRACHT	26403979	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Bathtub	Americh	TURO 6030 ADA	WHITE
	Tub Spout	DORNBRACHT	13801892	POLISHED CHROME

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
MARKET RATE UNITS (MARKET RATE WITH 2.5 BATHROOM,)				
UNIT C (7TH-10TH), UNIT A (11TH-12TH),				
Master Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat			
	Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Handshower	DORNBRACHT	27803892	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	STAINLESS STEEL
Secondary Room	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat	DORNBRACHT	36425970	POLISHED CHROME
	Three Way Diverter	DORNBRACHT	36104882	POLISHED CHROME
	Adjustable Handshower	DORNBRACHT	26403979	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Bathtub	Americh	TURO 6030 ADA	WHITE
	Tub Spout	DORNBRACHT	13801892	POLISHED CHROME
Powder Room	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
MARKET RATE UNITS (MARKET RATE WITH 2.5 BATHROOM & FREE STANDING BATHTUB)				
UNIT 5D				
Master Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Handshower	DORNBRACHT	27803892	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	STAINLESS STEEL
	Free Standing Bathtub	WET STYLE	BOV 01-62	WHITE
	Tub Mixer	DORNBRACHT	25943892	POLISHED CHROME
Secondary Room	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat	DORNBRACHT	36425970	POLISHED CHROME
	Three Way Diverter	DORNBRACHT	36104882	POLISHED CHROME
	Adjustable Handshower	DORNBRACHT	26403979	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Bathtub	Americh	TURO 6030 ADA	WHITE
	Tub Spout	DORNBRACHT	13801892	POLISHED CHROME
Powder Room	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
MARKET RATE UNITS (MARKET RATE WITH 3.5 BATHROOM)				
UNIT 6B, UNIT 14B				
Master Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Handshower	DORNBRACHT	27803892	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	STAINLESS STEEL
	Free Standing Bathtub	WET STYLE	BOV 01-62	WHITE
	Tub Mixer	DORNBRACHT	25943892	POLISHED CHROME
Secondary Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Handshower	DORNBRACHT	27803892	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	STAINLESS STEEL
Third Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Adjustable Handshower	DORNBRACHT	26403979	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	STAINLESS STEEL
Powder Room	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
MARKET RATE UNITS (MARKET RATE WITH 3.5 BATHROOM)				
UNIT B (11TH-12TH),				
Master Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat			
	Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Handshower	DORNBRACHT	27803892	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	STAINLESS STEEL
	Free Standing Bathtub	WET STYLE	BOV 01-62	WHITE
	Tub Mixer	DORNBRACHT	25943892	POLISHED CHROME
Secondary Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat			
	Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Handshower	DORNBRACHT	27803892	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	STAINLESS STEEL
Third Bathroom	Rainhead Shower	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat	DORNBRACHT	36425970	POLISHED CHROME
	Three Way Diverter	DORNBRACHT	36104882	POLISHED CHROME
	Adjustable Handshower	DORNBRACHT	26403979	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Bathtub	Americh	TURO 6030 ADA	WHITE
	Tub Spout	DORNBRACHT	13801892	POLISHED CHROME
Powder Room	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Water Closet	DURAVIT	#011201	WHITE
	Water Closet tank	DURAVIT	#092910	WHITE
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
PENTHOUSE UNITS (WITH 2.5 BATHROOM)				
UNIT PHA				
Master Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat			
	Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Handshower	DORNBRACHT	27803892	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	IMPERIAL DANBY		WHITE
	Water Closet	DURAVIT	222509	WHITE
	Water Closet tank	GEBERIT	111.335.00.5	N/A
	Actuator	GEBERIT	SIGMA 60	STAINLESS STEEL
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	S-AG 38	N/A
	Free Standing Bathtub	WET STYLE	BOV 01-66	WHITE
	Tub Mixer	DORNBRACHT	25943892	POLISHED CHROME
Secondary Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat			
	Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Adjustable Handshower	DORNBRACHT	26403979	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	222509	WHITE
	Water Closet tank	GEBERIT	111.335.00.5	N/A
	Actuator	GEBERIT	SIGMA 60	STAINLESS STEEL
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	N/A
Powder Room	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Water Closet	DURAVIT	222509	WHITE
	Water Closet tank	GEBERIT	111.335.00.5	N/A
	Actuator	GEBERIT	SIGMA 60	STAINLESS STEEL
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	BLACK
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME

UNIT and FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH / COLOR
PENTHOUSE UNITS (WITH 3.5 BATHROOM)				
UNIT PHB, UNIT PHC				
Master Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Handshower	DORNBRACHT	27803892	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	IMPERIAL DANBY		WHITE
	Water Closet	DURAVIT	222509	WHITE
	Water Closet tank	GEBERIT	111.335.00.5	N/A
	Actuator	GEBERIT	SIGMA 60	STAINLESS STEEL
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	S-AG 38	N/A
	Free Standing Bathtub	WET STYLE	BOV 01-62	WHITE
	Tub Mixer	DORNBRACHT	25943892	POLISHED CHROME
Secondary Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Adjustable Handshower	DORNBRACHT	26403979	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	222509	WHITE
	Water Closet tank	GEBERIT	111.335.00.5	N/A
	Actuator	GEBERIT	SIGMA 60	STAINLESS STEEL
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	N/A
Third Bathroom	Shower Head	DORNBRACHT	28504979	POLISHED CHROME
	Volume Control/Thermostat Two-Way Diverter	DORNBRACHT	36426970	POLISHED CHROME
	Handshower	DORNBRACHT	27803892	POLISHED CHROME
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	WHITE
	Water Closet	DURAVIT	222509	WHITE
	Water Closet tank	GEBERIT DUOFIX	111.335.00.5	N/A
	Actuator	GEBERIT	SIGMA 60	STAINLESS STEEL
	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Shower Drain	INFINITY DRAIN	G SERIES	N/A
Powder Room	Drain with Pressure Cap	DORNBRACHT	10125970	POLISHED CHROME
	Water Closet	DURAVIT	222509	WHITE
	Water Closet tank	GEBERIT	111.335.00.5	N/A
	Actuator	GEBERIT	SIGMA 60	STAINLESS STEEL
	Vanity Washbasin	EVANS & PAUL	CORIAN 101	BLACK
	Lavatory Faucet	DORNBRACHT	36712882	POLISHED CHROME

FINISH SCHEDULE OF SPACES OTHER THAN UNITS:

Room	Floor	Walls	Ceiling
Residential lobby	Polished concrete	Painted gypsum wallboard and/or decorative finish	Painted GWB and /or decorative finish
Cellar corridor	Painted concrete	Painted CMU block and/or painted concrete	Painted concrete
Other cellar rooms	Painted concrete	Painted CMU block and/or painted concrete	Painted concrete
Exit stairs	Non-skid; Painted concrete or metal pan w/ concrete fill	Painted GWB, painted CMU Block and/or painted concrete	Painted concrete or metal pan
Commercial space	Exposed concrete	Painted GWB or exposed concrete	Exposed concrete or exposed metal deck

(x) SAFETY AND WARNING DEVICES:

Residential Unit Smoke/ Carbon Monoxide Detection System:

(a) The fire alarm control panel with central station connection, located as per section 911 of NYC building code, is in the residential lobby.

(b) Each Residential Unit will contain a combination carbon monoxide/smoke detector located in the vicinity of the bedrooms. The detector is wired to a 120-volt local power supply and is self-contained with its own sounding device. The detector is manufactured by BRK electronics model SC9120B.

(y) ADDITIONAL INFORMATION REQUIRED:

(1) Site Plan: The Site Plan is included in the Floor Plan Section in Part II of the Offering Plan.

(2) Floor Plans: The Floor Plan for each line and type of Unit is located in Part II of the Offering Plan.

(3) Approximate Total Area of Each Unit - Each Unit consists of the area measured horizontally from the exterior side of the exterior walls and centerline of public corridor, elevator and stair or to the centerline of the partitions separating one Unit from another Unit (columns, mechanical pipes, shafts, chases and conduits are not deducted from the measurements of each Unit).

All dimensions on the floor plans are approximate and subject to normal construction variances and tolerance.

Foyer, interior hallways, kitchen, bathroom, powder room, closets and other areas within the Residential Unit will have hung ceiling to accommodate facilities constructed above the ceiling or otherwise to respond to field conditions. Sponsor reserve the right to make changes due to unforeseen conditions in accordance to the Offering Plan.

(4) Floor to Ceiling Heights of Residential Units – Each Residential Unit will be measured vertically from the top of concrete slab to the underside of slab above in Living Room and Bedroom spaces.

Documents to be transferred to the Condominium Management: Operation & Maintenance (O&M) Manuals for mechanical equipment, electronic system manuals, equipment warranties, roof warranty, major start-up sheets, control system as-built, original test and balance report of HVAC system; architectural, structural mechanical, electrical, plumbing, shop drawings and MEP's coordination drawings.

(z) AG Inspection – T.B.D.

(aa) Further Development: N.A.

(bb) Asbestos abatement: N.A.

(cc) Lead Paint: N.A.

CERTIFICATION:

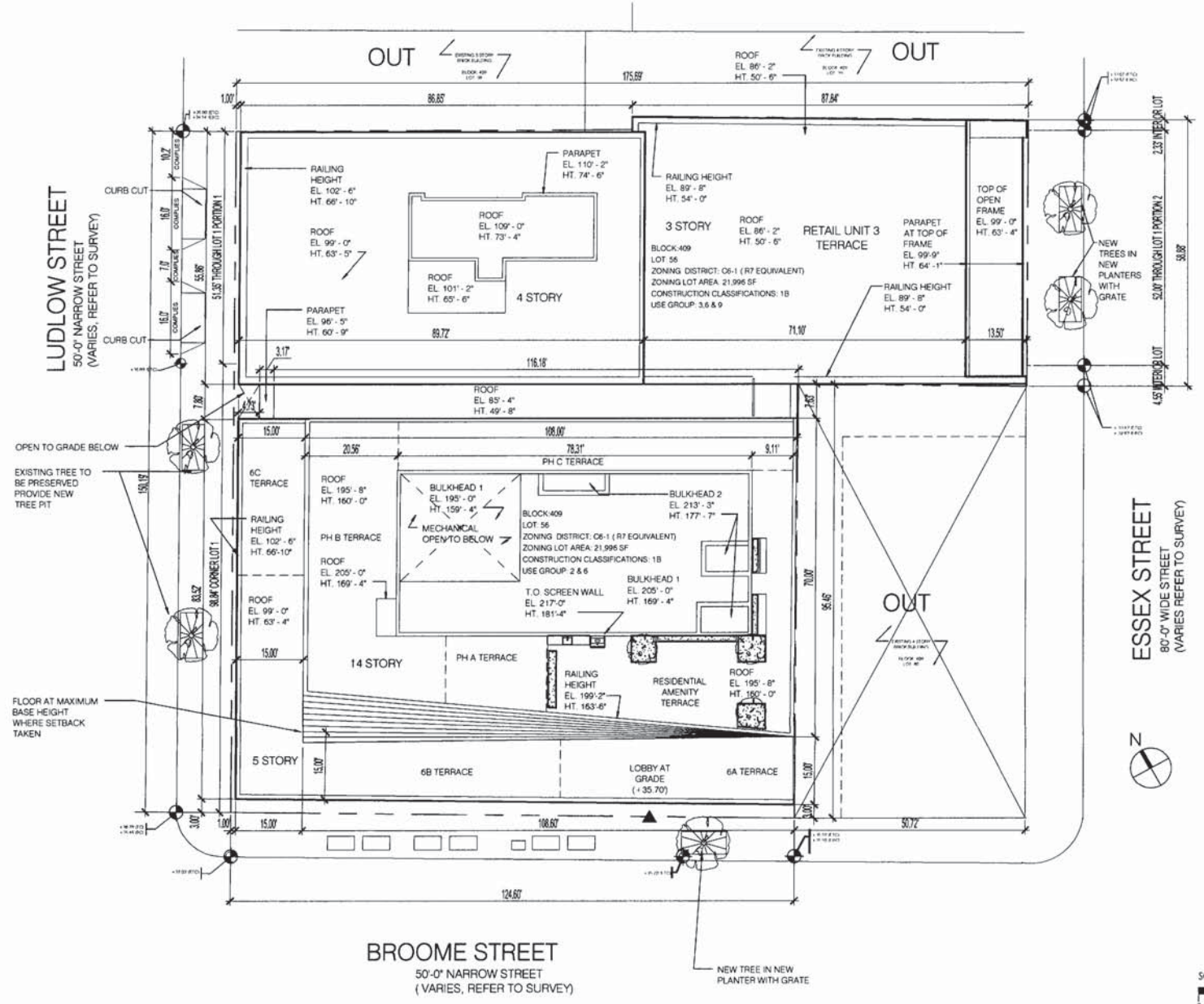
I have examined the building records at the New York City Department of Buildings, reviewed the existing site conditions and examined the building plans and specifications that were prepared by SLCE Architects last updated on 7/6/2016. To the best of my knowledge and belief, this report contains an accurate description of the proposed new Building. Except as noted in this report, no representation is made as to the condition of legality of the various elements of the building.



Robert Laudenschlager, Architect NYS Seal

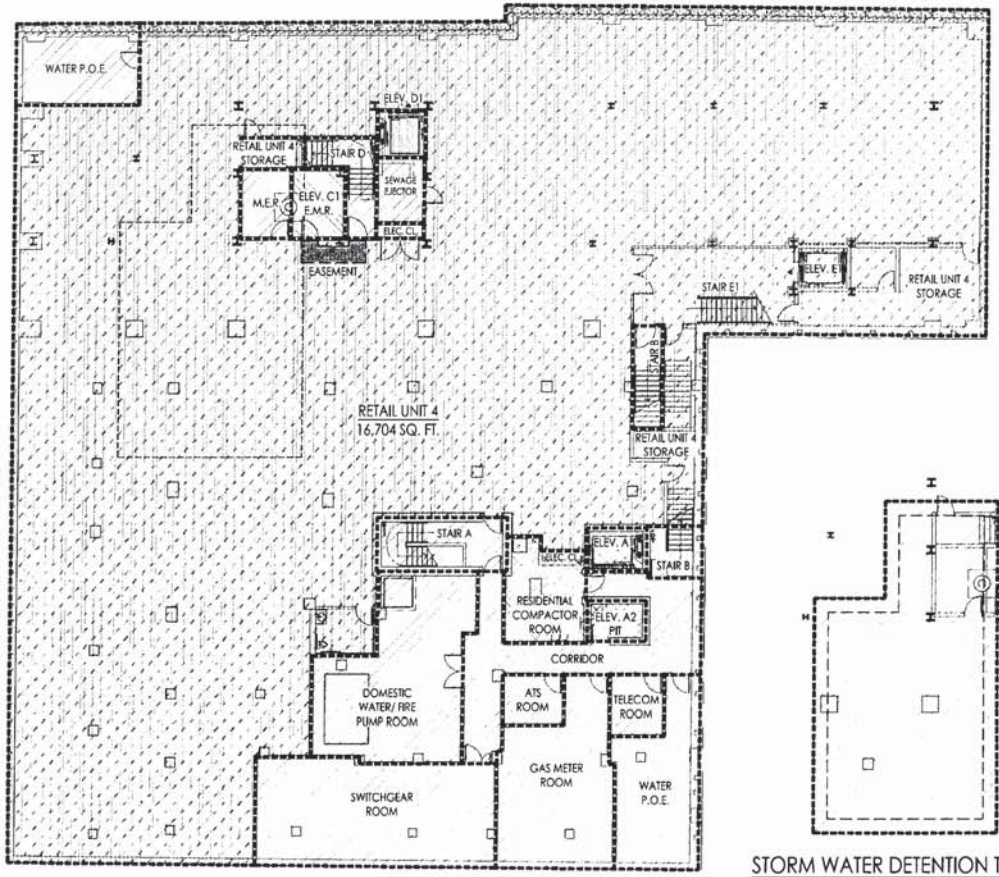
Date: 07/06/2016

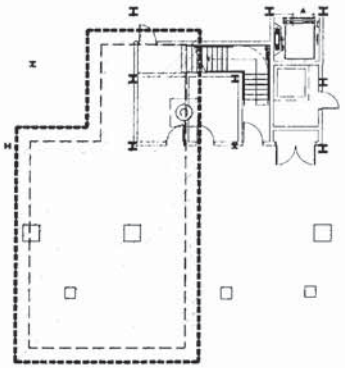
FLOOR PLANS



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		SITE PLAN
SITE 1 DSA OWNER LLC	July 6, 2016	



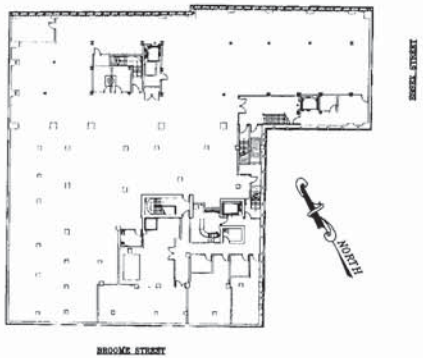


STORM WATER DETENTION TANK PARTIAL PLAN

KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT
- COMMUNITY FACILITY UNIT EASEMENT THROUGH RETAIL UNIT 4

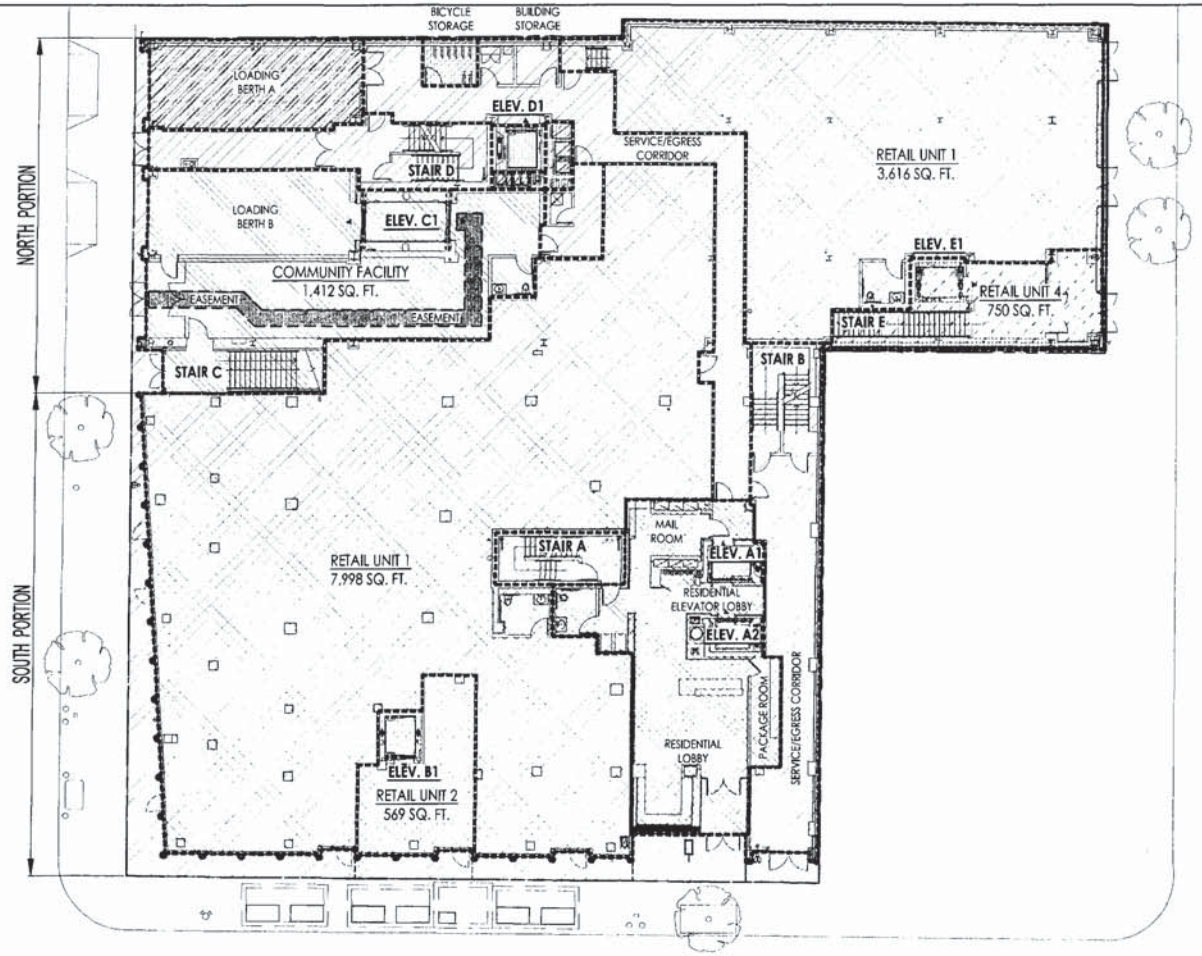
CELLAR FLOOR



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE: 0 4' 8' 16' 32' 48'

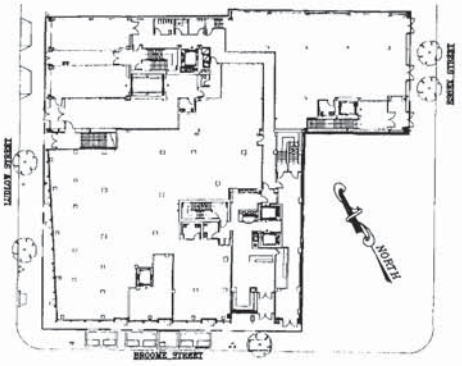
242 BROOME STREET CONDOMINIUM		A-1
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT
- RETAIL UNIT 3 EASEMENT THROUGH COMMUNITY FACILITY UNIT

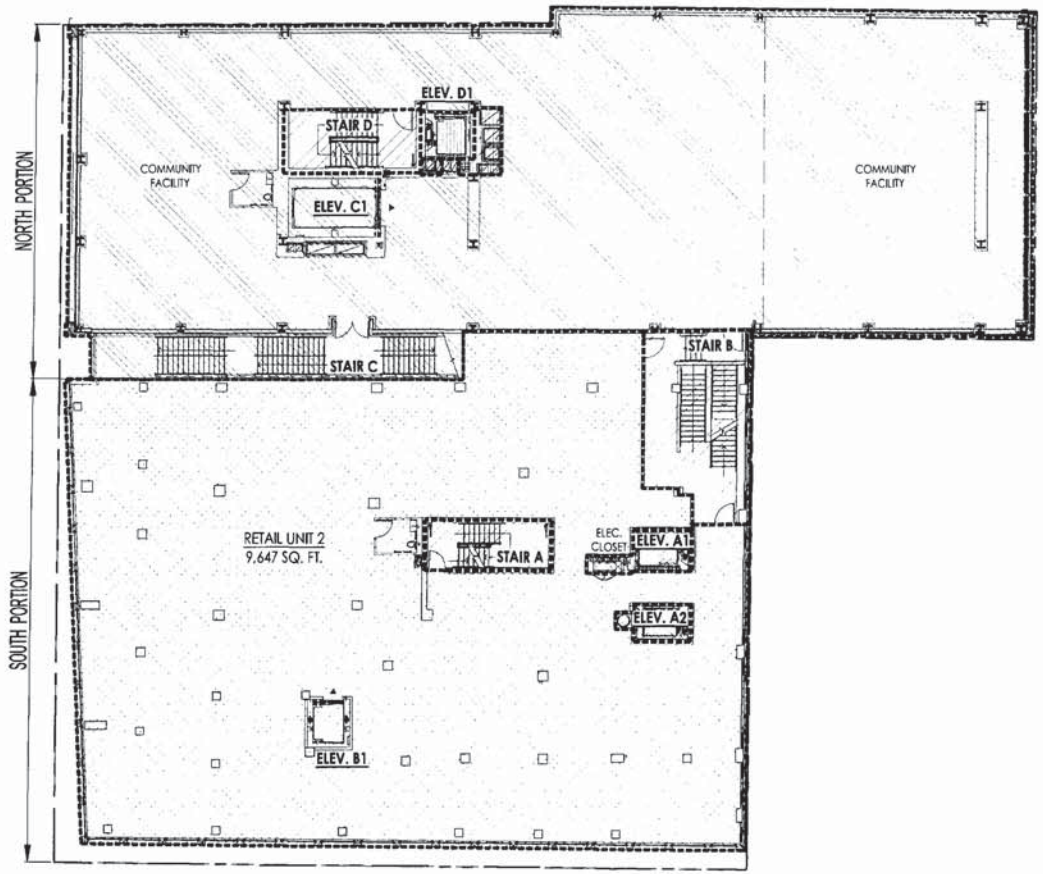
FIRST FLOOR



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE: 0 4' 8' 16' 32' 48'

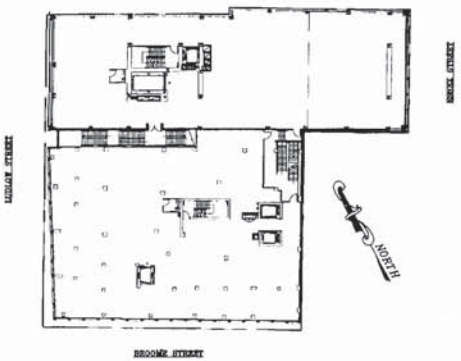
242 BROOME STREET CONDOMINIUM		A-2
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

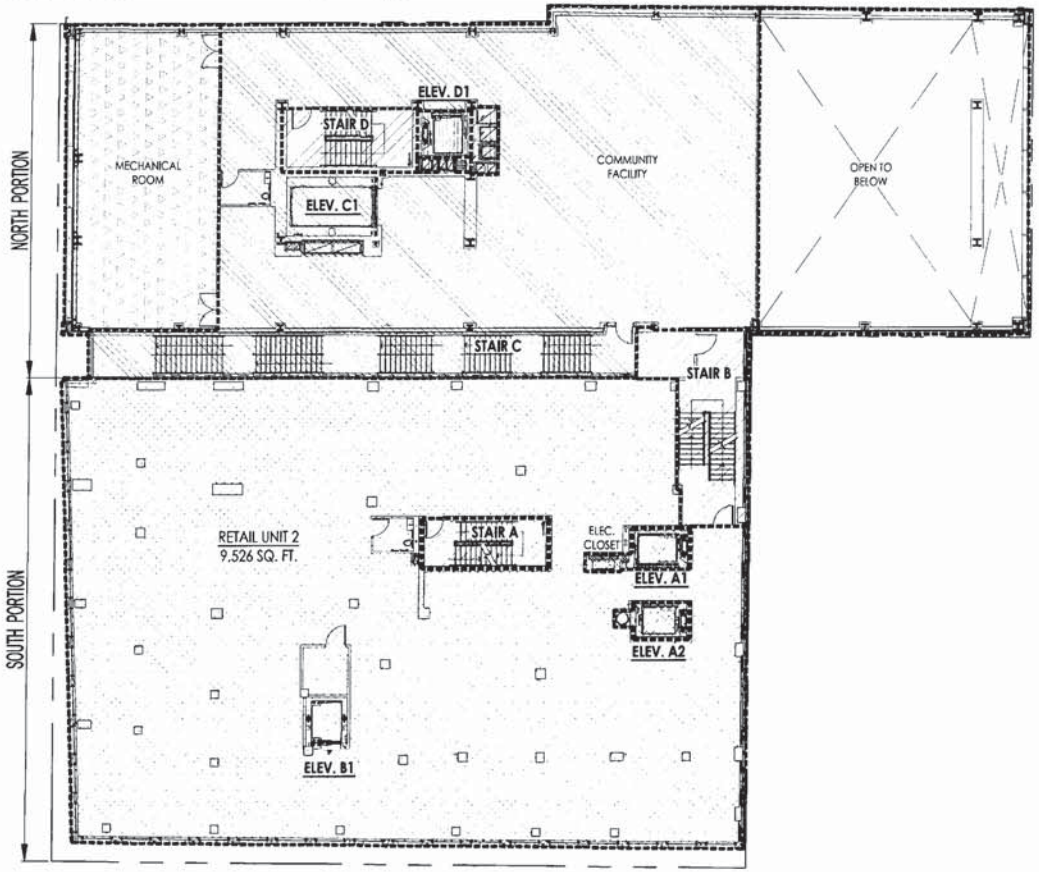
SECOND FLOOR



SCALE: 0 4' 8' 16' 32' 48'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

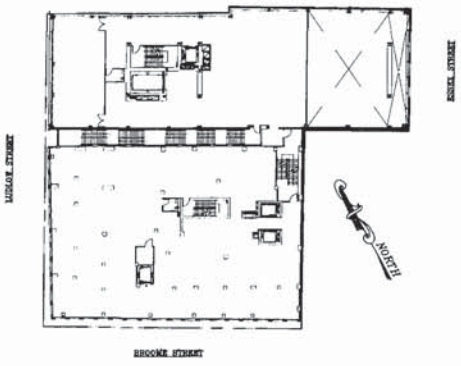
242 BROOME STREET CONDOMINIUM		A-3
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

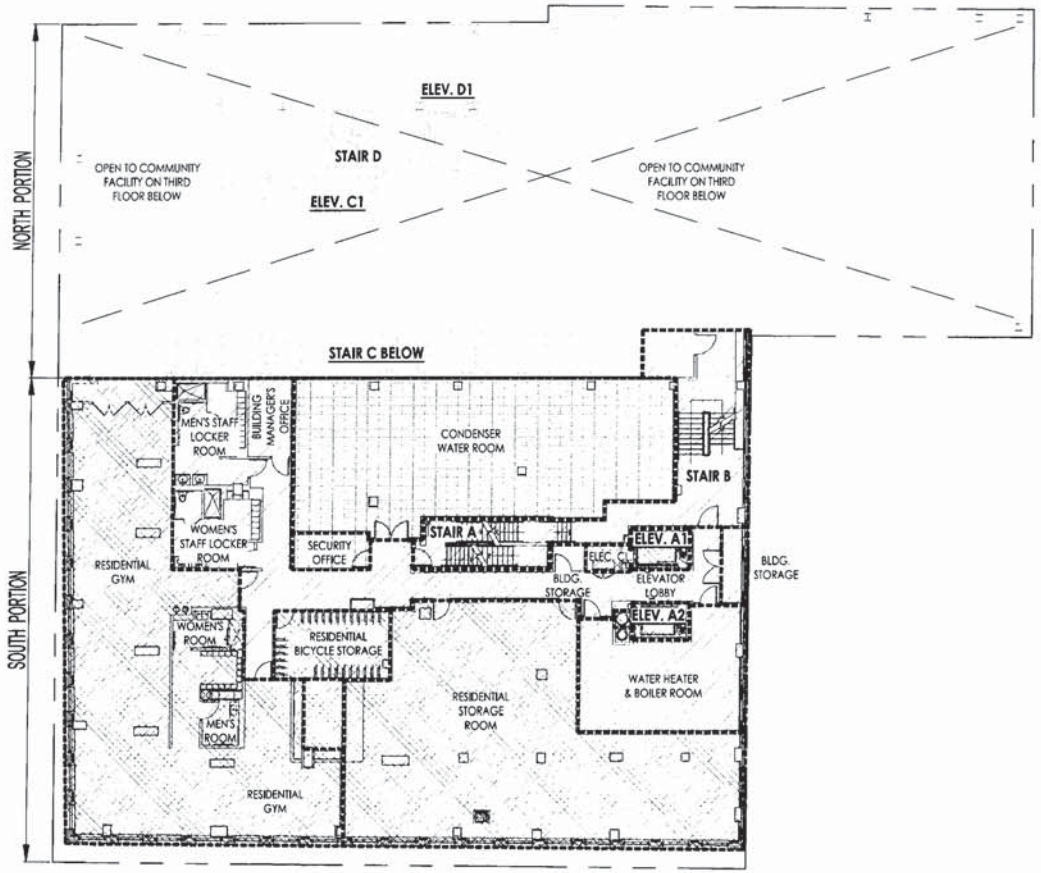
THIRD FLOOR



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE: 0 4' 8' 16' 32' 48'

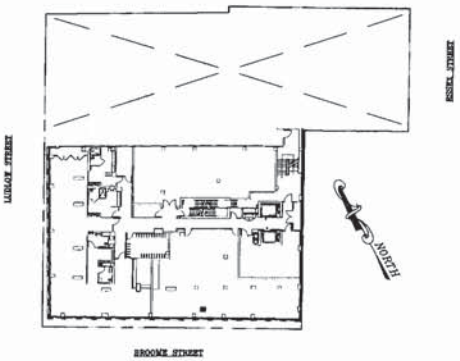
242 BROOME STREET CONDOMINIUM		A-4
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

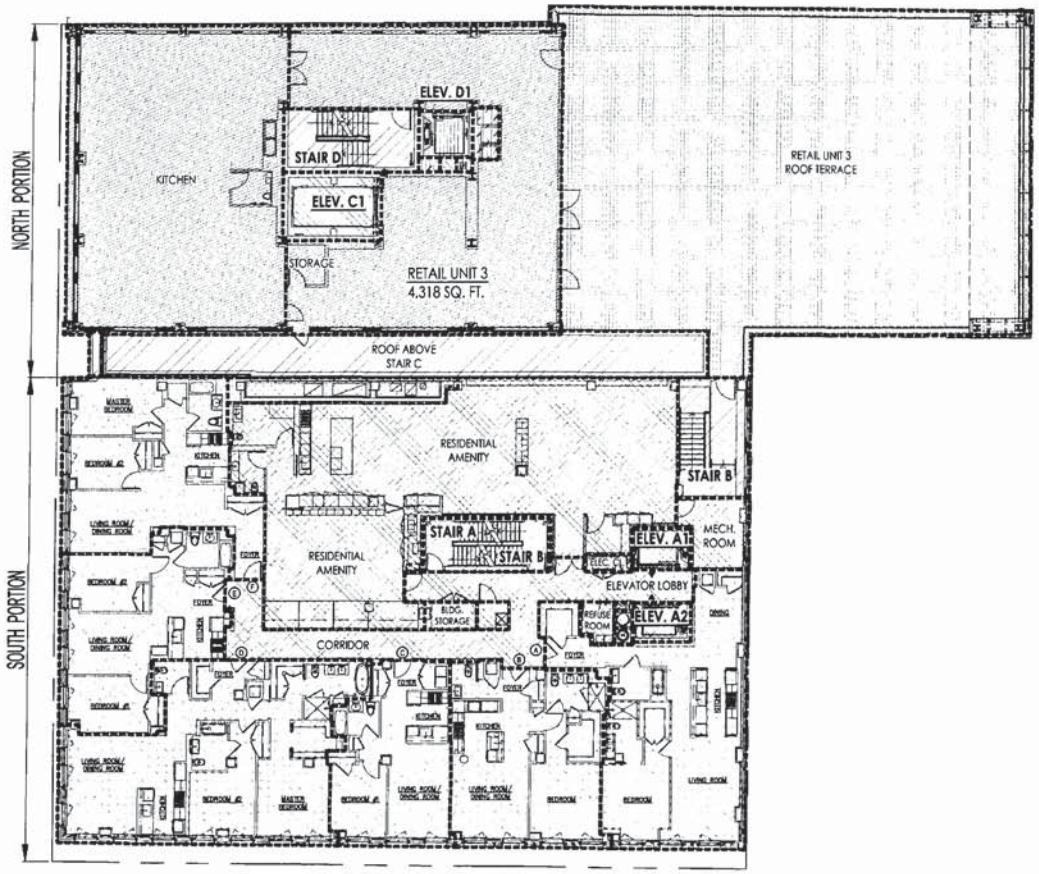
FOURTH FLOOR



SCALE: 0 4' 8' 16' 32' 48'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

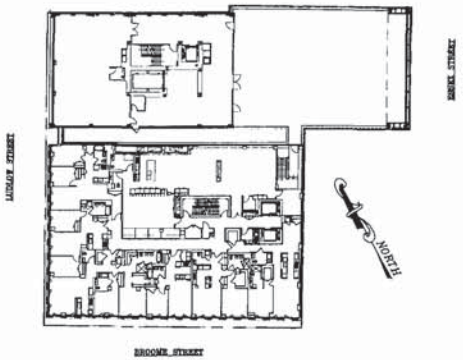
242 BROOME STREET CONDOMINIUM		A-5
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

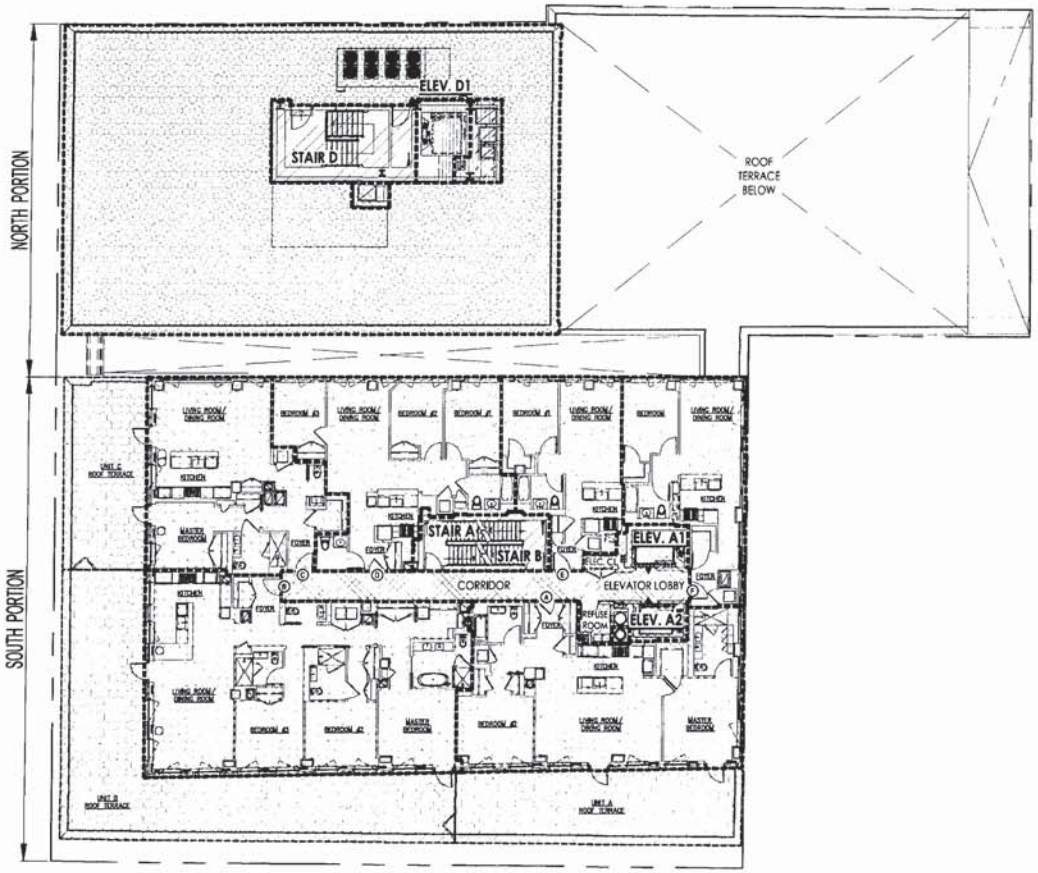
FIFTH FLOOR



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE: 0 4' 8' 16' 32' 48'

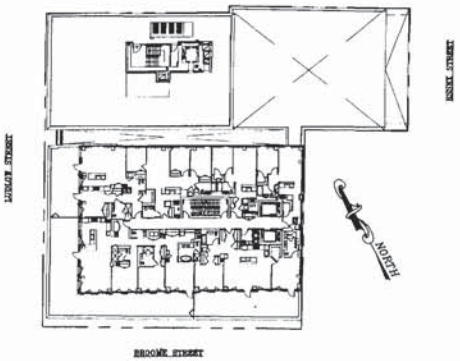
242 BROOME STREET CONDOMINIUM		A-6
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

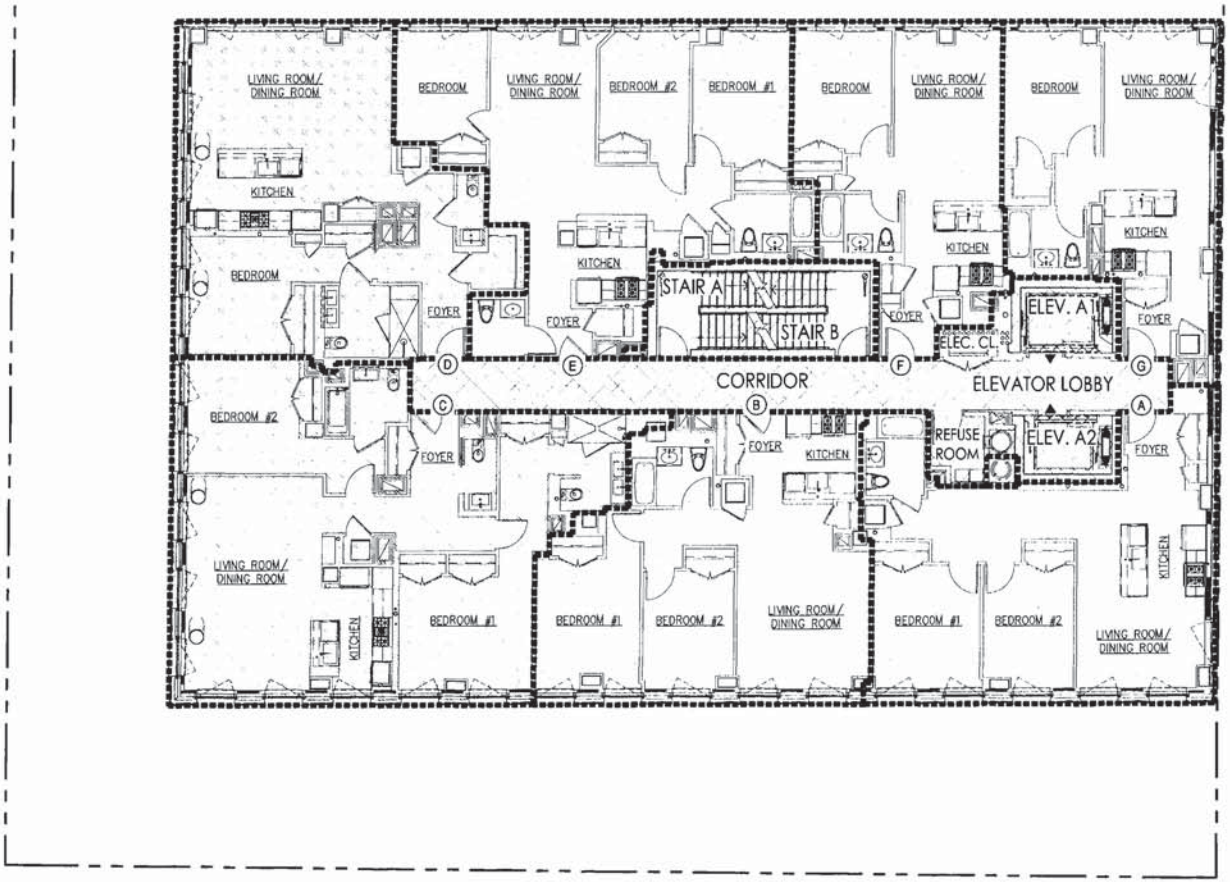
SIXTH FLOOR



SCALE: 0 4' 8' 16' 32' 48

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

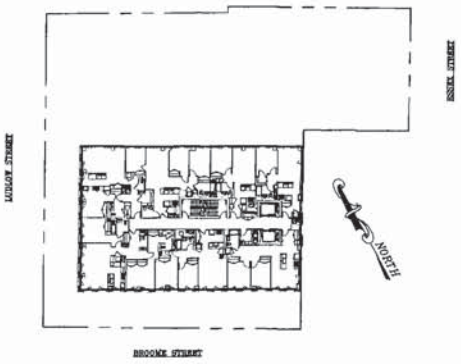
242 BROOME STREET CONDOMINIUM		A-7
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

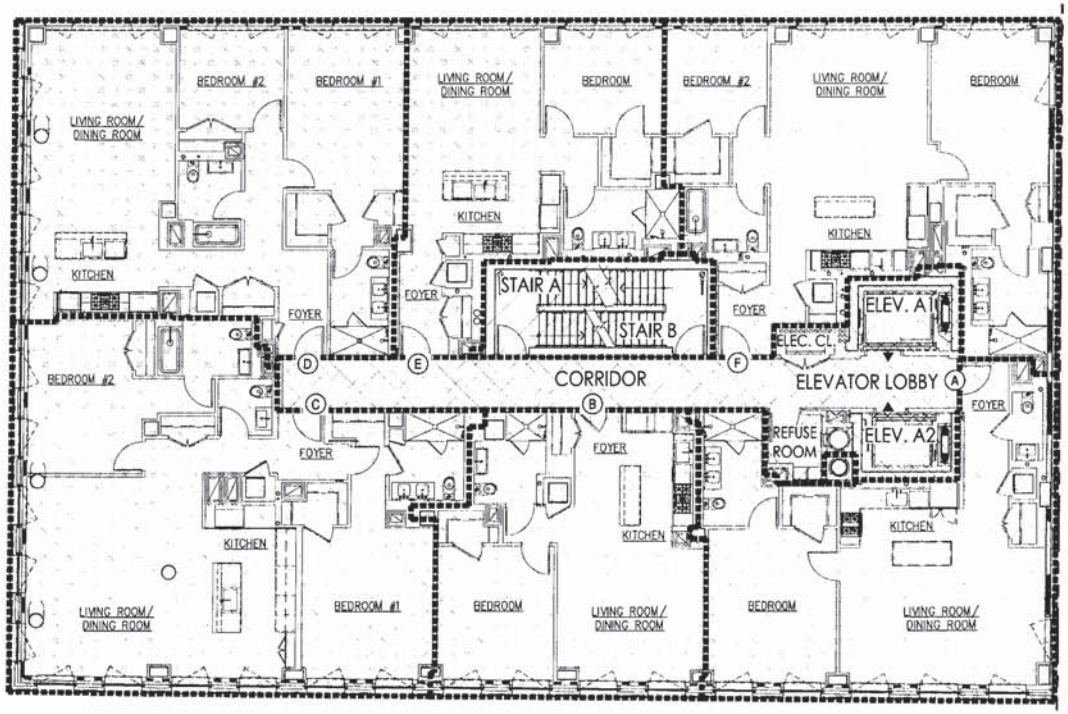
SEVENTH FLOOR



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE: 0 4' 8' 16' 32'

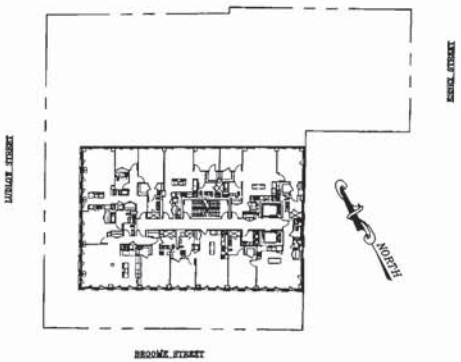
242 BROOME STREET CONDOMINIUM		A-8
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

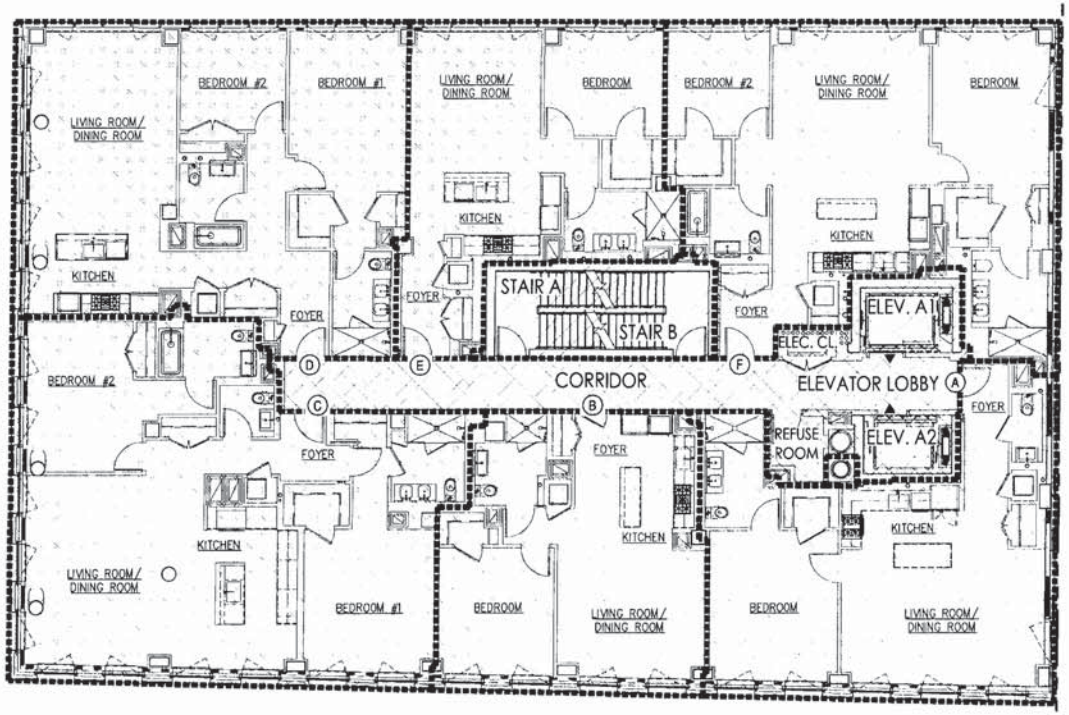
EIGHTH FLOOR



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE: 0 4' 8' 16' 32'

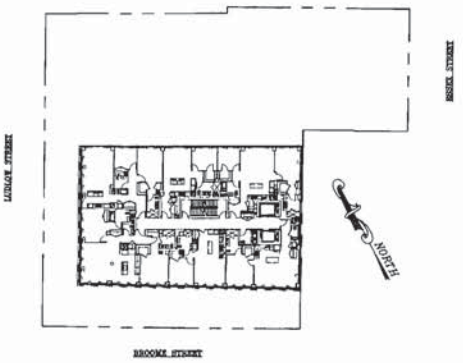
242 BROOME STREET CONDOMINIUM		A-9
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

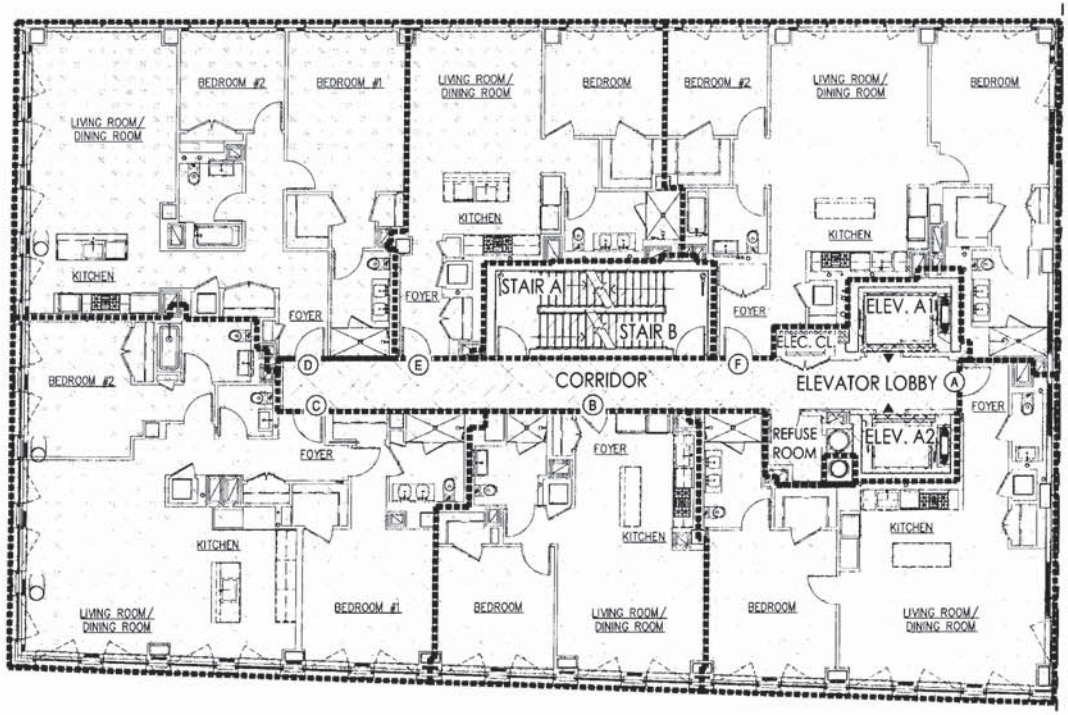
NINTH FLOOR



SCALE: 0 4' 8' 16' 32'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

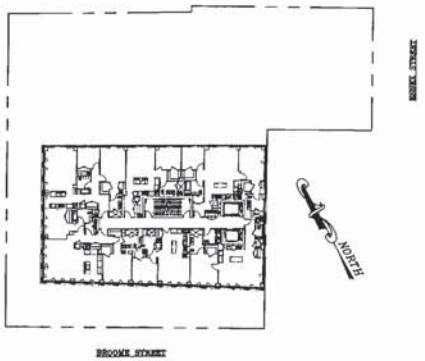
242 BROOME STREET CONDOMINIUM		A-10
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

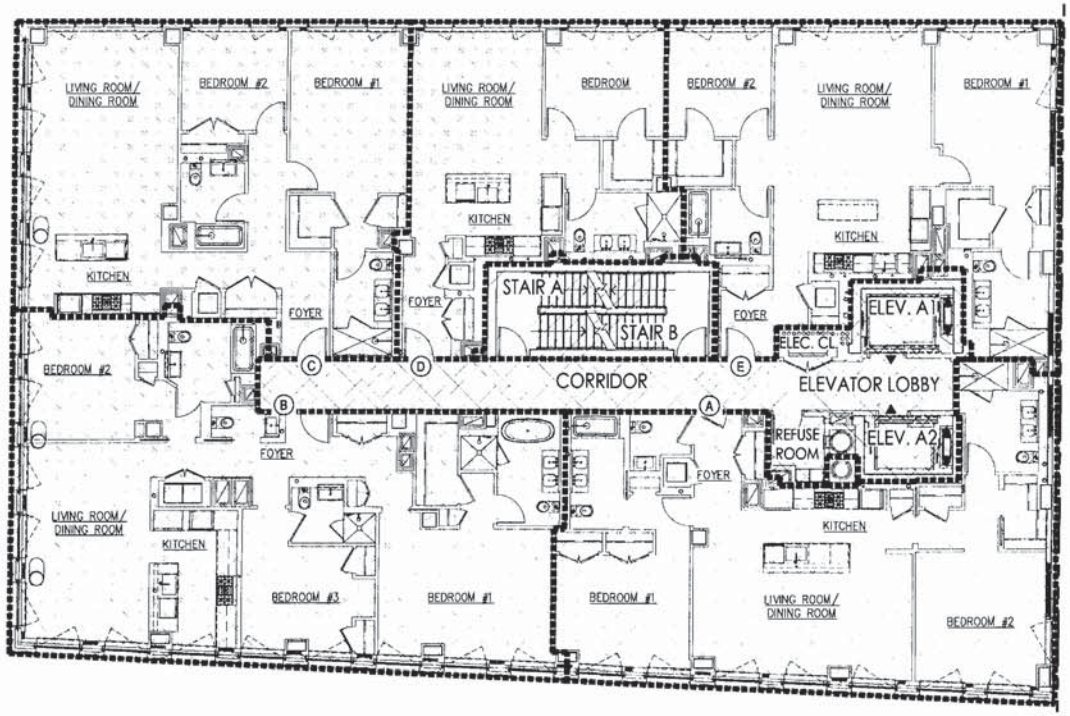
TENTH FLOOR



SCALE: 0 4' 8' 16' 32

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

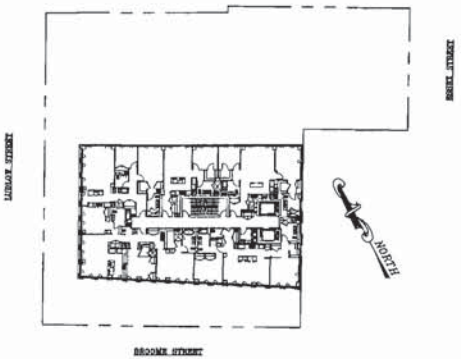
242 BROOME STREET CONDOMINIUM		A-11
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

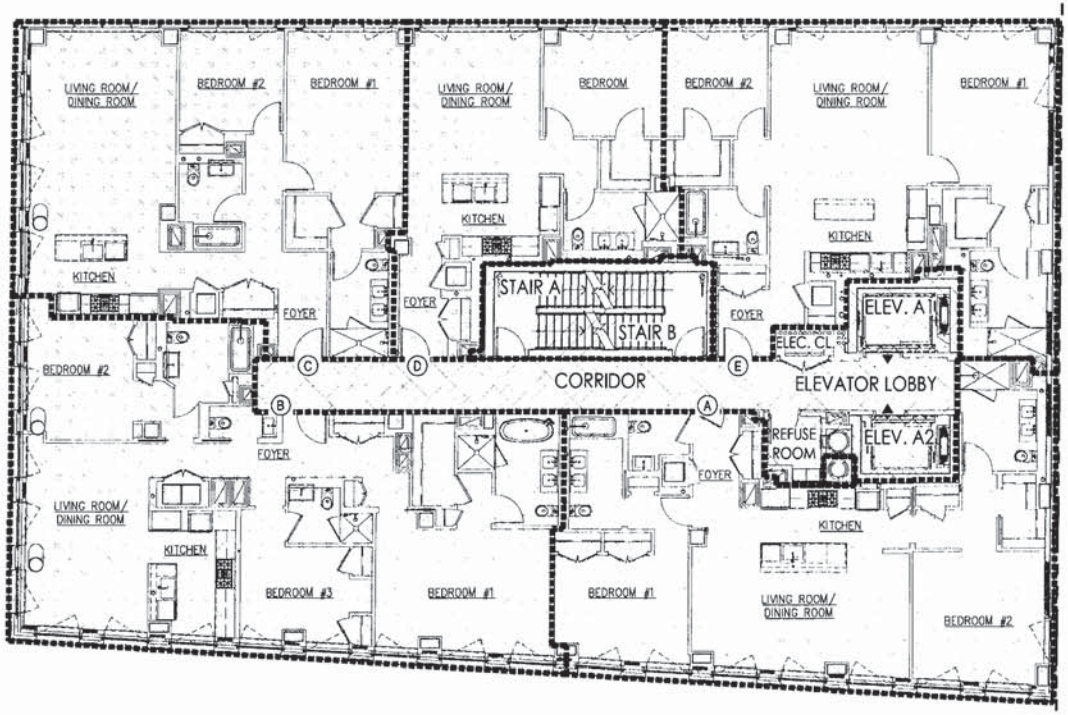
ELEVENTH FLOOR



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE: 0 4' 8' 16' 32'

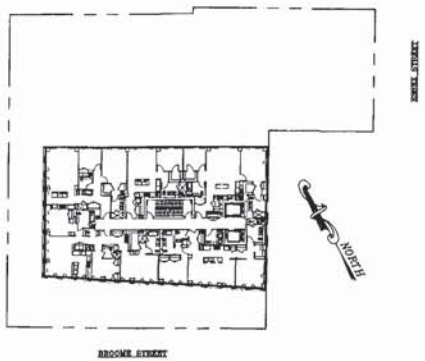
242 BROOME STREET CONDOMINIUM		A-12
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

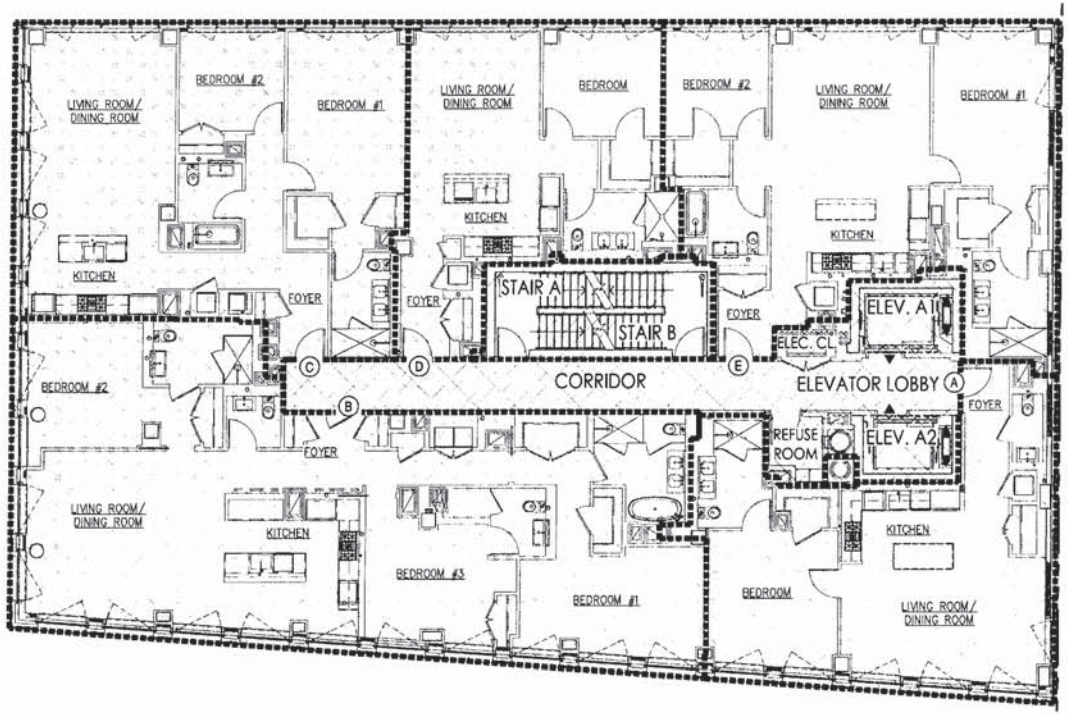
TWELFTH FLOOR



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE: 0 4' 8' 16' 32'

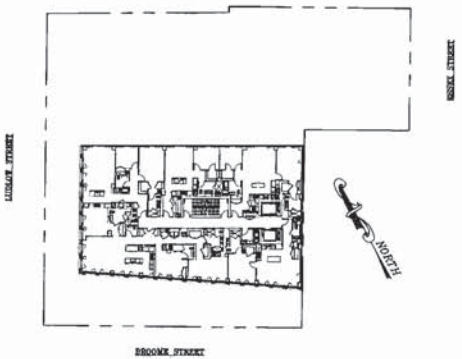
242 BROOME STREET CONDOMINIUM		A-13
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

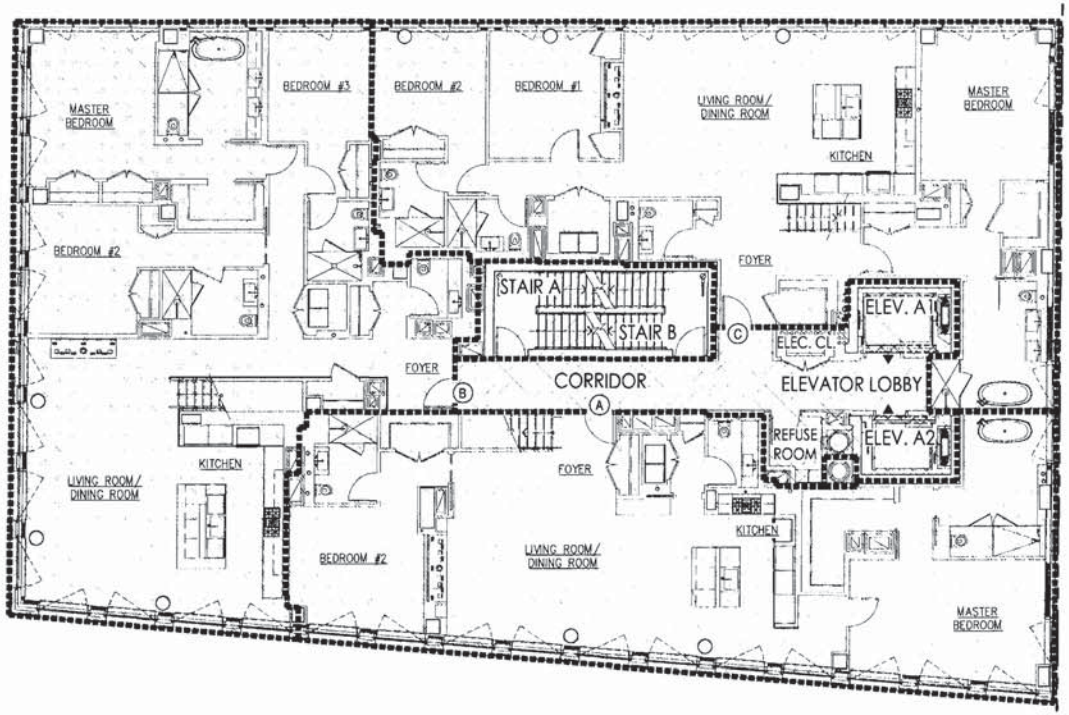
FOURTEENTH FLOOR



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE: 0 4' 8' 16' 32'

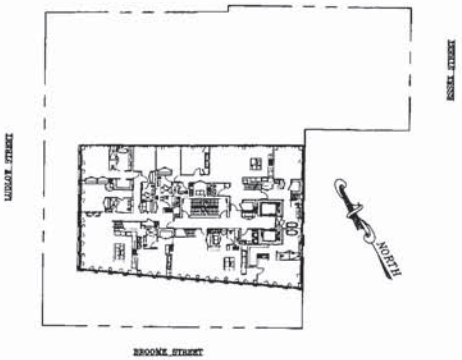
242 BROOME STREET CONDOMINIUM		A-14
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

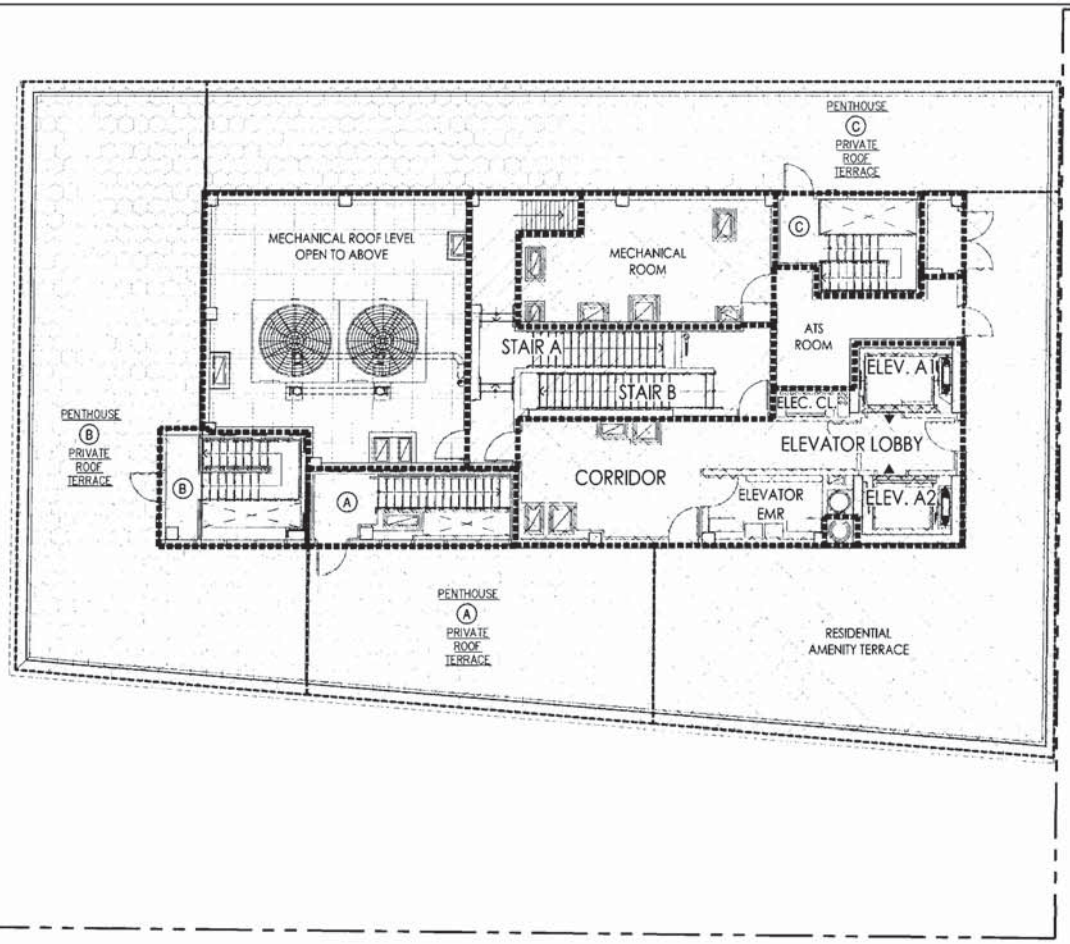
PENTHOUSE FLOOR



SCALE: 0 4' 8' 16' 32'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

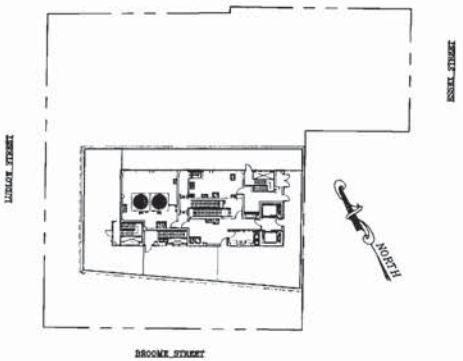
242 BROOME STREET CONDOMINIUM		A-15
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

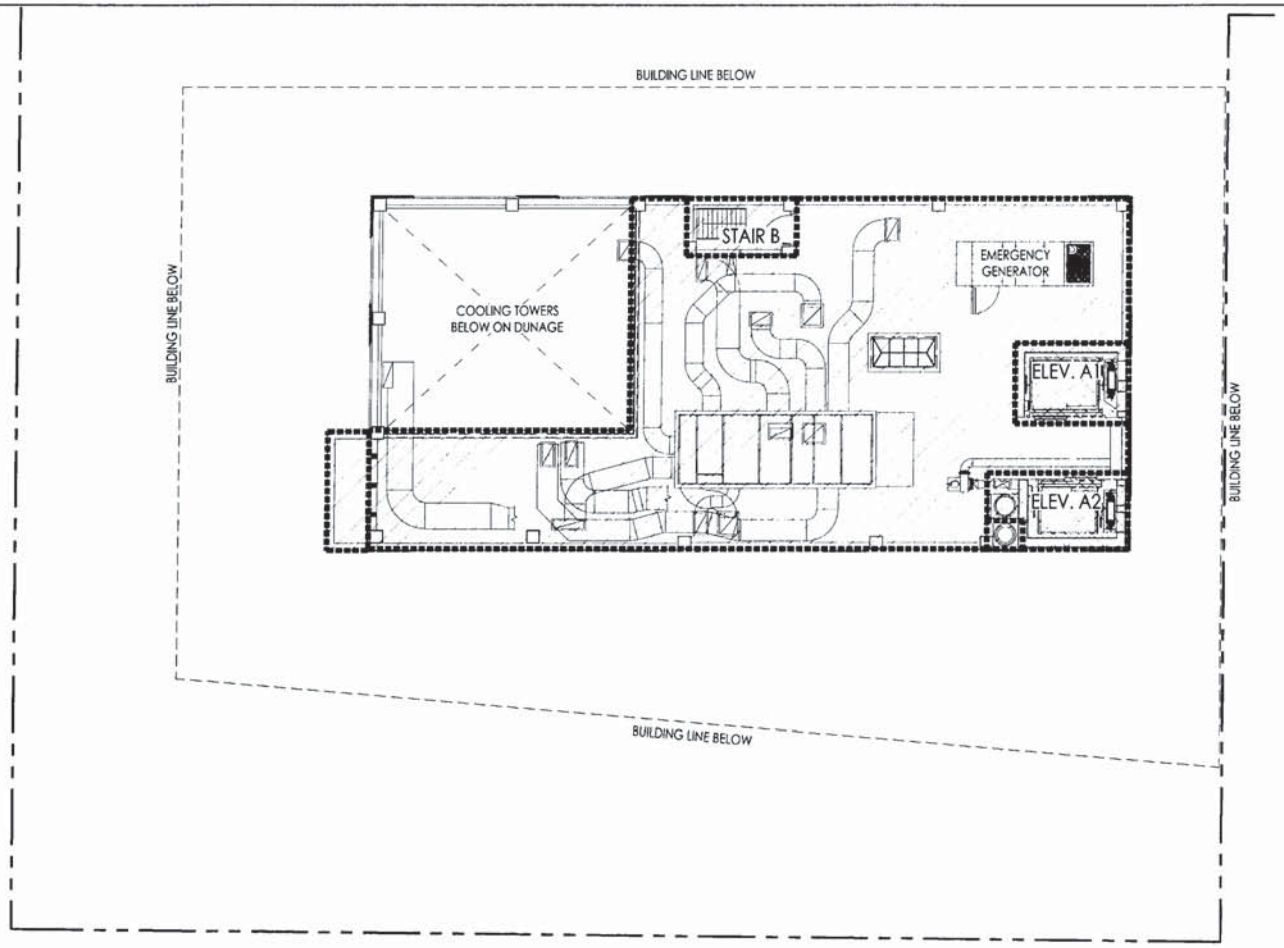
ROOF LEVEL



SCALE: 0 4' 8' 16' 32'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

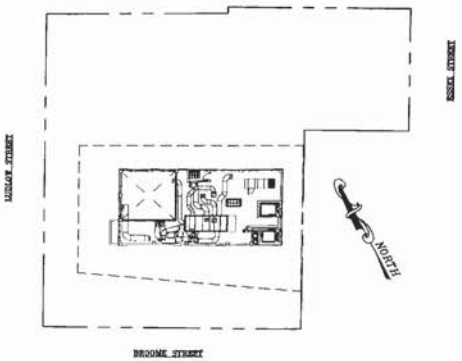
242 BROOME STREET CONDOMINIUM		A-16
SITE 1 DSA OWNER LLC	July 6, 2016	



KEY

- COMMUNITY FACILITY
- RESIDENTIAL COMMON ELEMENT
- RESIDENTIAL UNIT - AFFORDABLE
- RESIDENTIAL UNIT - MARKET RATE
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT
- RETAIL 1
- RETAIL 2
- RETAIL 3
- RETAIL 4
- RETAIL 3, RETAIL 4 COMMON ELEMENT
- RETAIL 1, RETAIL 2, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- RETAIL 1, RETAIL 3, RETAIL 4, RESIDENTIAL COMMON ELEMENT
- NON-RESIDENTIAL COMMON ELEMENT
- COMMUNITY FACILITY, RETAIL 3 COMMON ELEMENT
- RETAIL 3, RETAIL 4, COMMUNITY FACILITY COMMON ELEMENT
- RETAIL 3 LIMITED COMMON ELEMENT

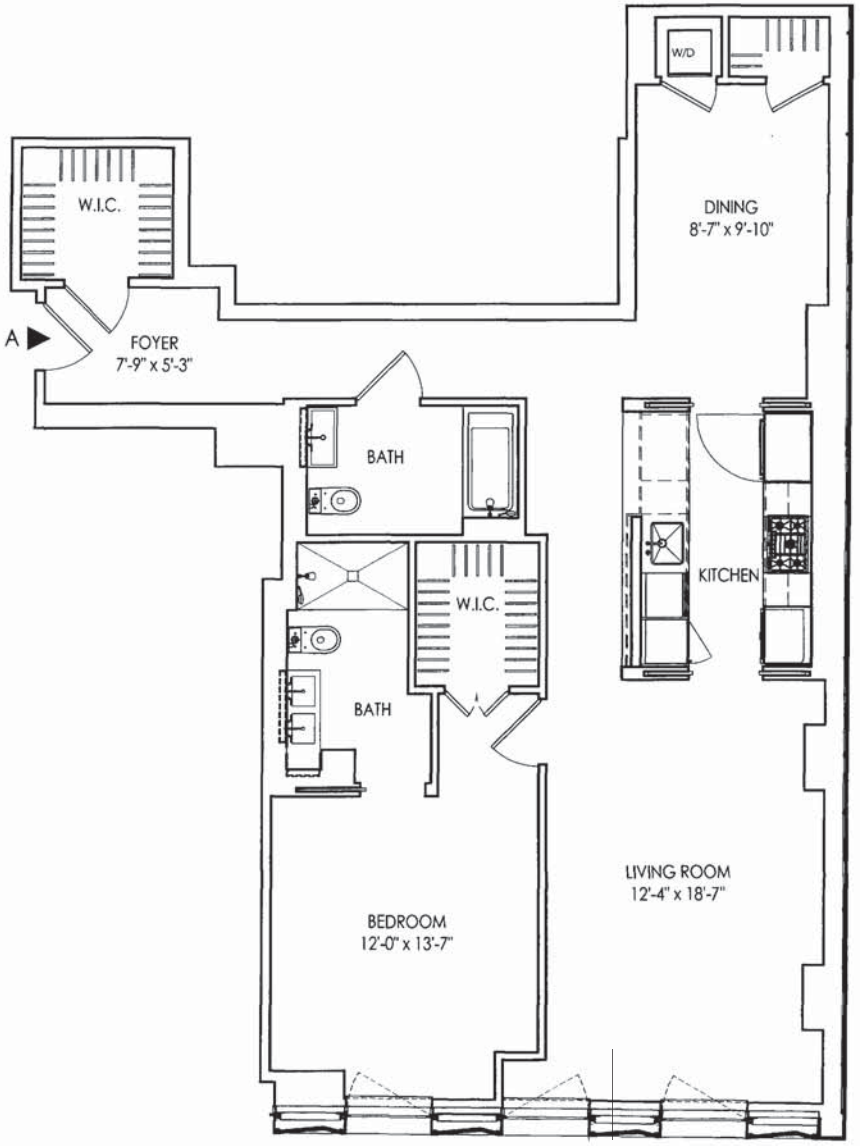
BULKHEAD



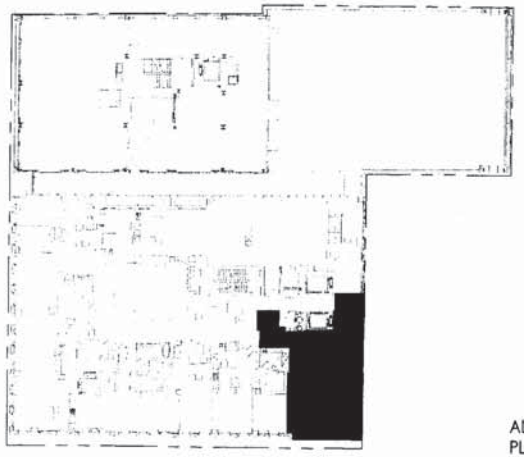
SCALE: 0 4' 8' 16' 32'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-17
SITE 1 DSA OWNER LLC	July 6, 2016	



SCALE: 0 2' 4' 8'



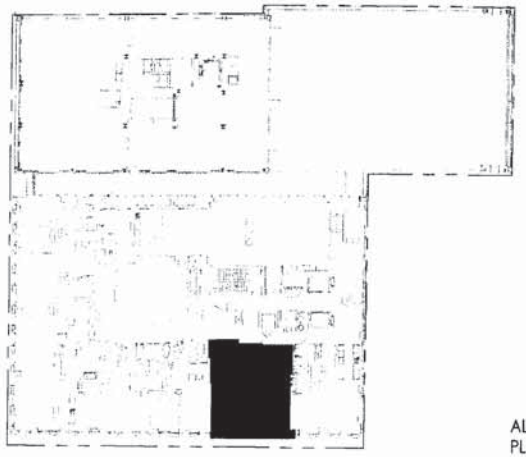
RESIDENCE A
FLOOR 5

1 BEDROOM
2 BATH

AREA = 1,179 SF

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

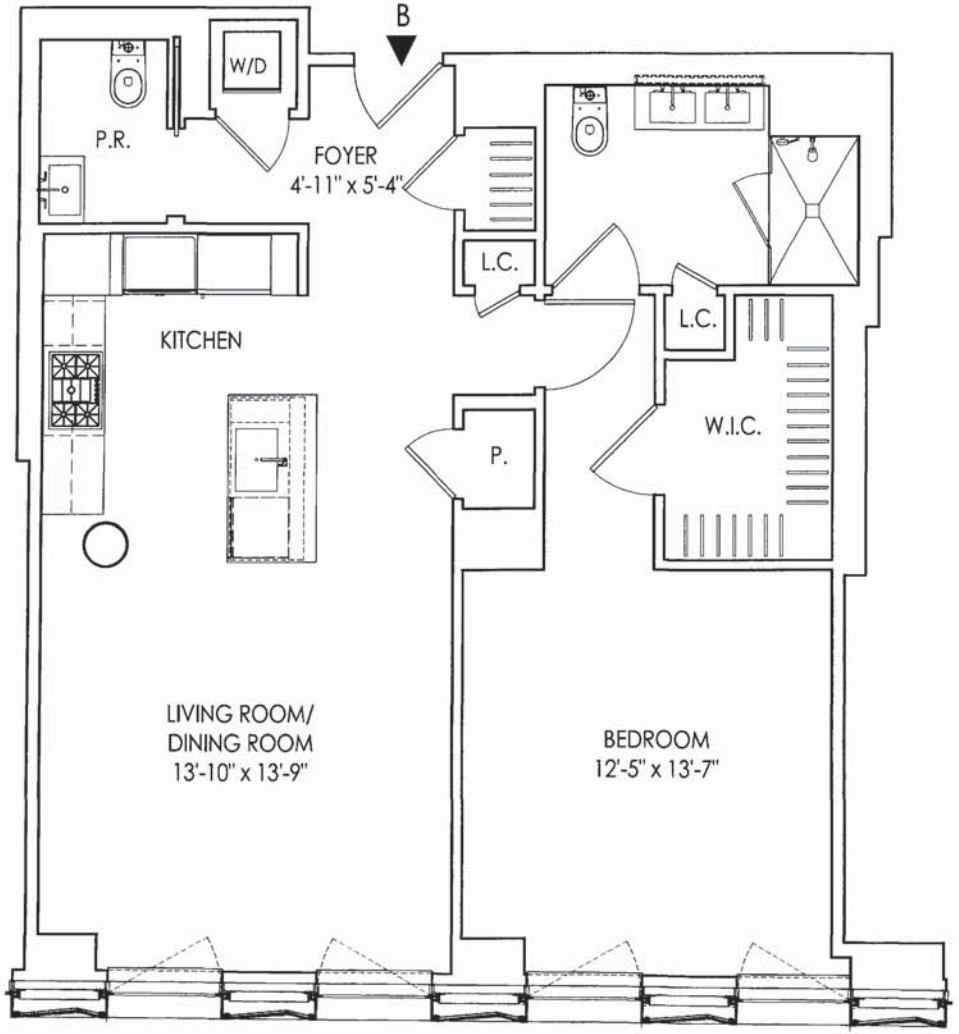
242 BROOME STREET CONDOMINIUM		A-18
SITE 1 DSA OWNER LLC	July 6, 2016	



RESIDENCE B
FLOOR 5

1 BEDROOM
1.5 BATHS

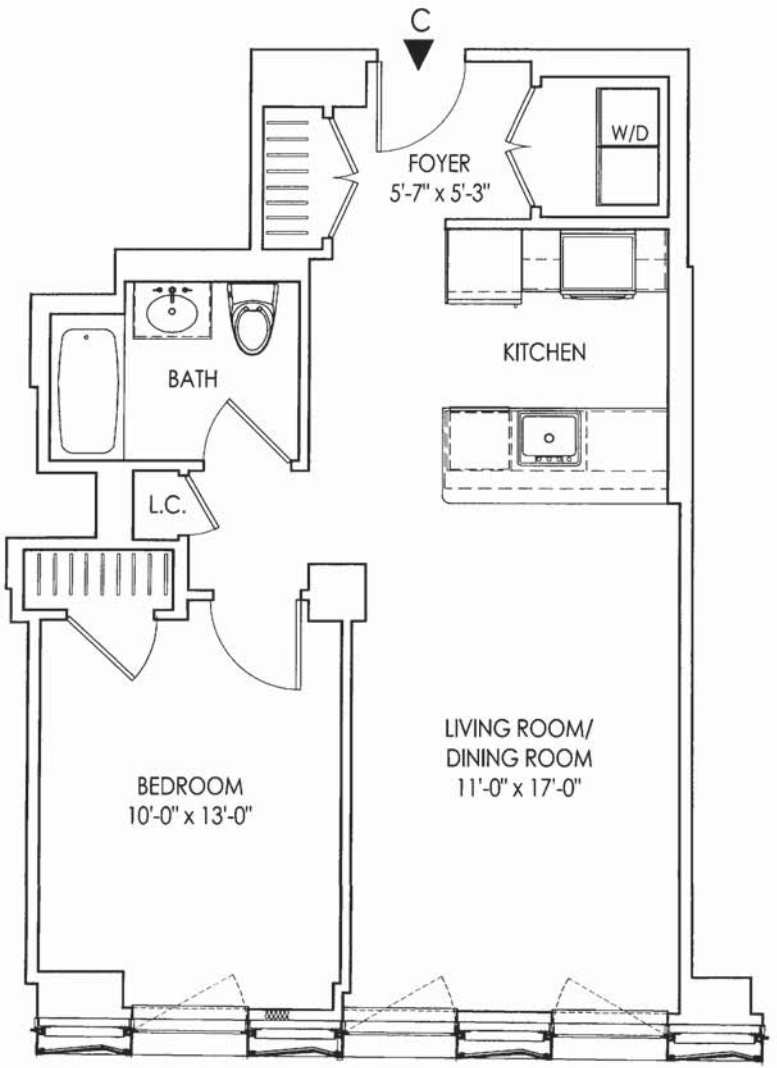
AREA = 892 SF



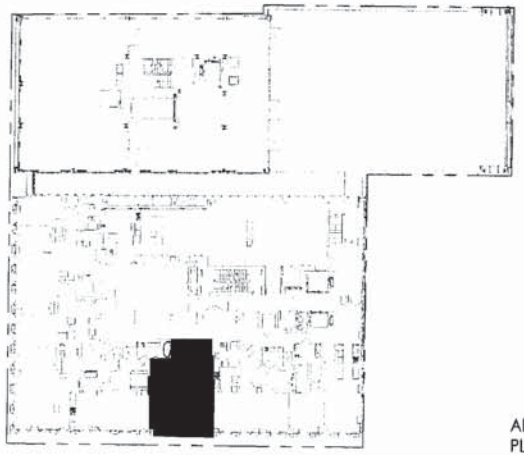
SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-19
SITE 1 DSA OWNER LLC	July 6, 2016	



AFFORDABLE



RESIDENCE C
FLOOR 5

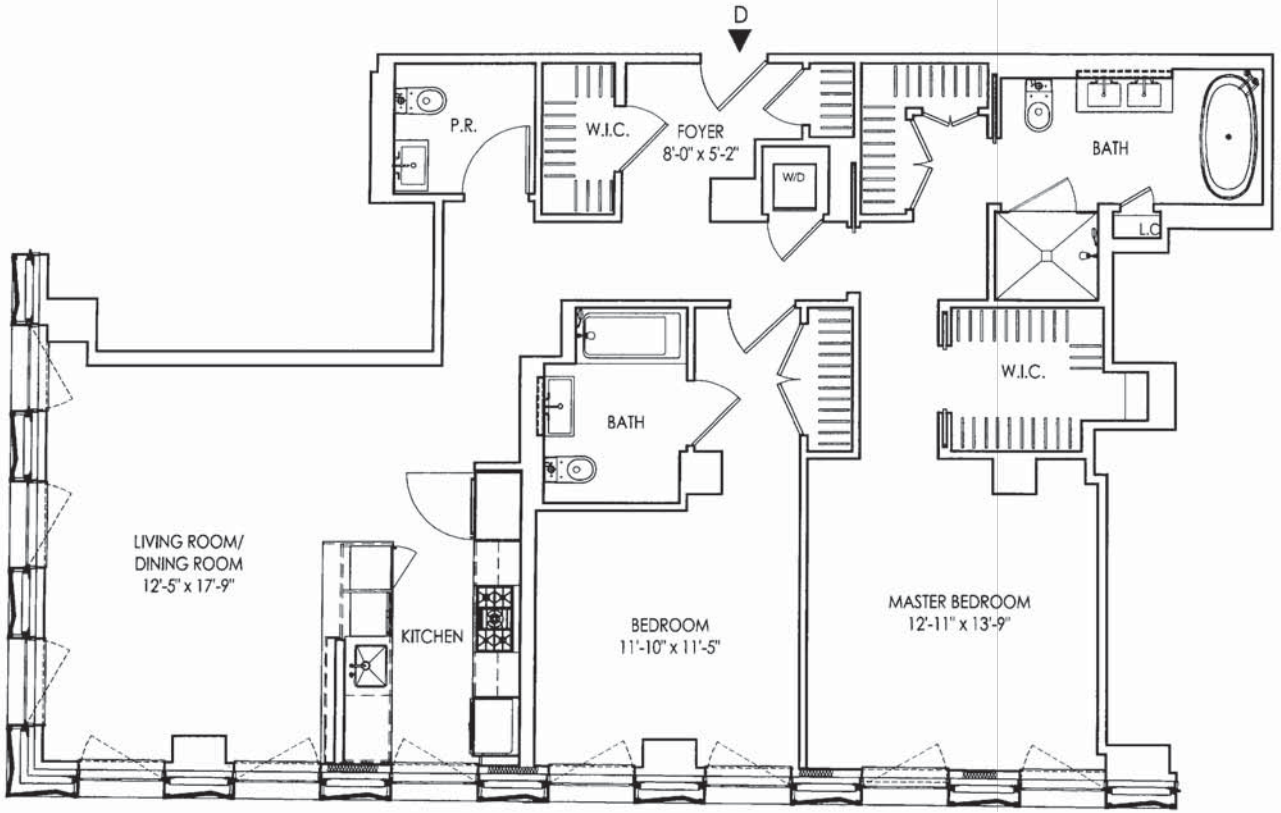
1 BEDROOM
1 BATHS

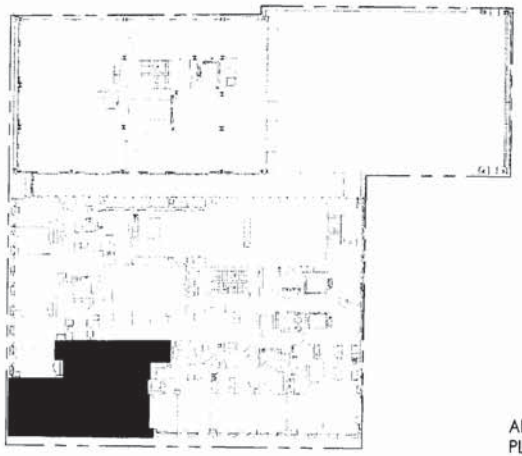
AREA = 660 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-20
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE D
FLOOR 5

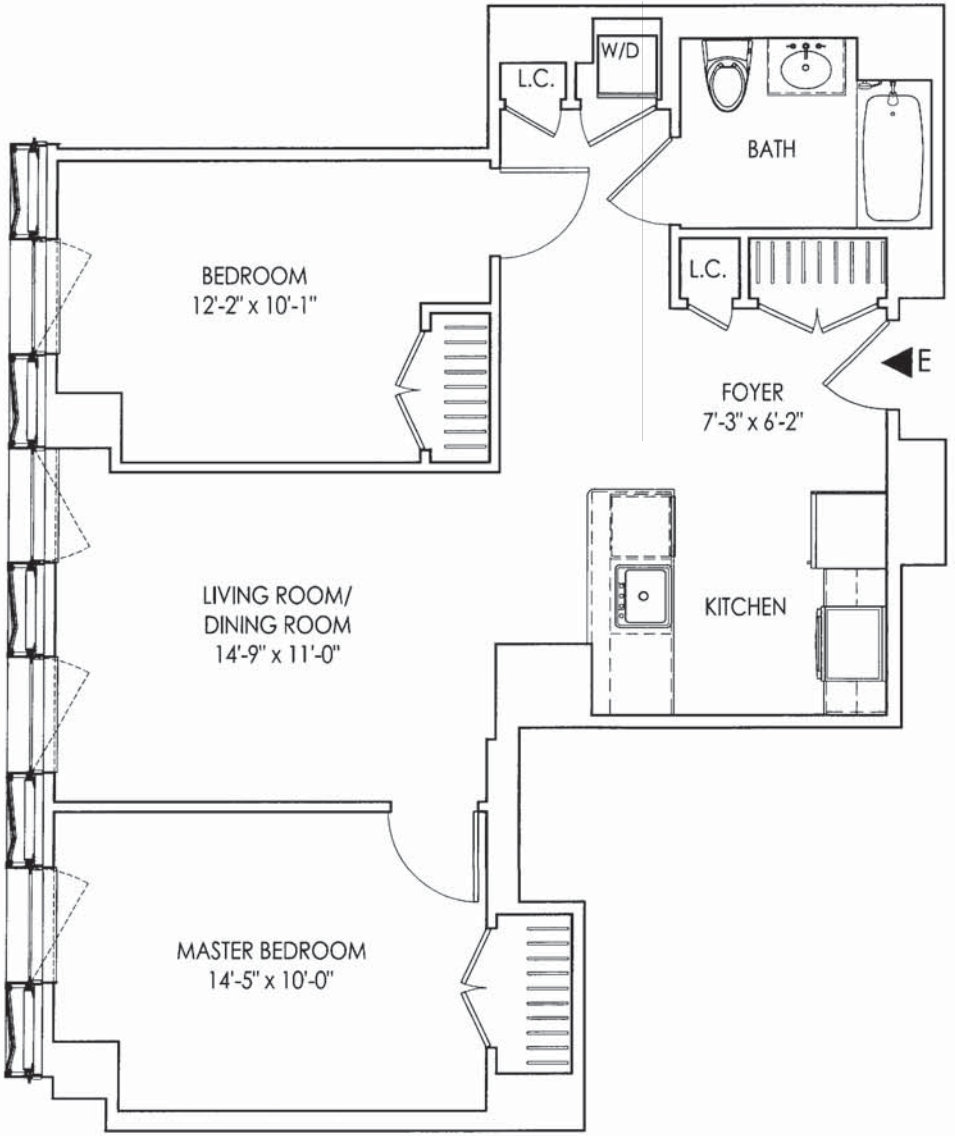
2 BEDROOM
2.5 BATHS

AREA = 1,450 SF

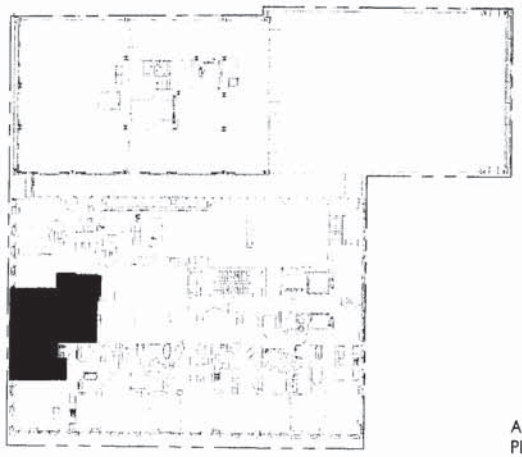
SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-21
SITE 1 DSA OWNER LLC	July 6, 2016	



AFFORDABLE



RESIDENCE E
FLOOR 5

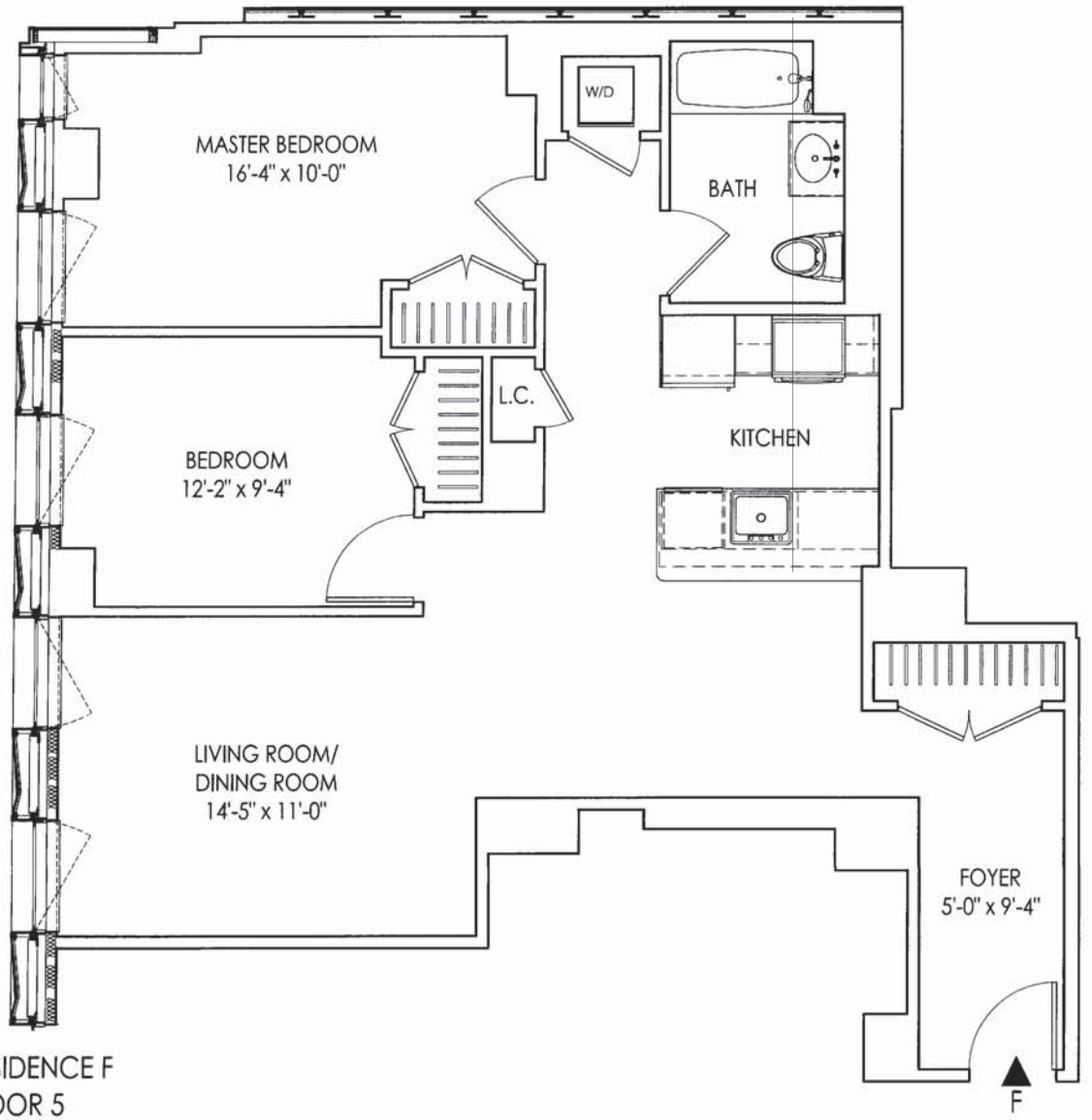
2 BEDROOM
1 BATH

AREA = 865 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-22
SITE 1 DSA OWNER LLC	July 6, 2016	



AFFORDABLE



RESIDENCE F
FLOOR 5

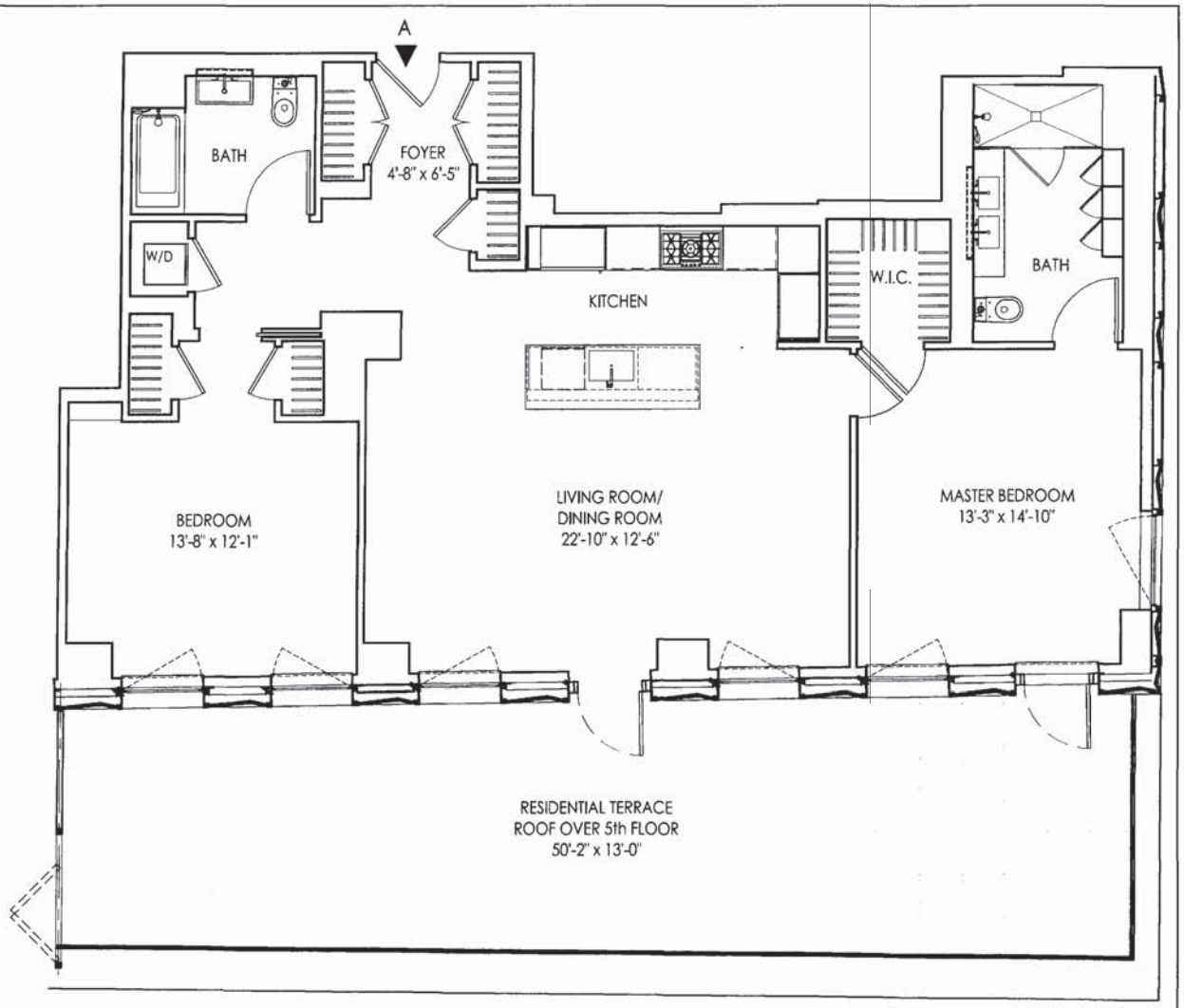
2 BEDROOM
1 BATH

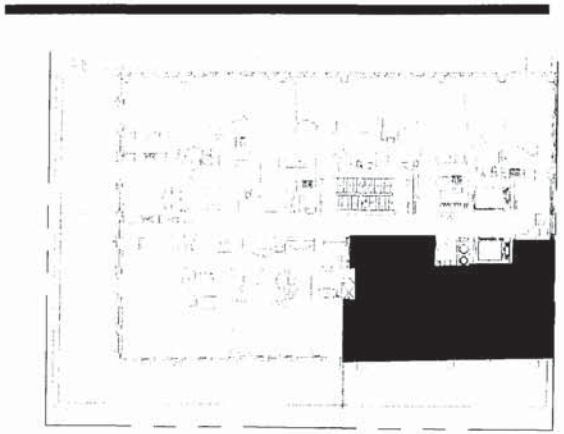
AREA = 980 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-23
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE A
FLOOR 6

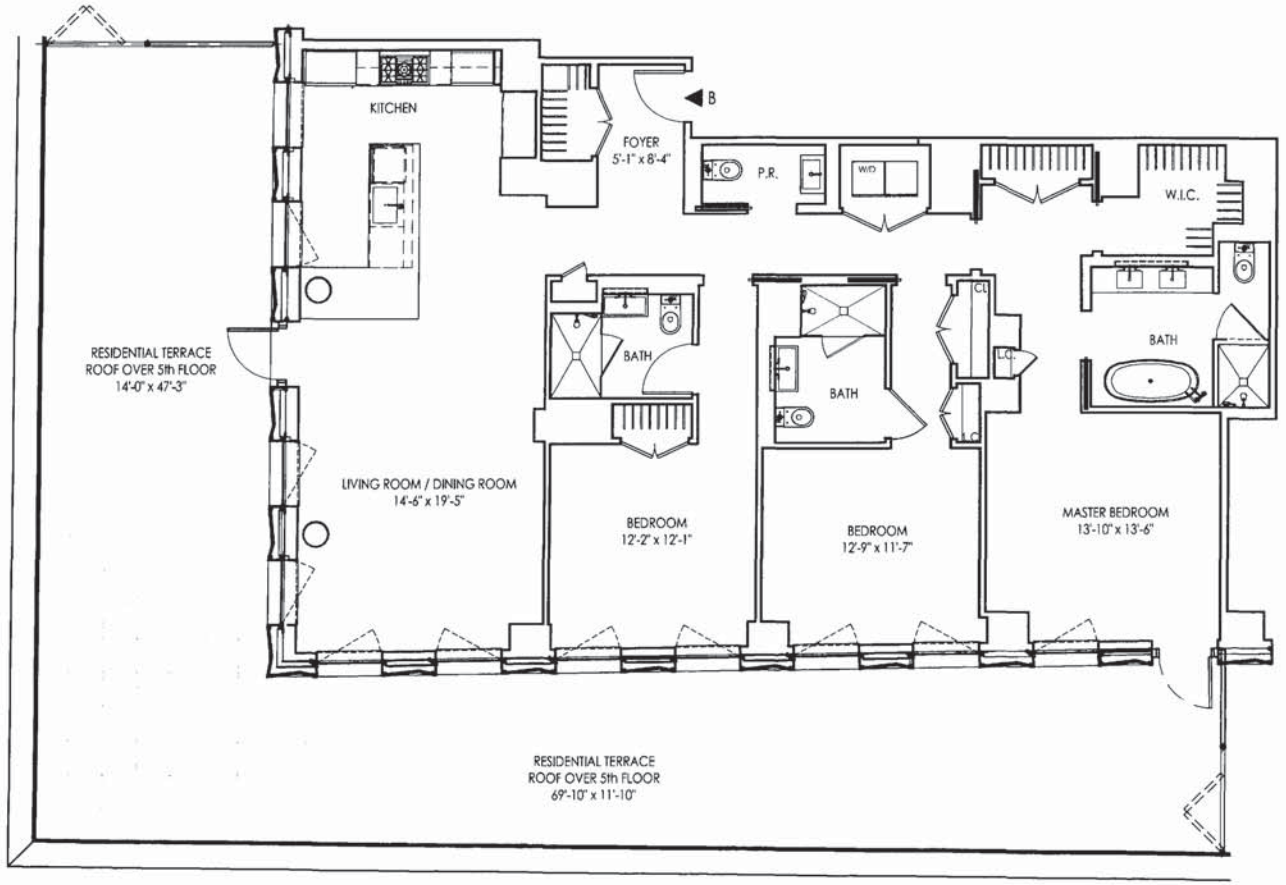
2 BEDROOM
2 BATH

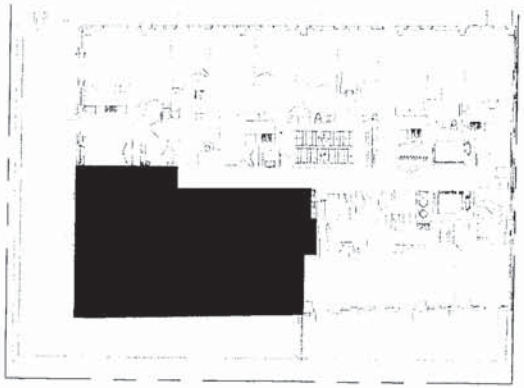
UNIT AREA = 1,365 SF
TERRACE AREA = 686 SF

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE: 0 2' 4' 8'

242 BROOME STREET CONDOMINIUM		A-24
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE B
FLOOR 6

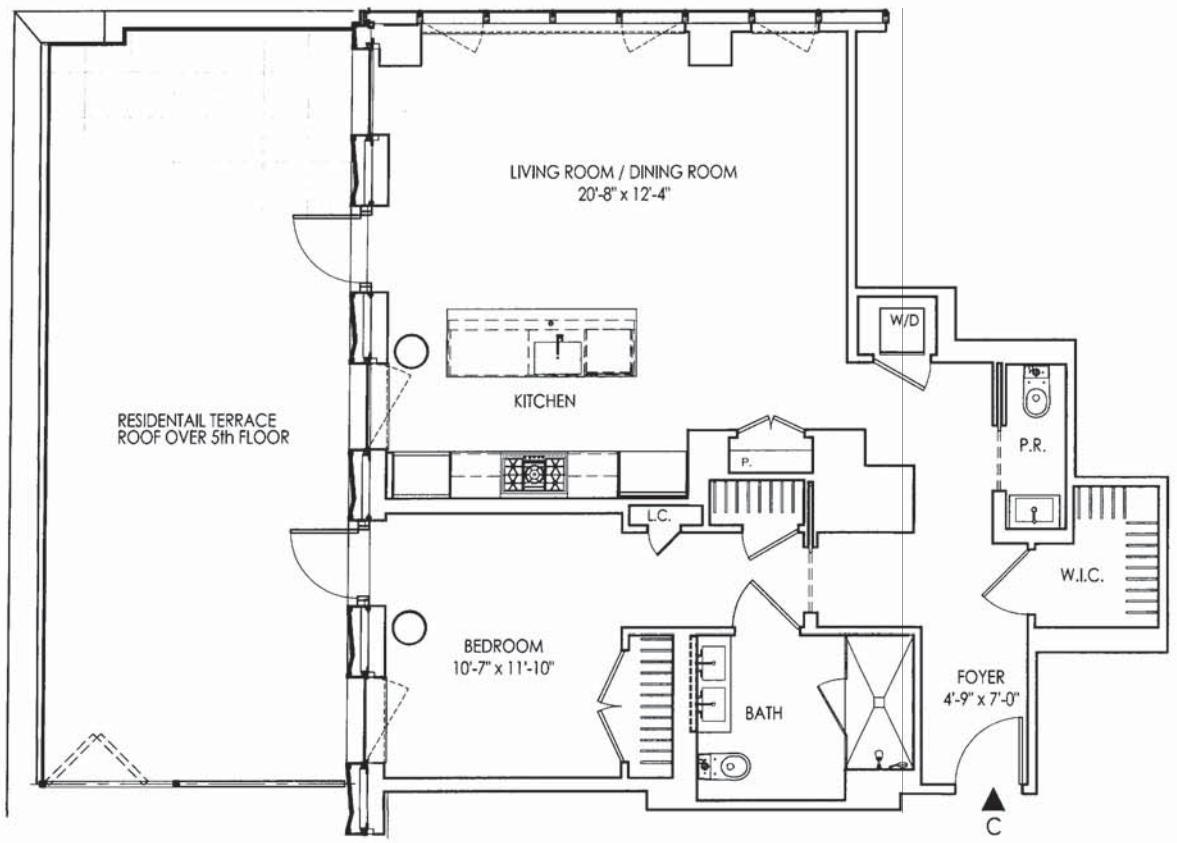
3 BEDROOM
3.5 BATH

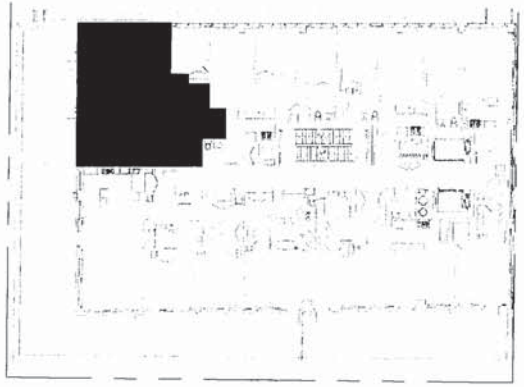
AREA = 1,914 SF
TERRACE AREA = 1,400 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-25
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE C
FLOOR 6

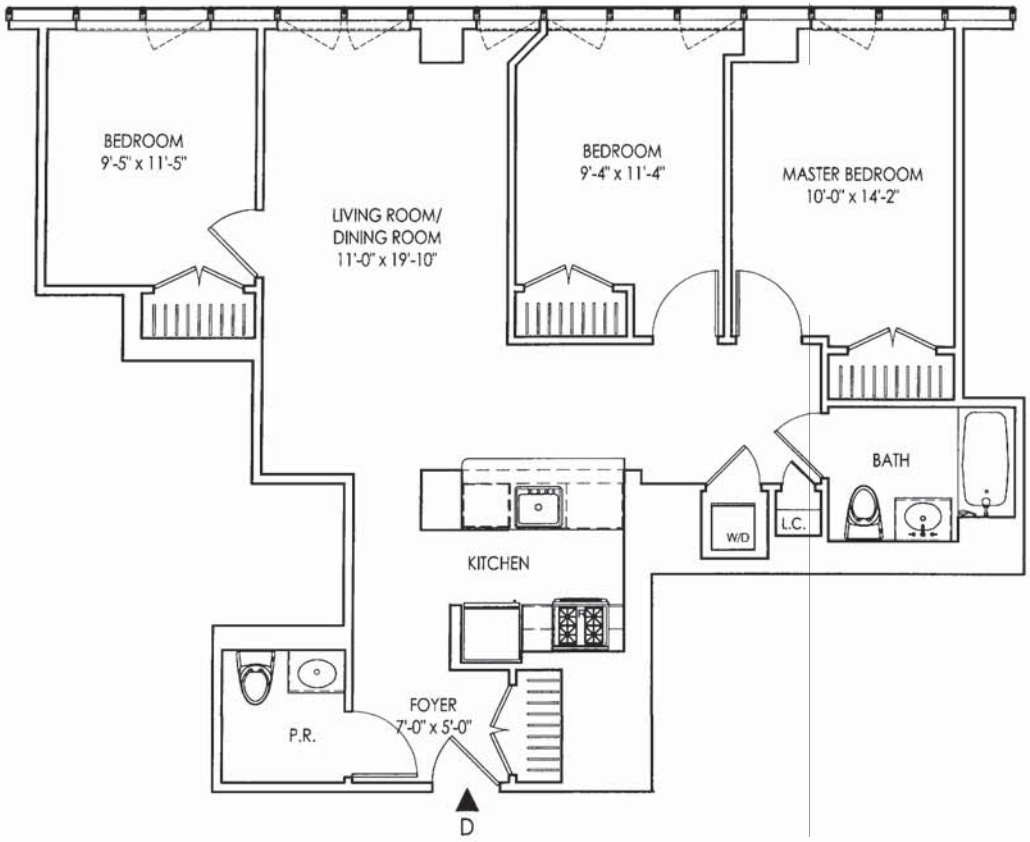
1 BEDROOM
1.5 BATH

AREA = 1,005 SF
TERRACE AREA = 522 SF

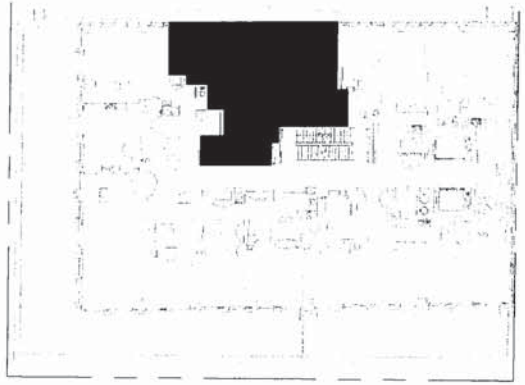
SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-26
SITE 1 DSA OWNER LLC	July 6, 2016	



AFFORDABLE



RESIDENCE D
FLOOR 6

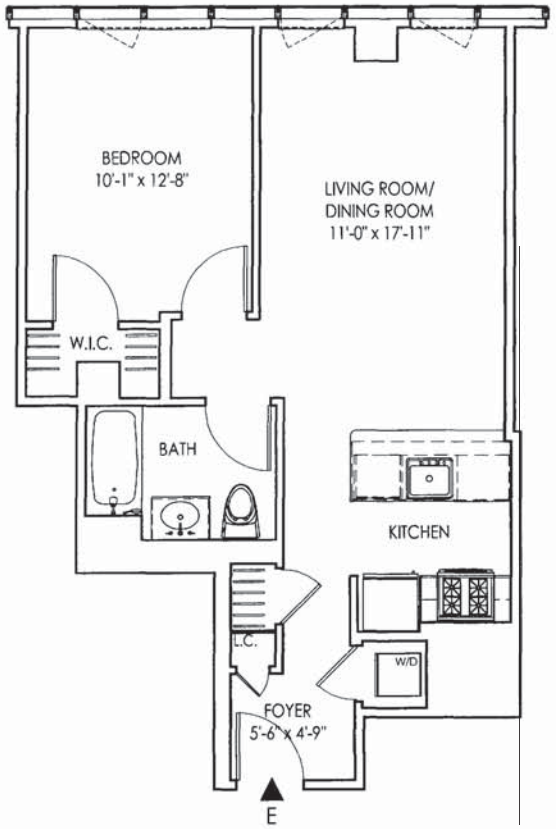
3 BEDROOM
1.5 BATH

AREA = 1,077 SF

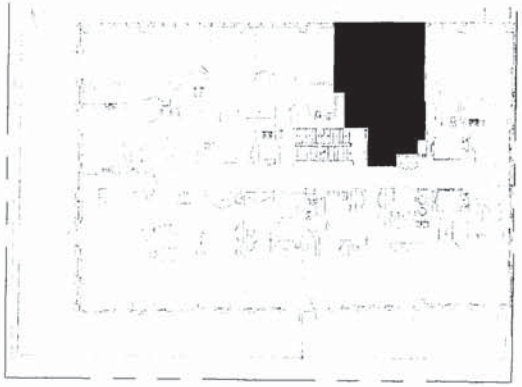
SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-27
SITE 1 DSA OWNER LLC	July 6, 2016	



AFFORDABLE



RESIDENCE E
FLOOR 6

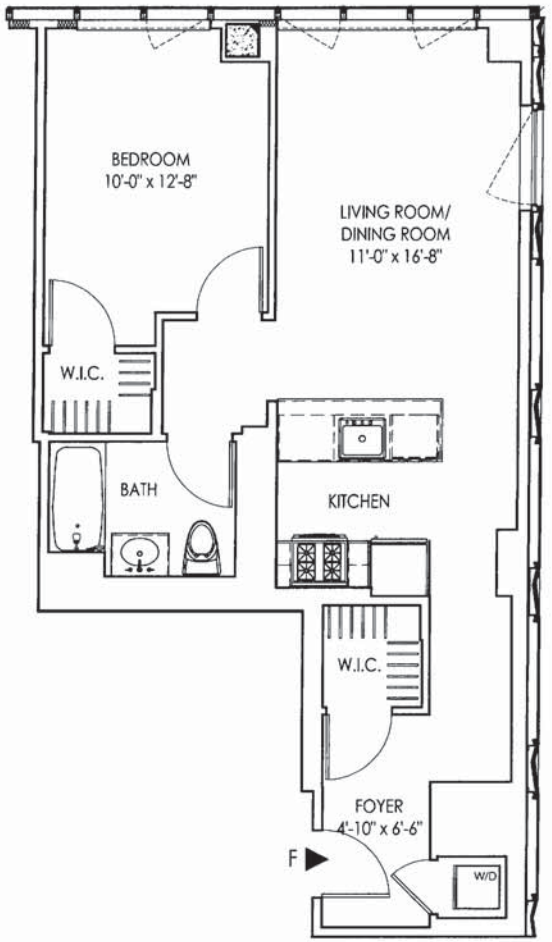
1 BEDROOM
1 BATH

AREA = 629 SF

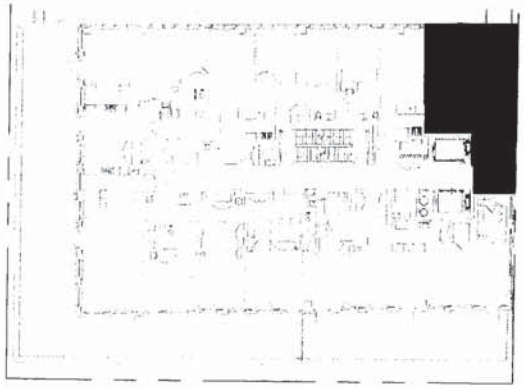
SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-28
SITE 1 DSA OWNER LLC	July 6, 2016	



AFFORDABLE



RESIDENCE F
FLOOR 6

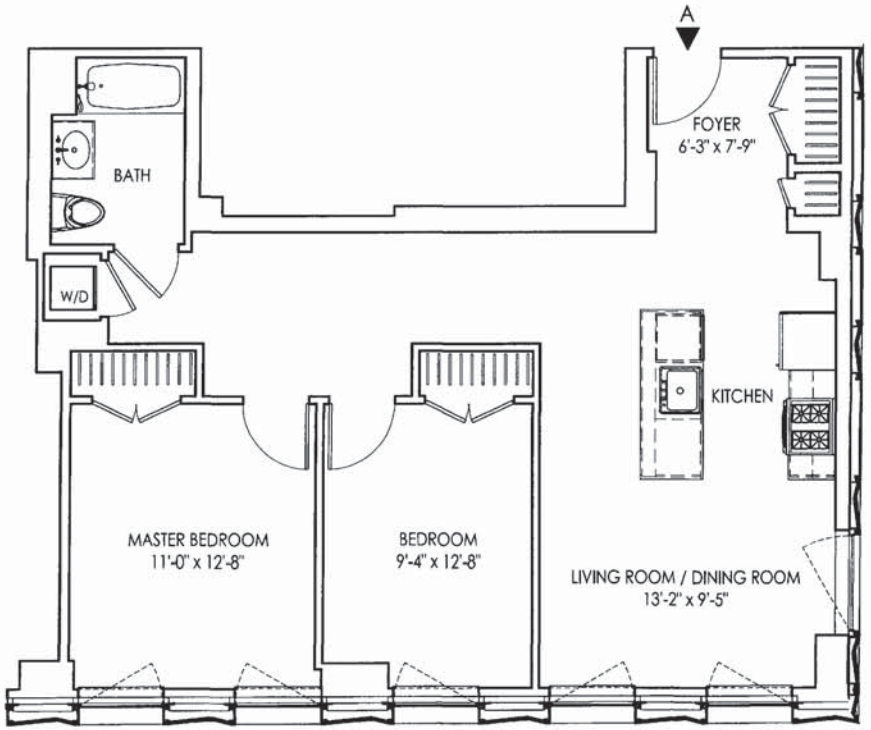
1 BEDROOM
1 BATH

AREA = 741 SF

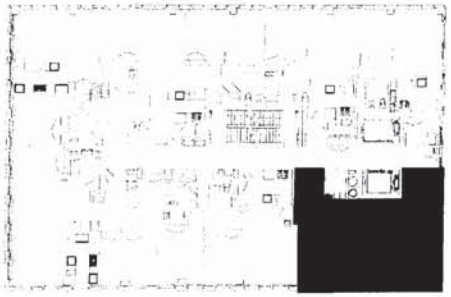
SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-29
SITE 1 DSA OWNER LLC	July 6, 2016	



AFFORDABLE



RESIDENCE A
FLOOR 7

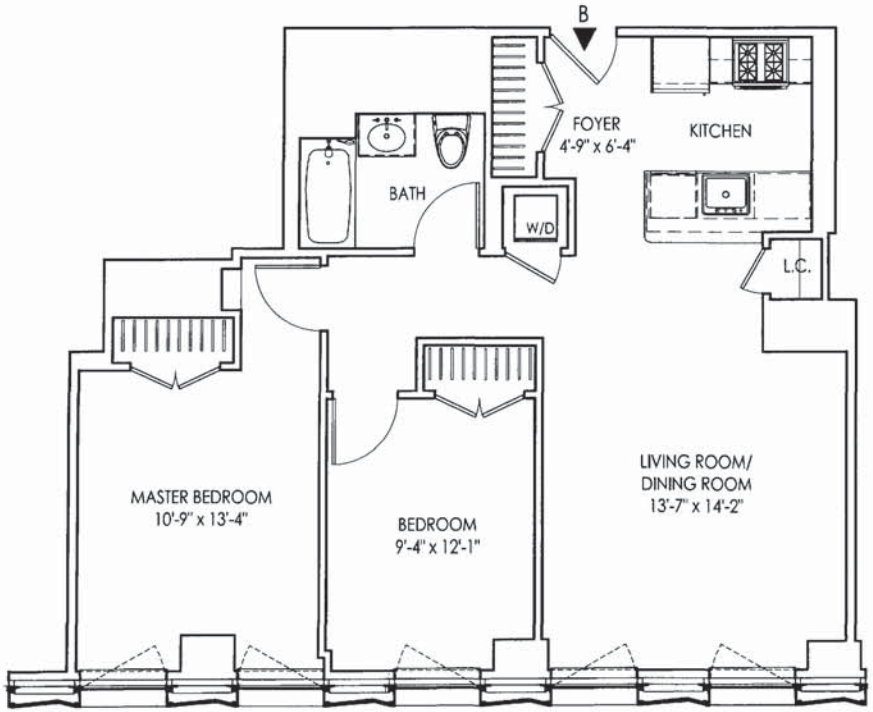
2 BEDROOM
1 BATH

AREA = 947 SF

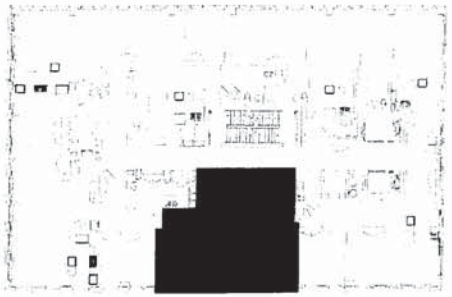
SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-30
SITE 1 DSA OWNER LLC	July 6, 2016	



AFFORDABLE



RESIDENCE B
FLOOR 7

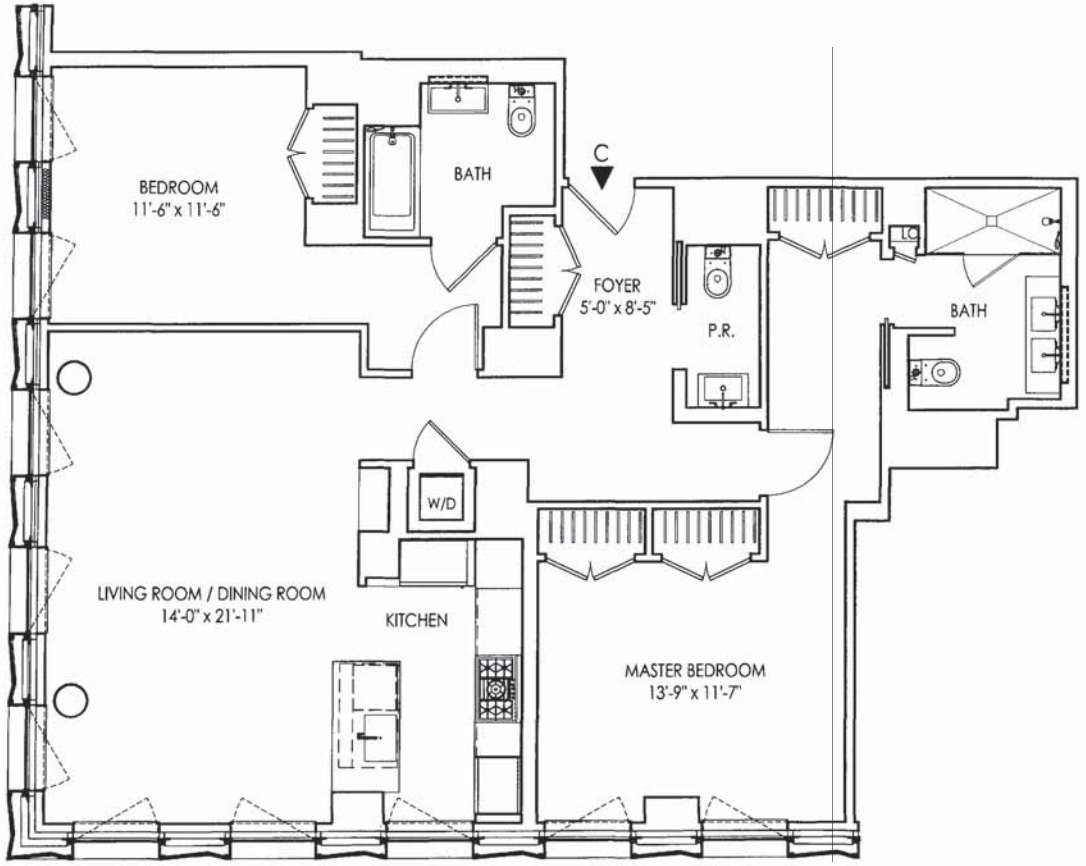
2 BEDROOM
1 BATH

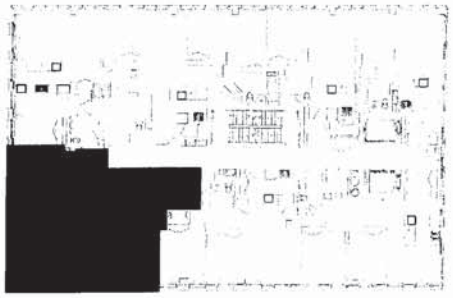
AREA = 905 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-31
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE C
FLOOR 7

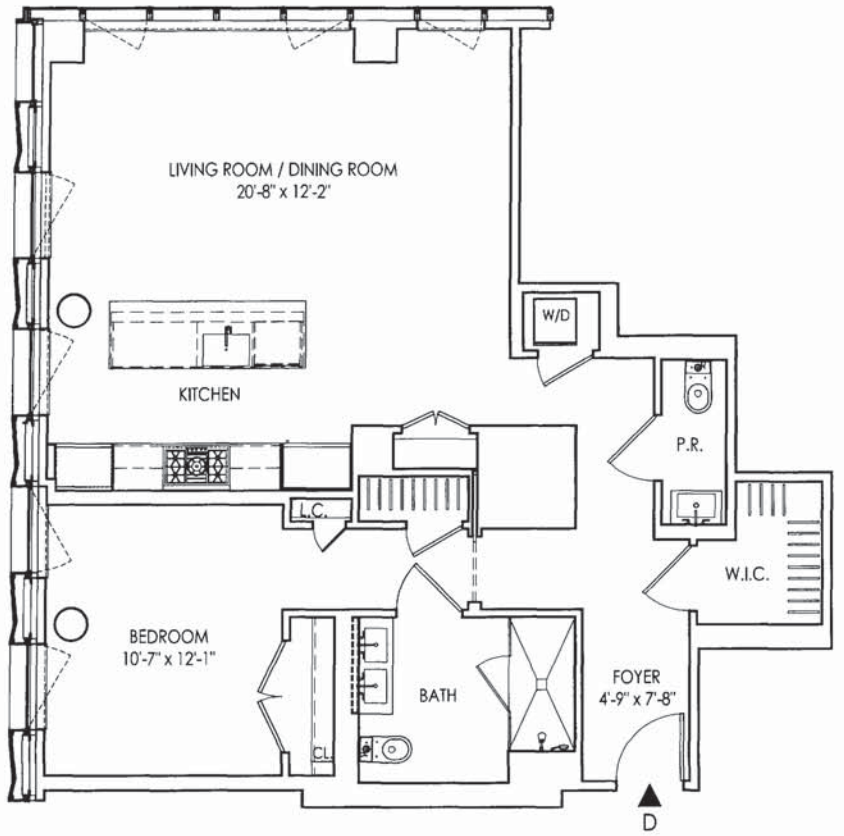
2 BEDROOM
2.5 BATH

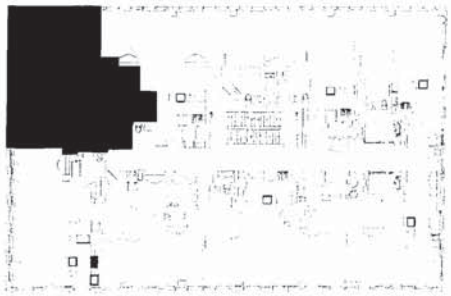
AREA = 1,376 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-32
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE D
FLOOR 7

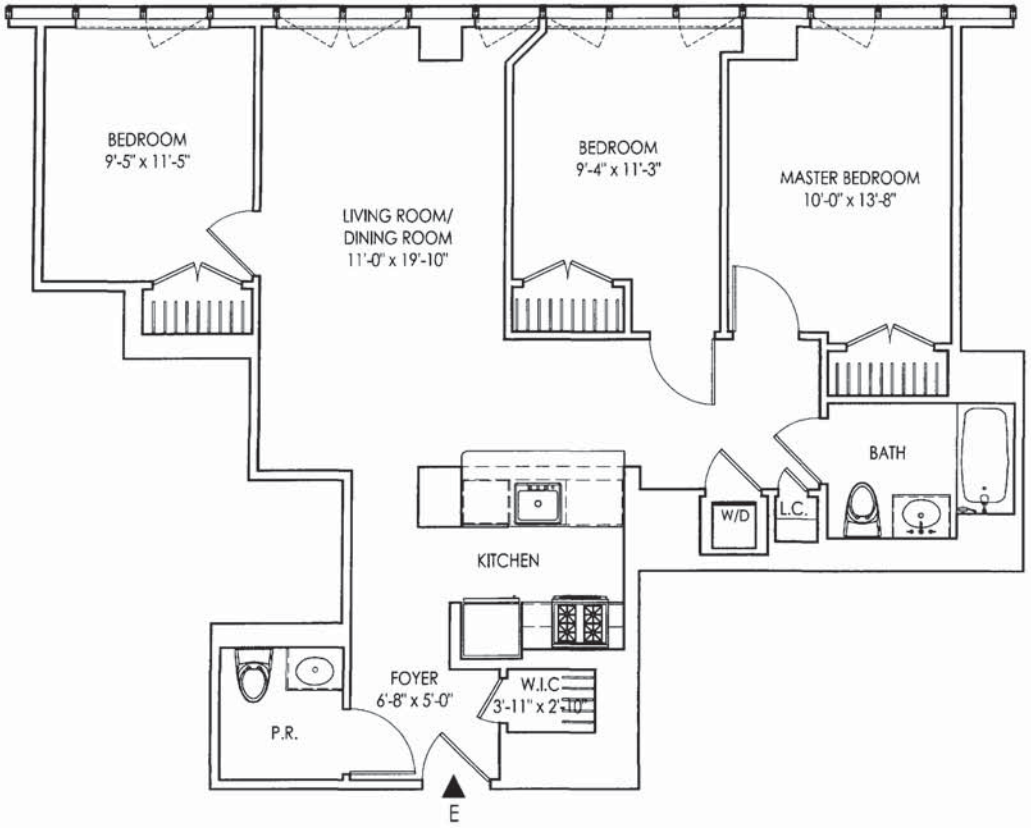
1 BEDROOM
1.5 BATH

AREA = 1,003 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-33
SITE 1 DSA OWNER LLC	July 6, 2016	



AFFORDABLE



RESIDENCE E
FLOOR 7

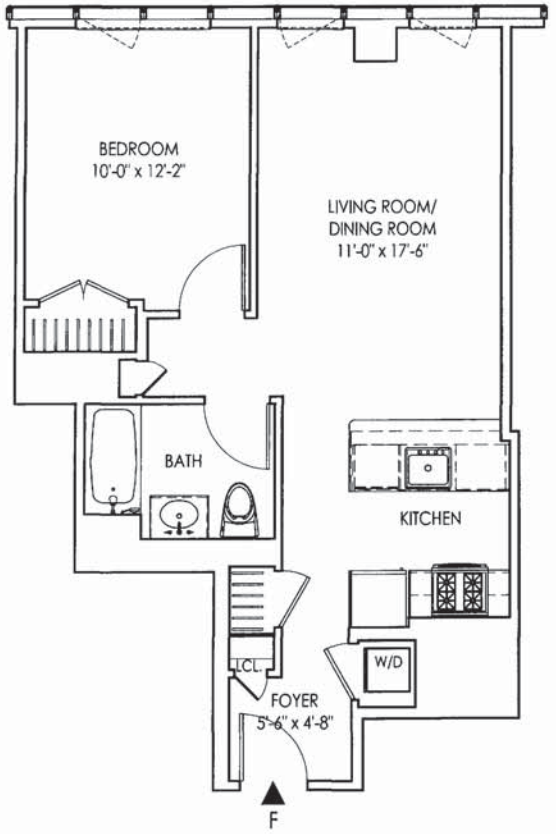
3 BEDROOM
1.5 BATH

AREA = 1,084 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-34
SITE 1 DSA OWNER LLC	July 6, 2016	



AFFORDABLE



RESIDENCE F
FLOOR 7

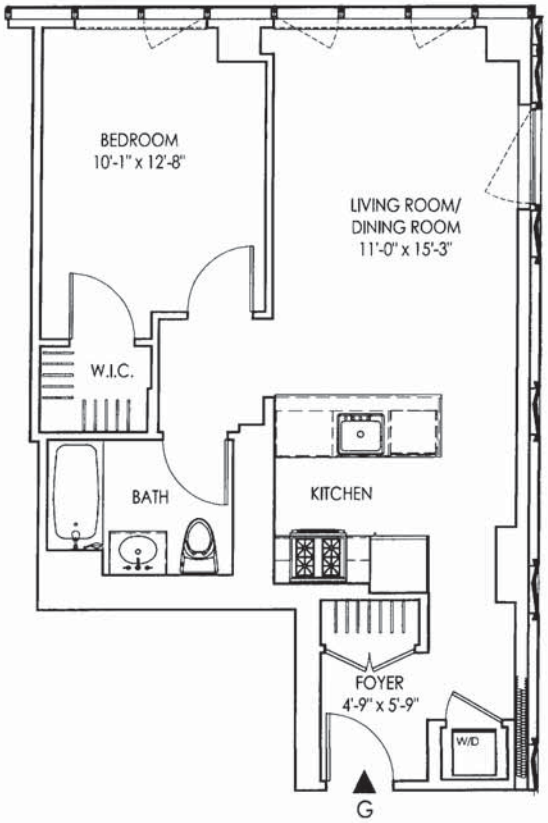
1 BEDROOM
1 BATH

AREA = 626 SF

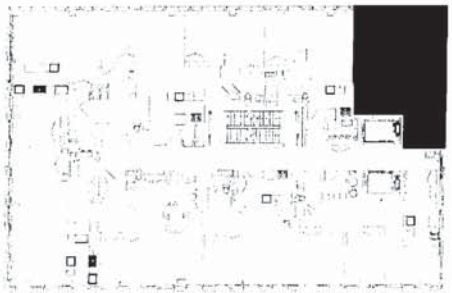
SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-35
SITE 1 DSA OWNER LLC	July 6, 2016	



AFFORDABLE



RESIDENCE G
FLOOR 7

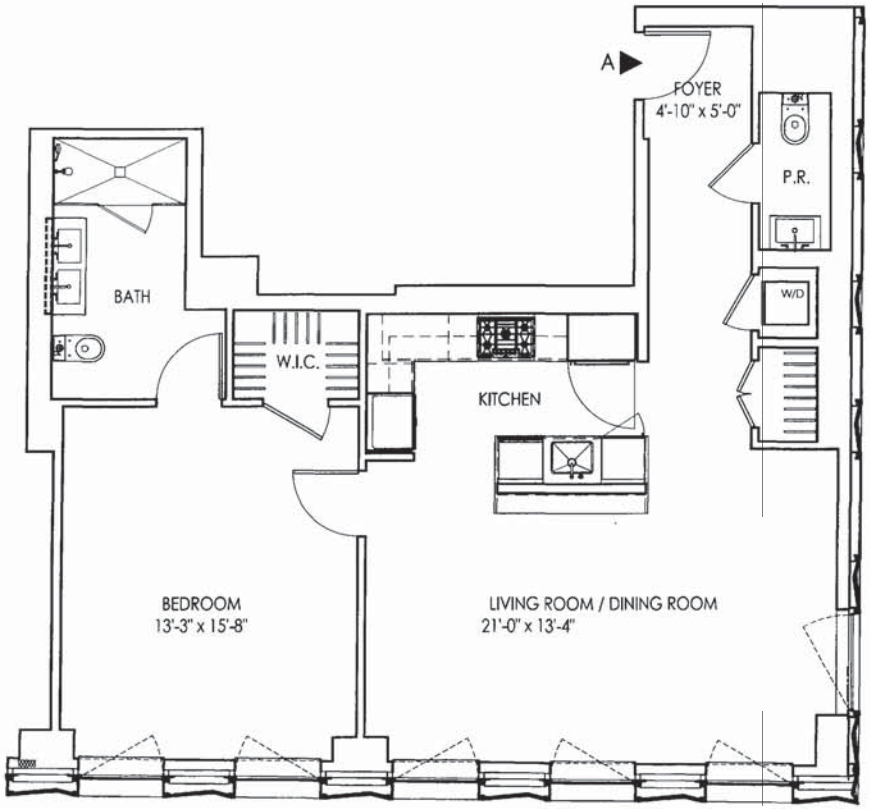
1 BEDROOM
1 BATH

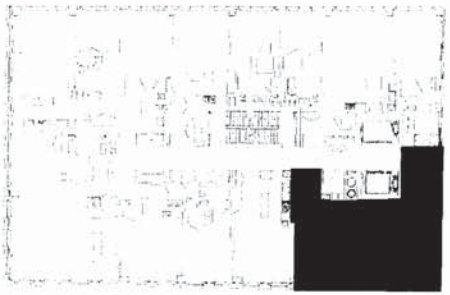
AREA = 692 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-36
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE A
FLOOR 8

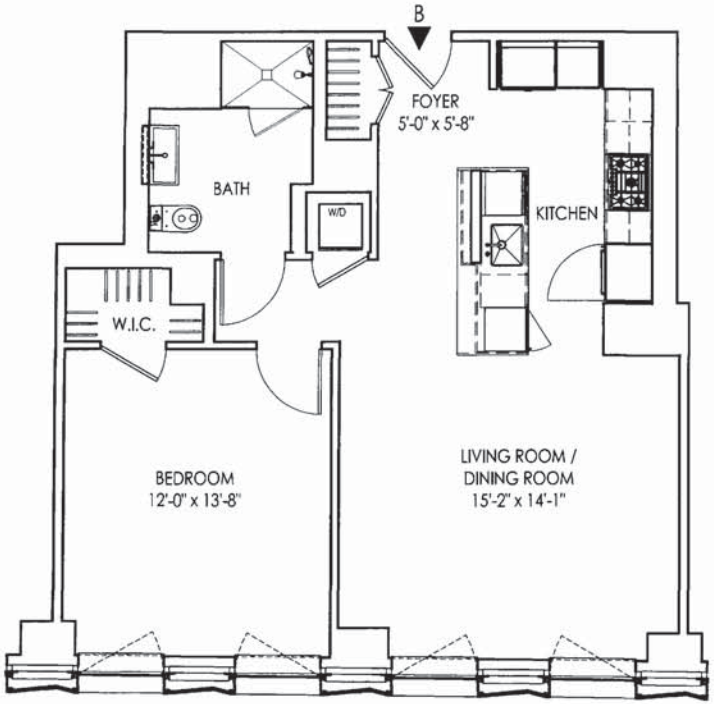
1 BEDROOM
1.5 BATH

AREA = 983 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-37
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE B
FLOOR 8

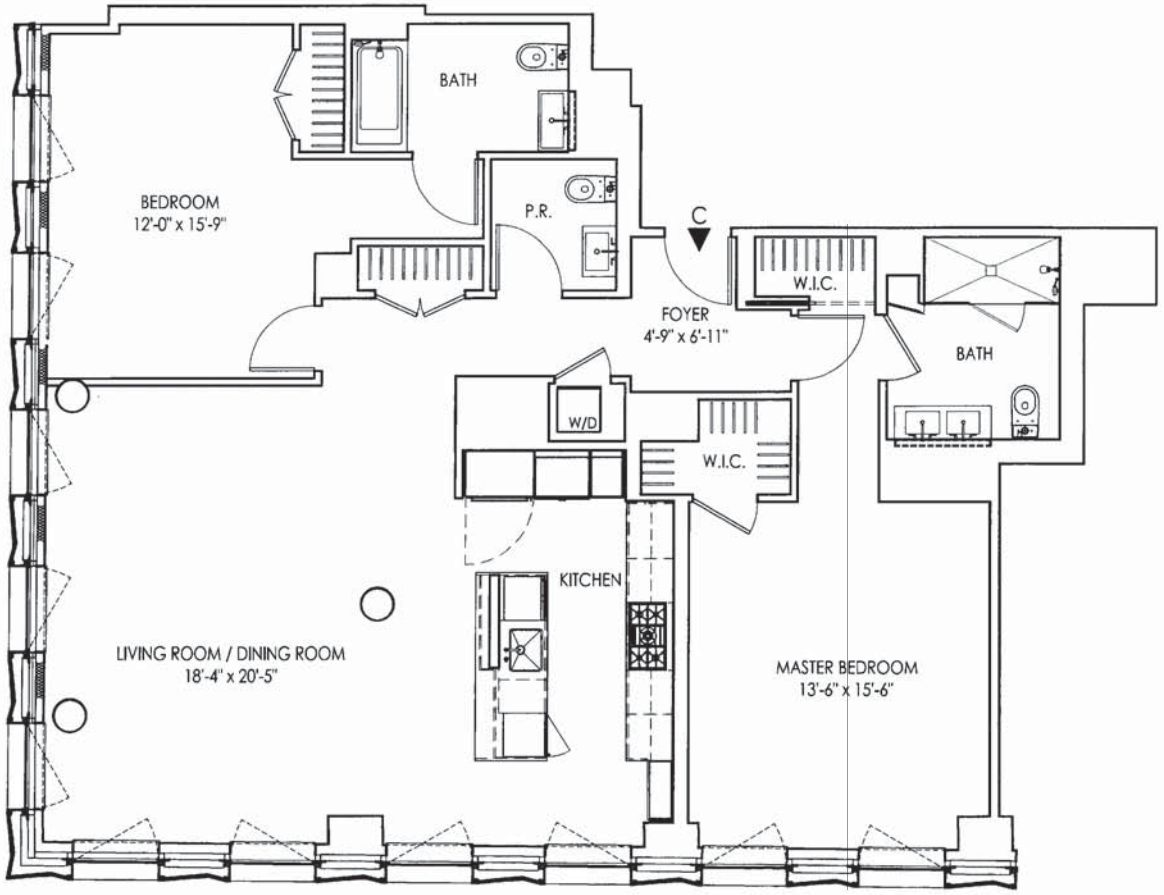
1 BEDROOM
1 BATH

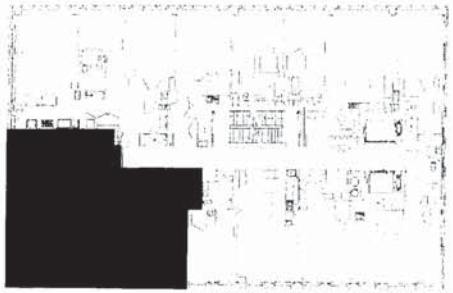
AREA = 773 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-38
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE C
FLOOR 8

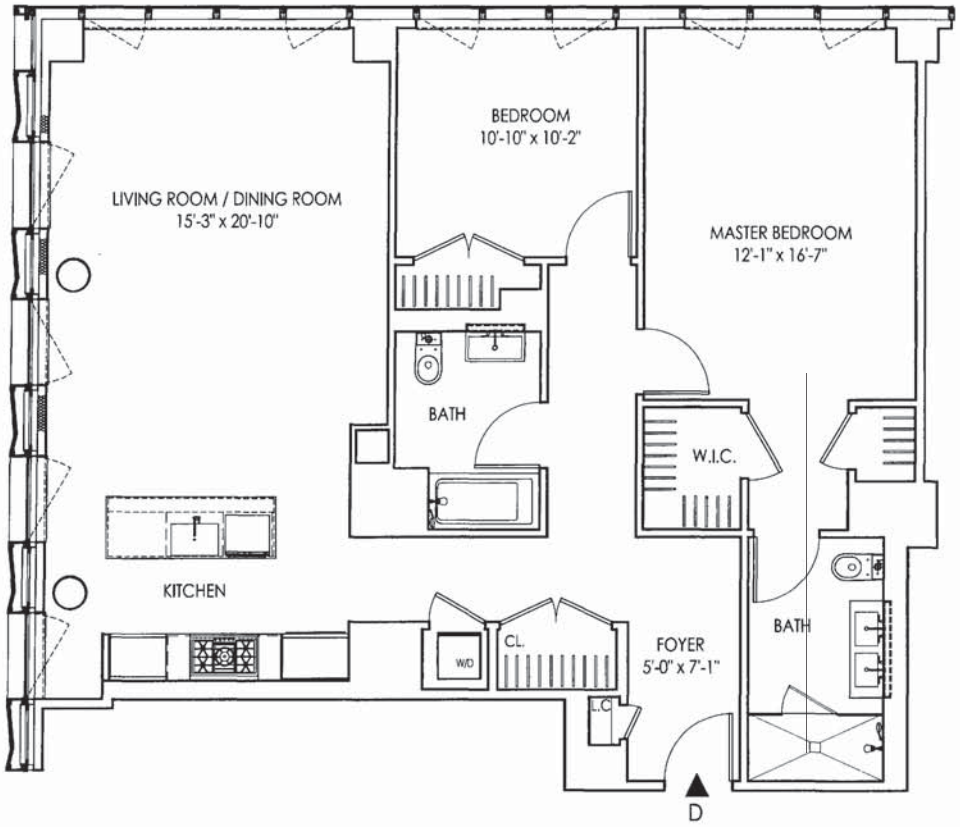
2 BEDROOM
2.5 BATH

AREA = 1,561 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-39
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE D
FLOOR 8

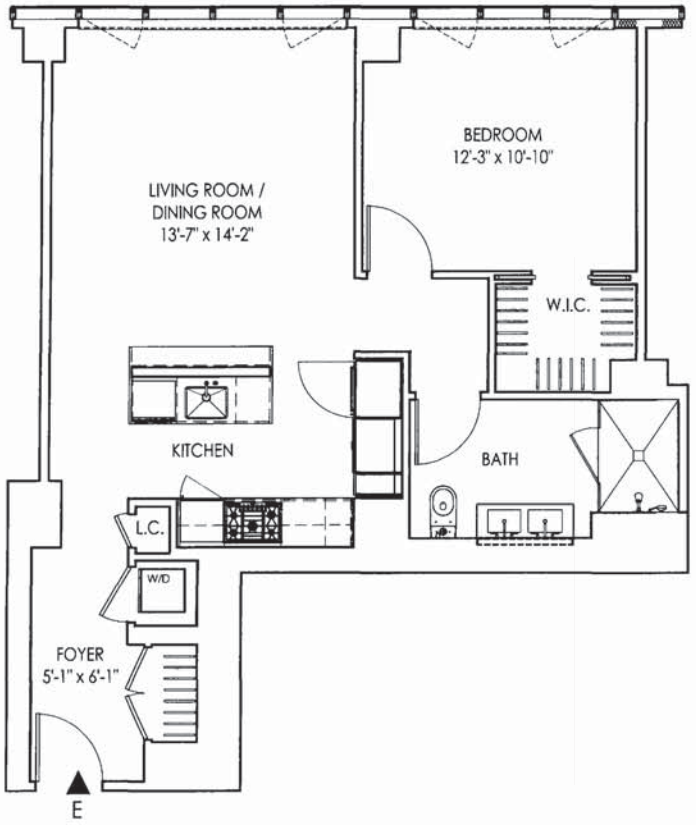
2 BEDROOM
2 BATH

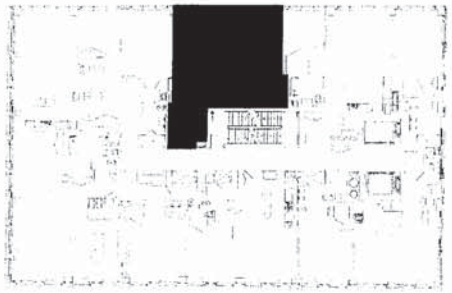
AREA = 1,293 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-40
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE E
FLOOR 8

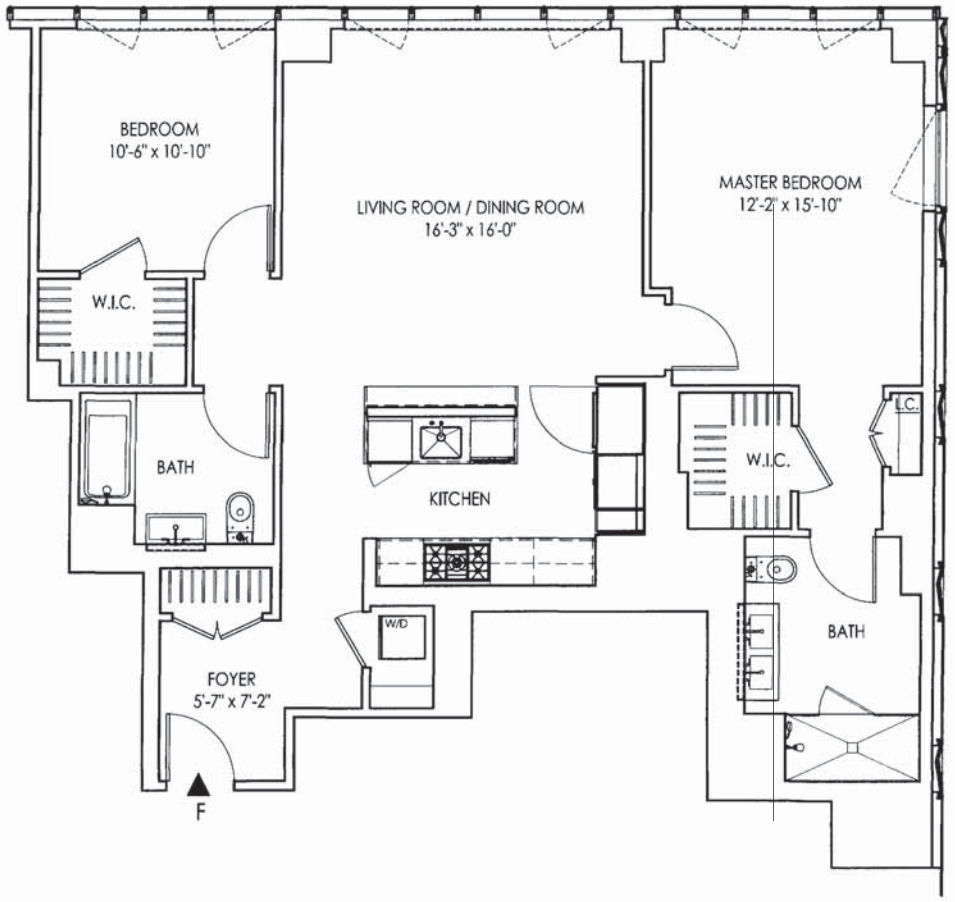
1 BEDROOM
1 BATH

AREA = 765 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-41
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE F
FLOOR 8

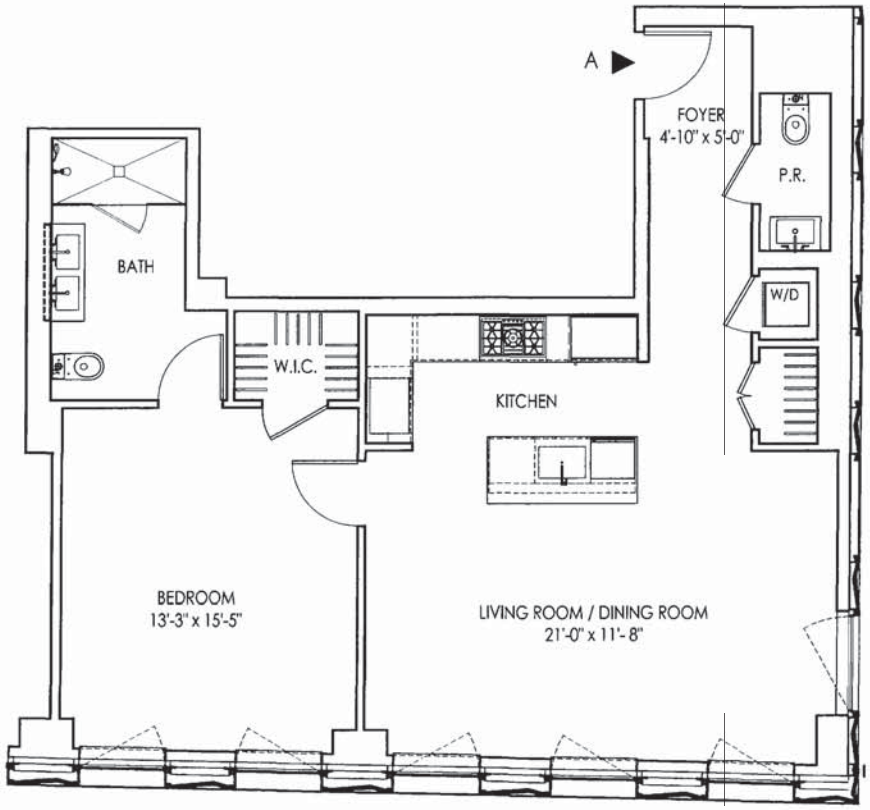
2 BEDROOM
2 BATH

AREA = 1,229 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-42
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE A
FLOOR 9

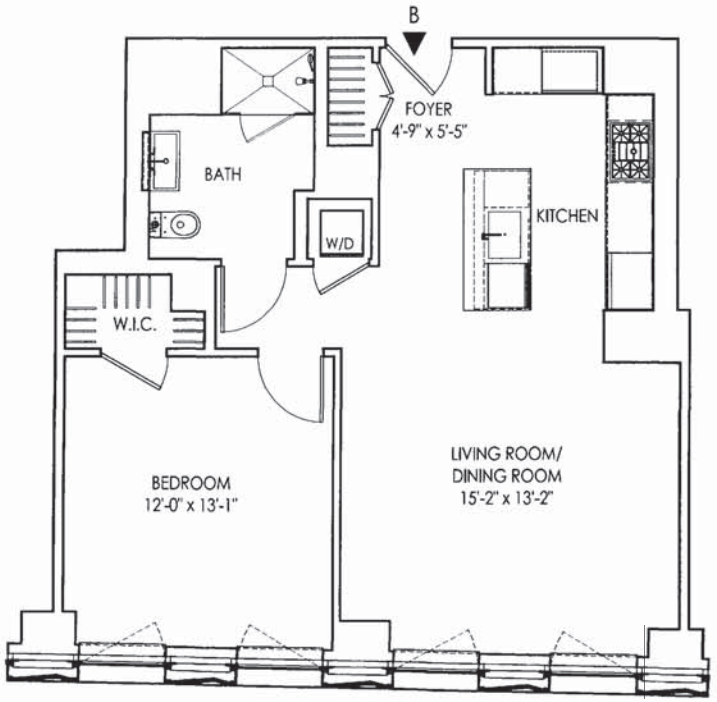
1 BEDROOM
1.5 BATH

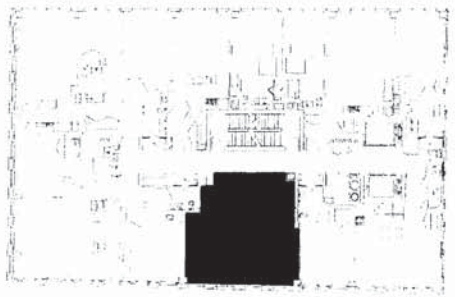
AREA = 976 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-43
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE B
FLOOR 9

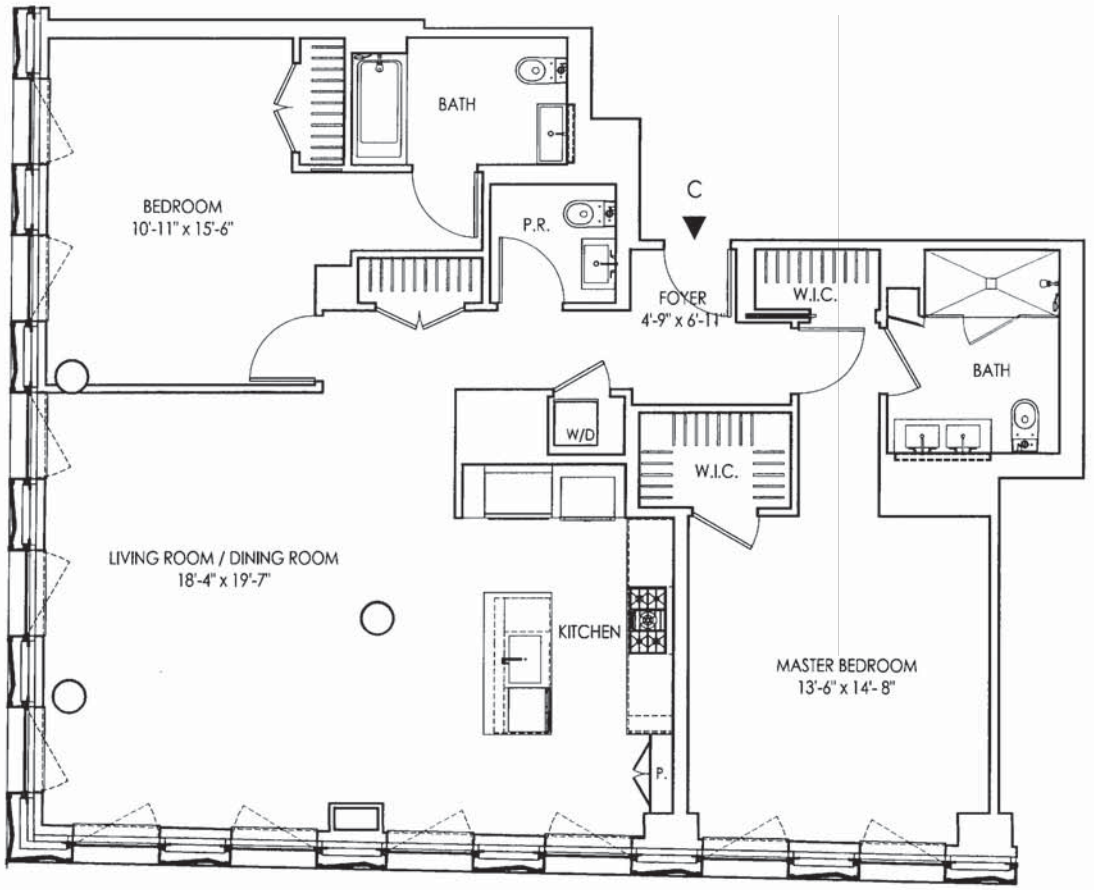
1 BEDROOM
1 BATH

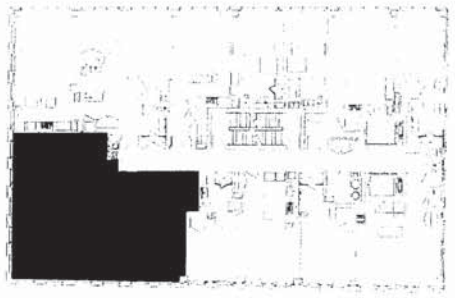
AREA = 753 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-44
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE C
FLOOR 9

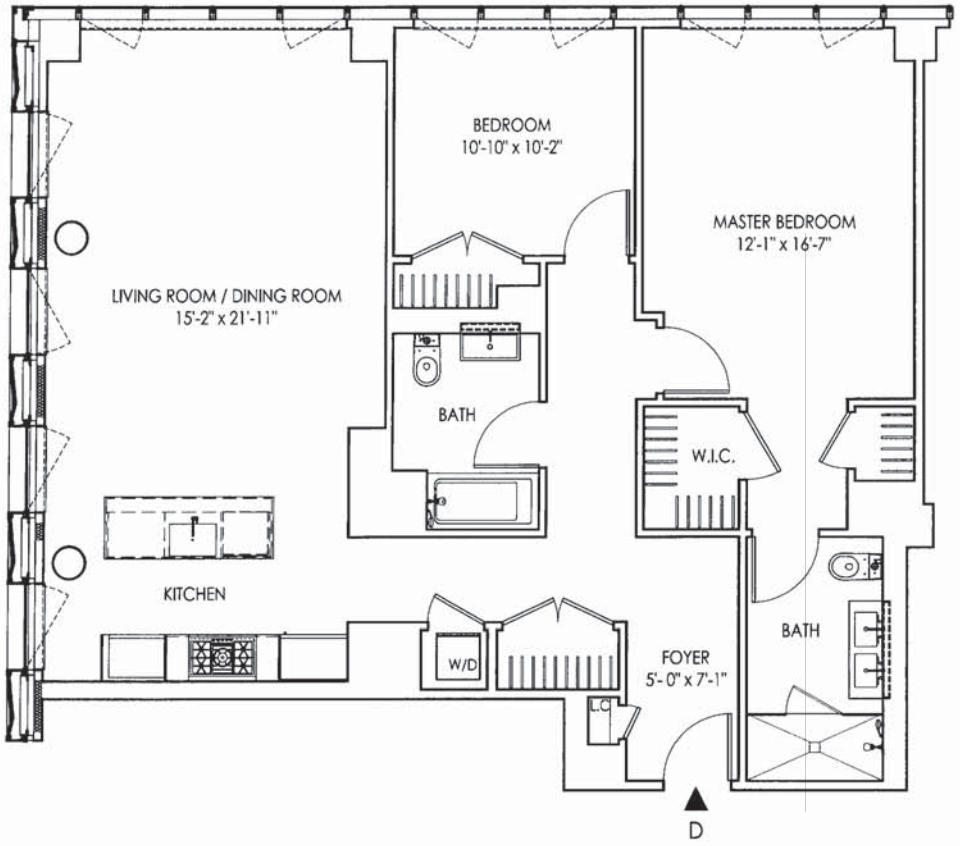
2 BEDROOM
2.5 BATH

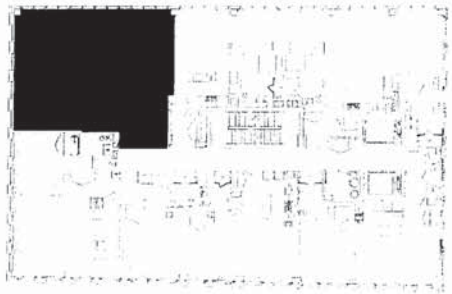
AREA = 1,522 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-45
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE D
FLOOR 9

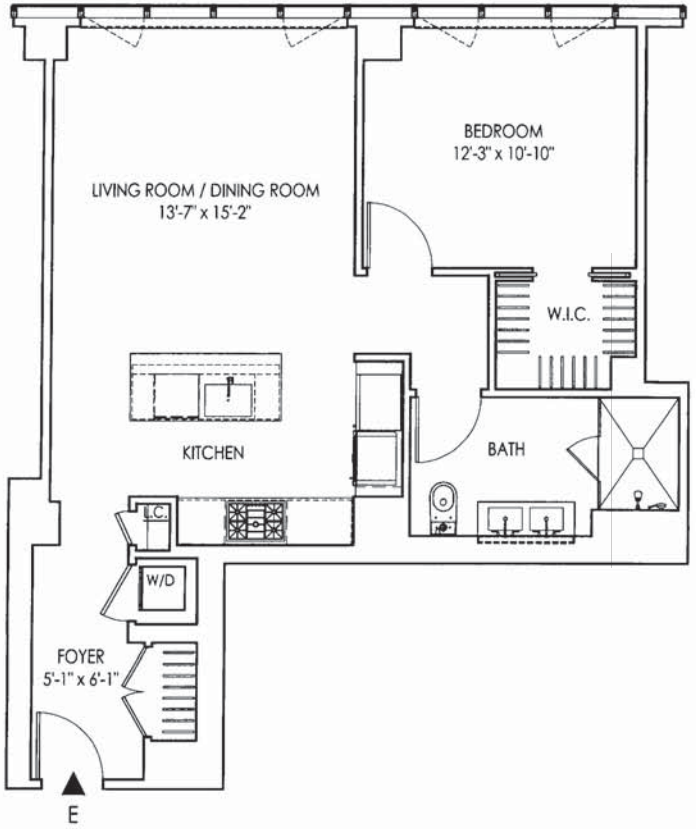
2 BEDROOM
2 BATH

AREA = 1,286 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-46
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE E
FLOOR 9

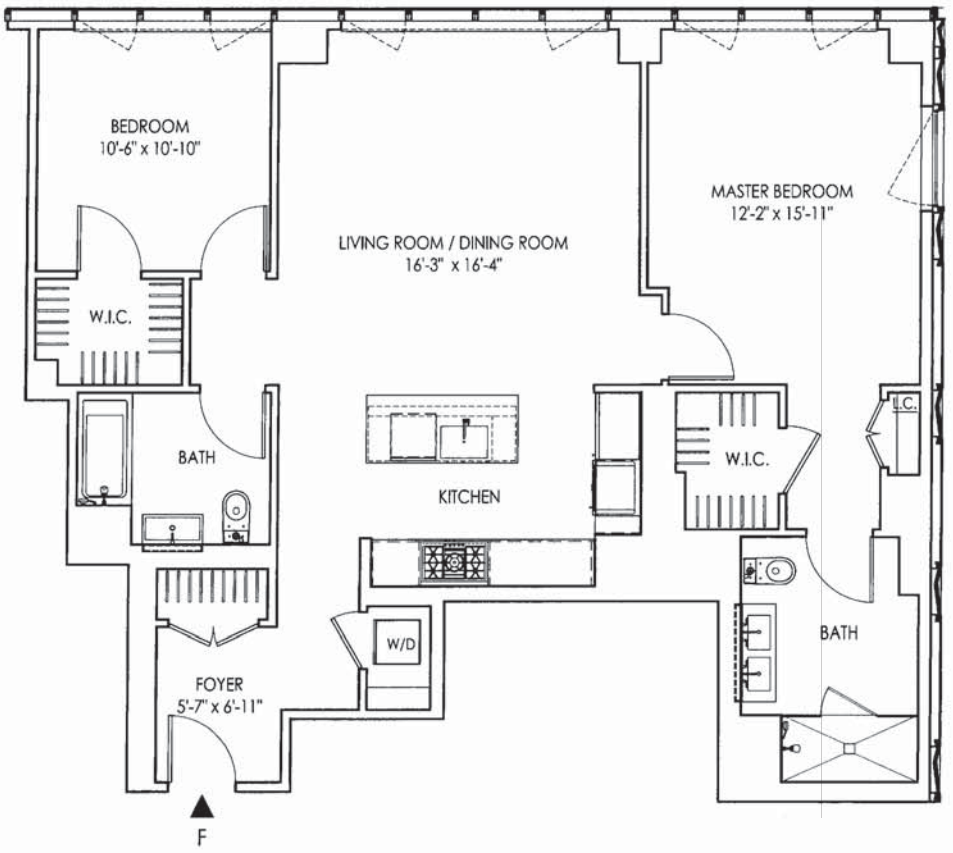
1 BEDROOM
1 BATH

AREA = 766 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-47
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE F
FLOOR 9

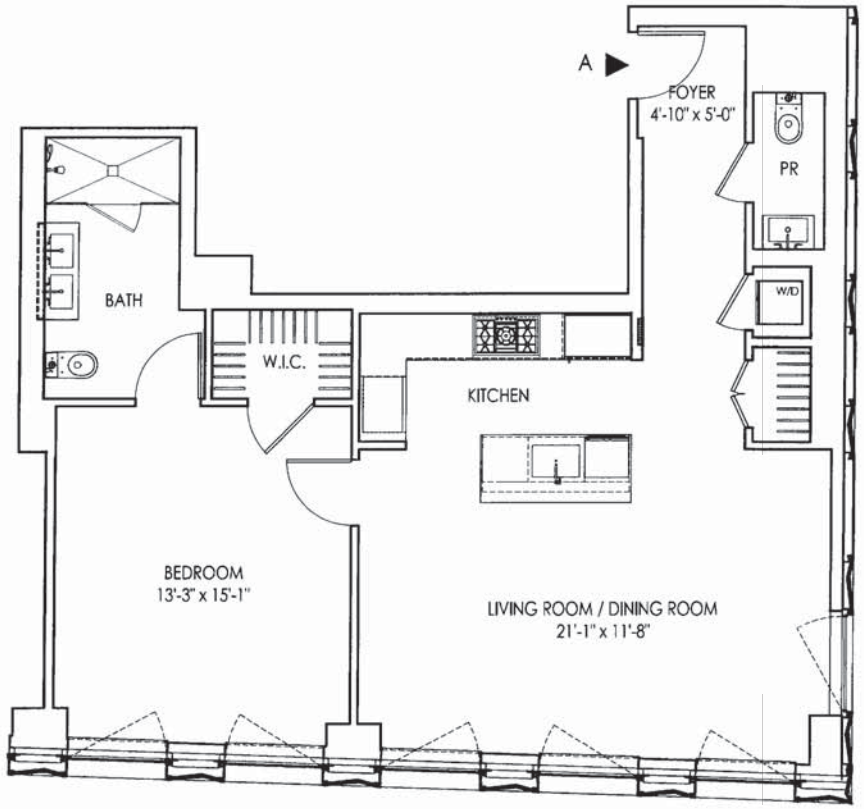
2 BEDROOM
2 BATH

AREA = 1,224 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-48
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE A
FLOOR 10

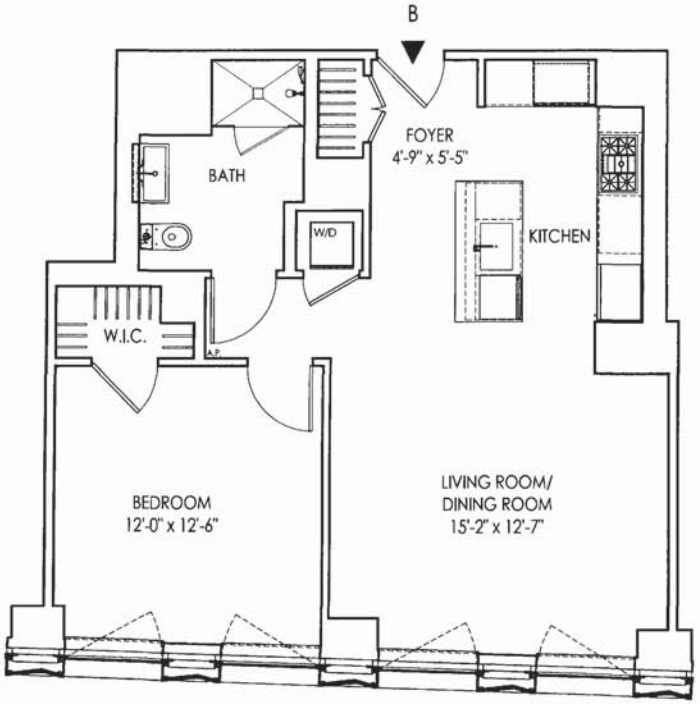
1 BEDROOM
1.5 BATH

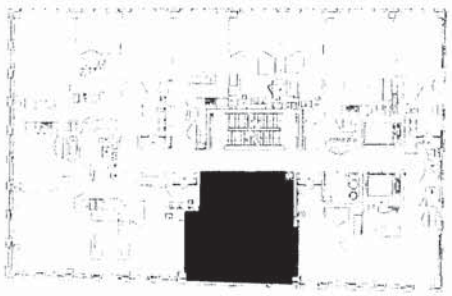
AREA = 966 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-49
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE B
FLOOR 10

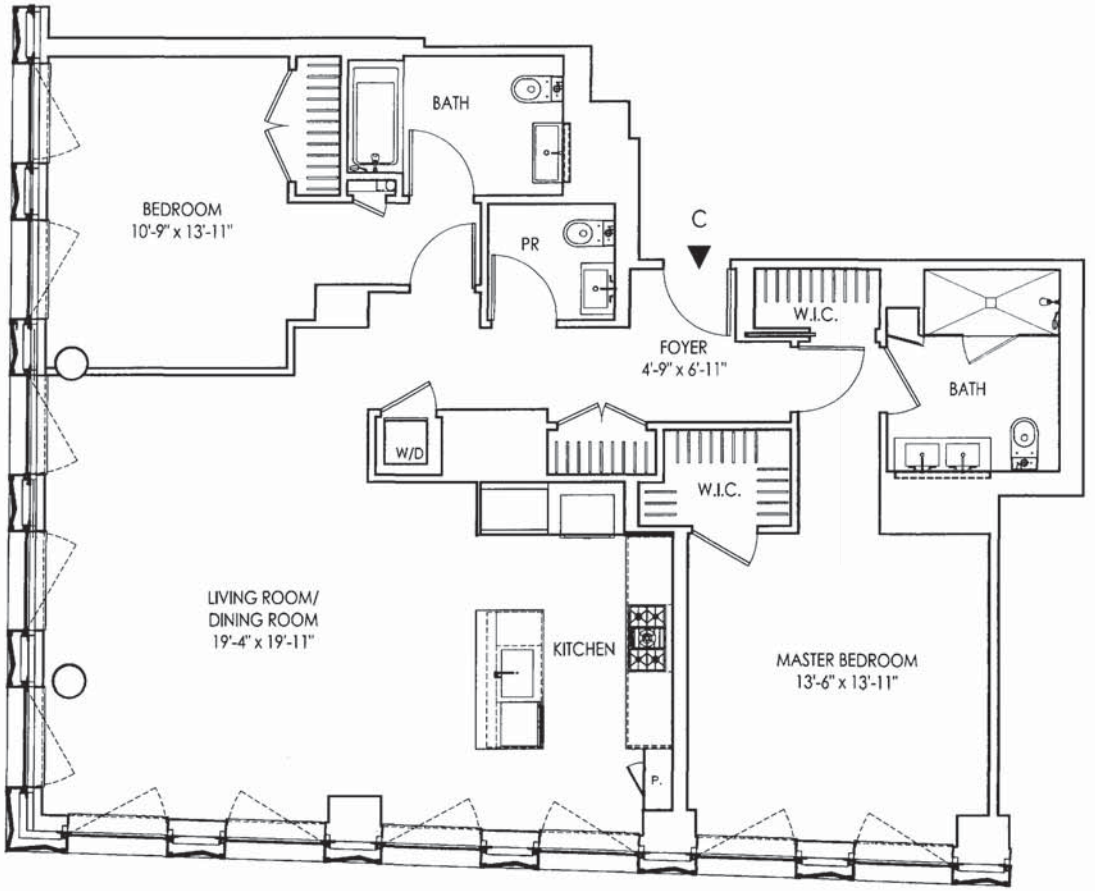
1 BEDROOM
1 BATH

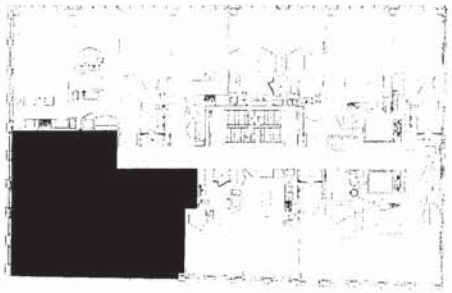
AREA = 736 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-50
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE C
FLOOR 10

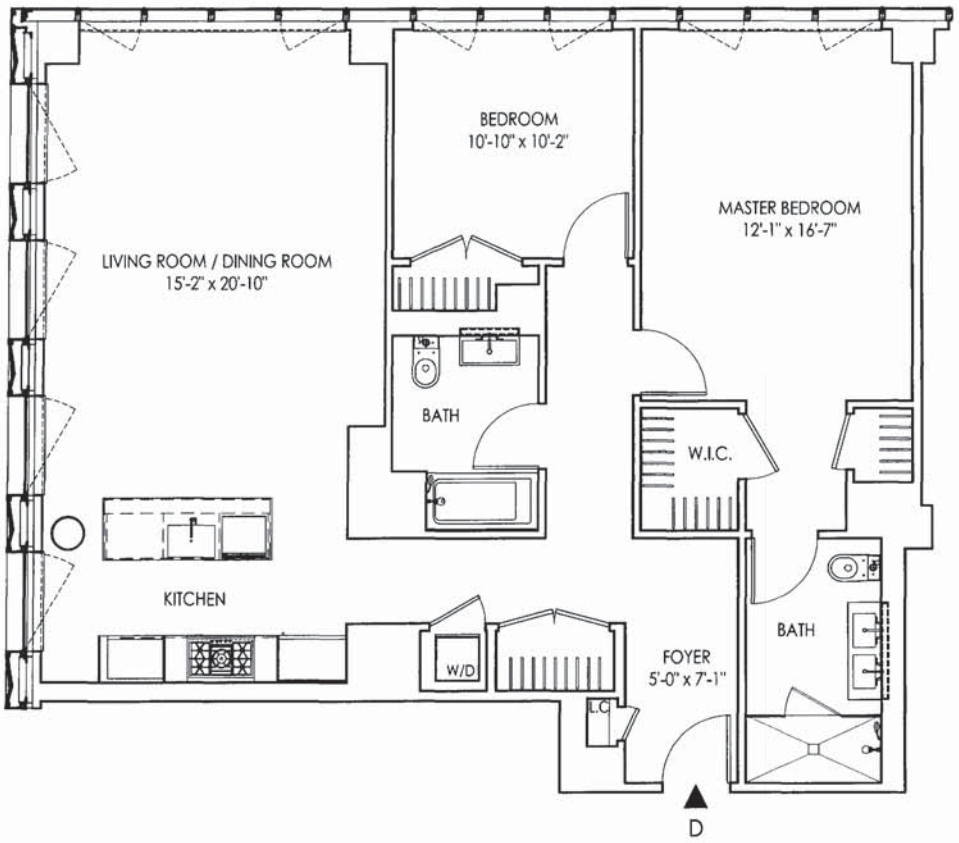
2 BEDROOM
2.5 BATH

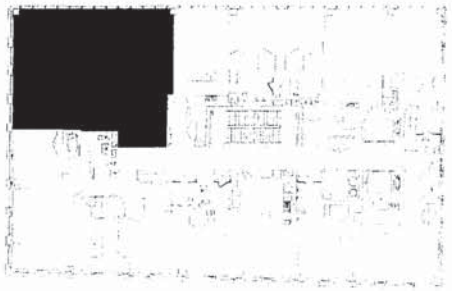
AREA = 1,475 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-51
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE D
FLOOR 10

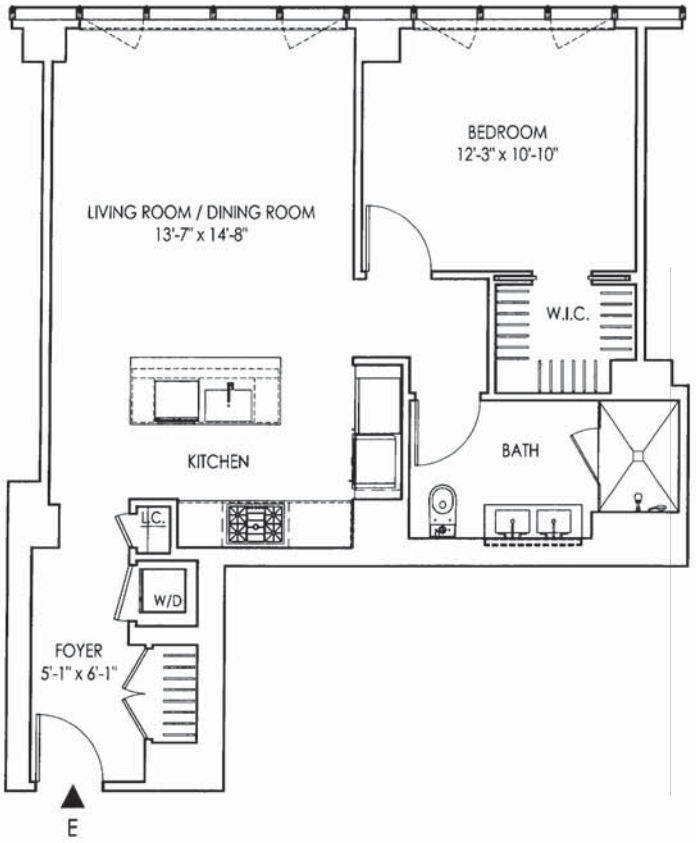
2 BEDROOM
2 BATH

AREA = 1,287 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-52
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE E
FLOOR 10

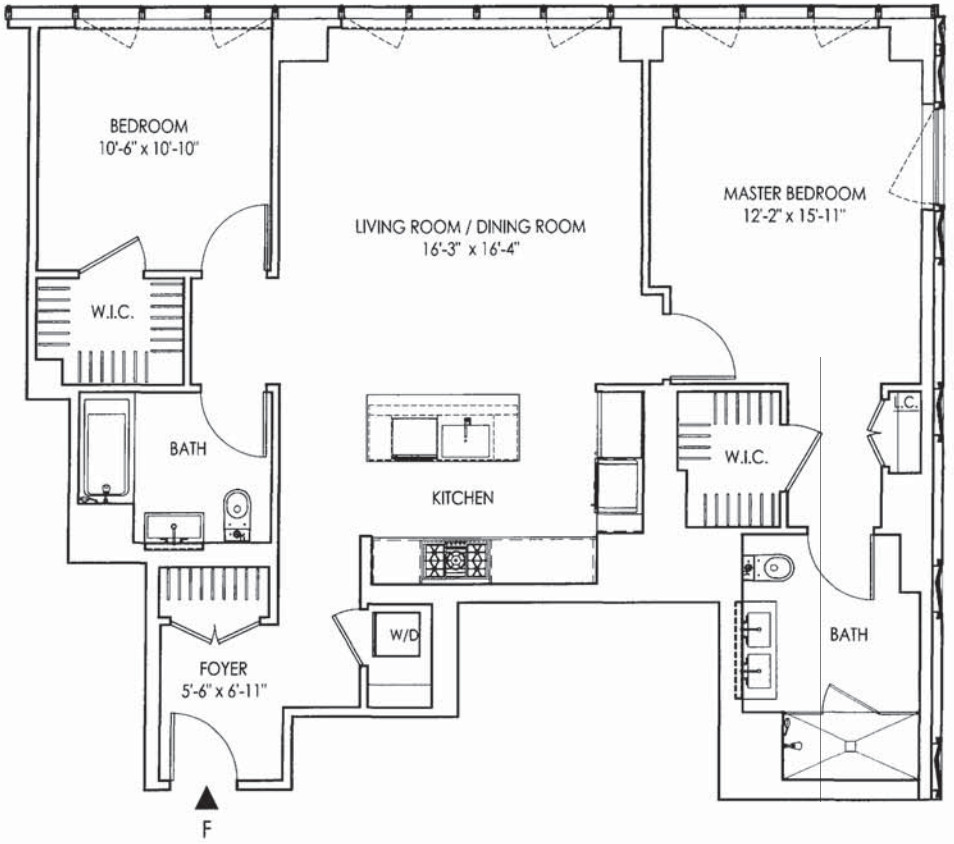
1 BEDROOM
1 BATH

AREA = 767 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-53
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE F
FLOOR 10

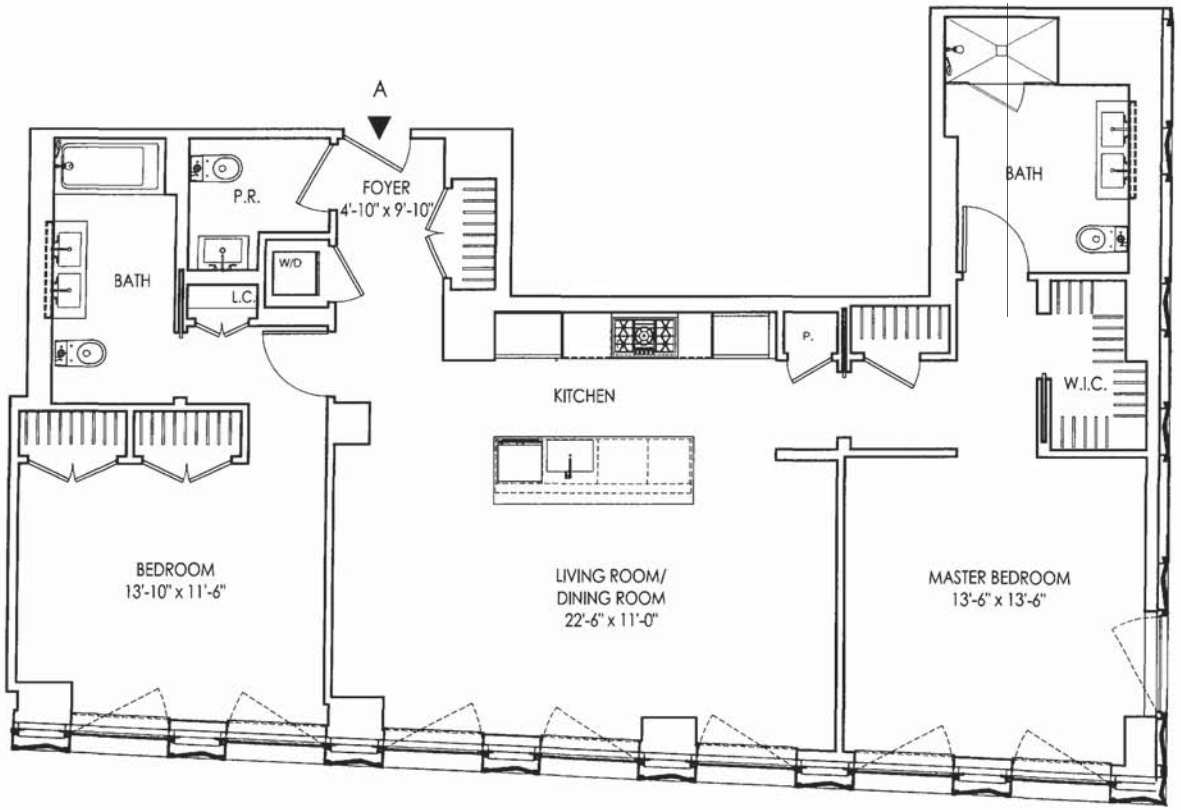
2 BEDROOM
2 BATH

AREA = 1,227 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-54
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE A
FLOOR 11

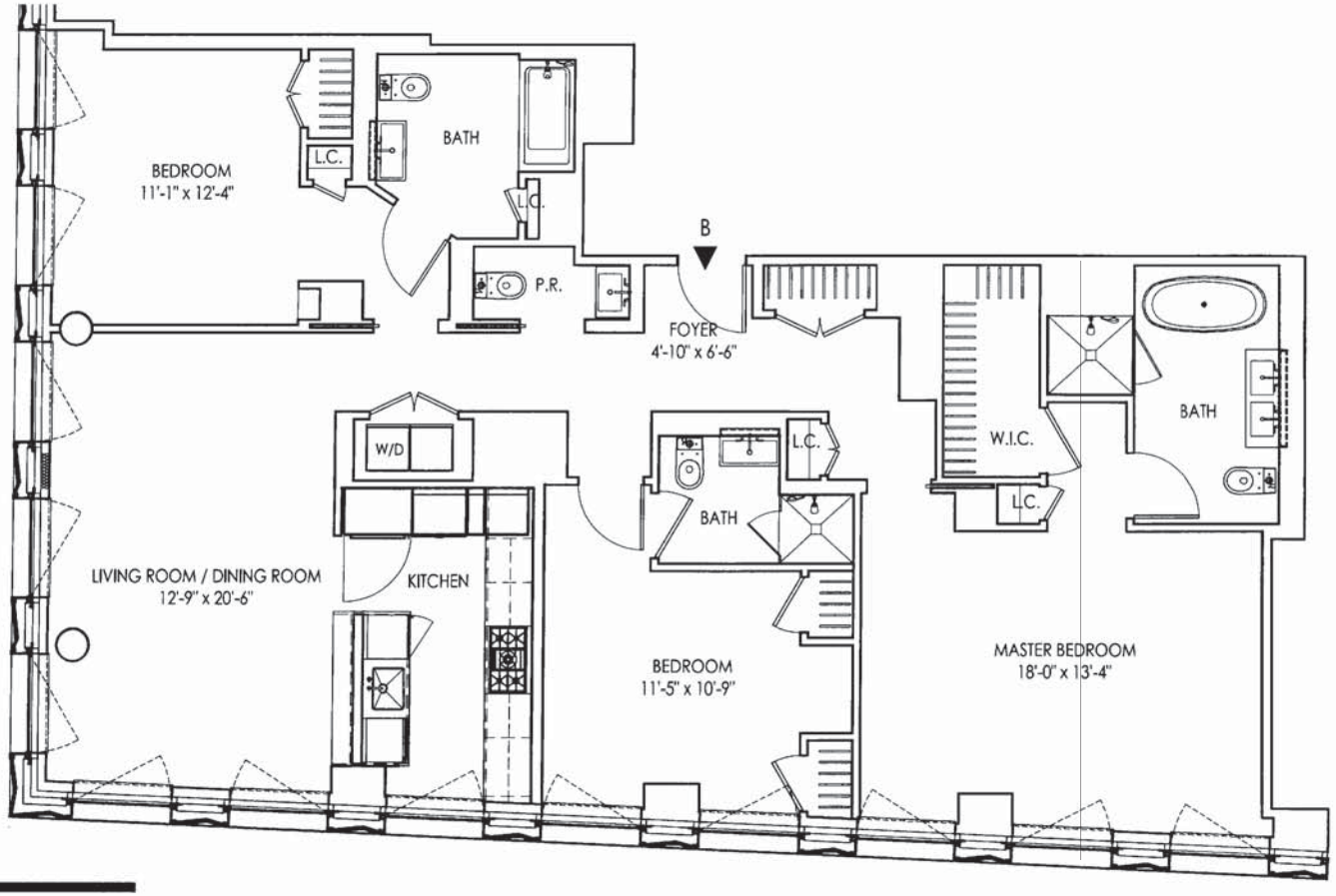
2 BEDROOM
2.5 BATH

AREA = 1,373 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-55
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE B
FLOOR 11

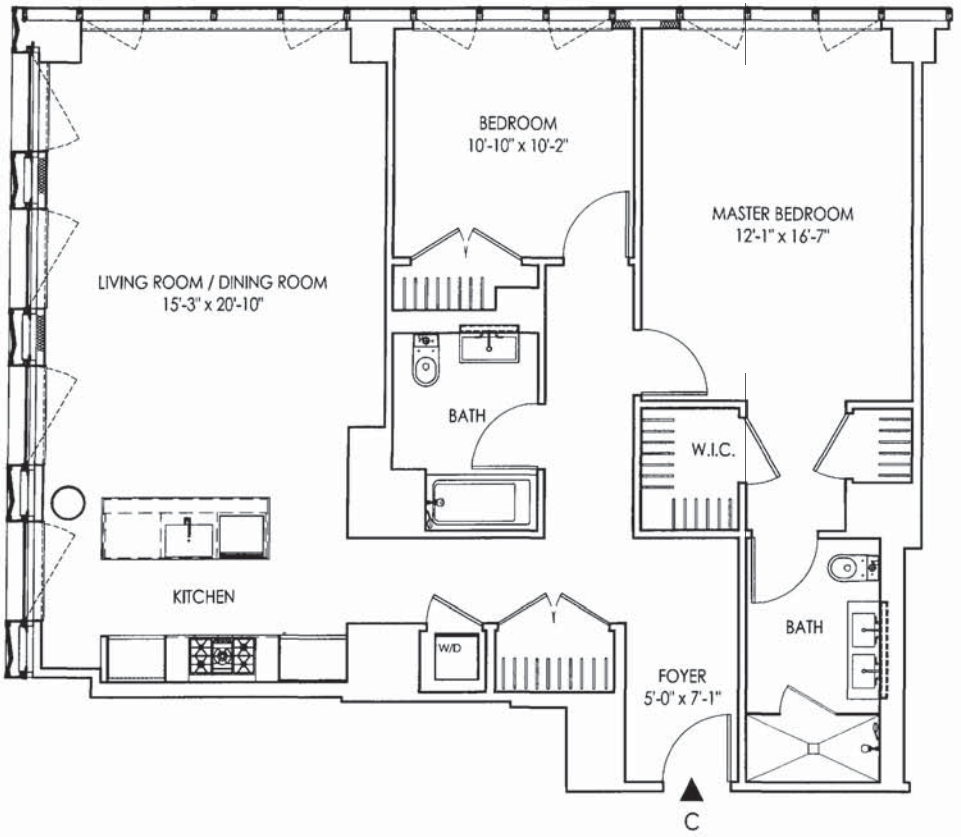
3 BEDROOM
3.5 BATH

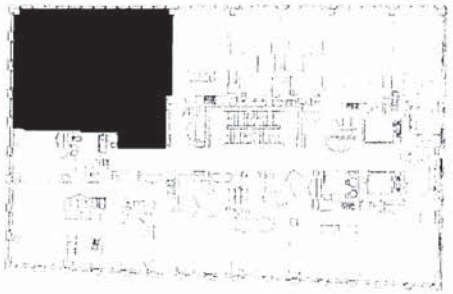
AREA = 1,734 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-56
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE C
FLOOR 11

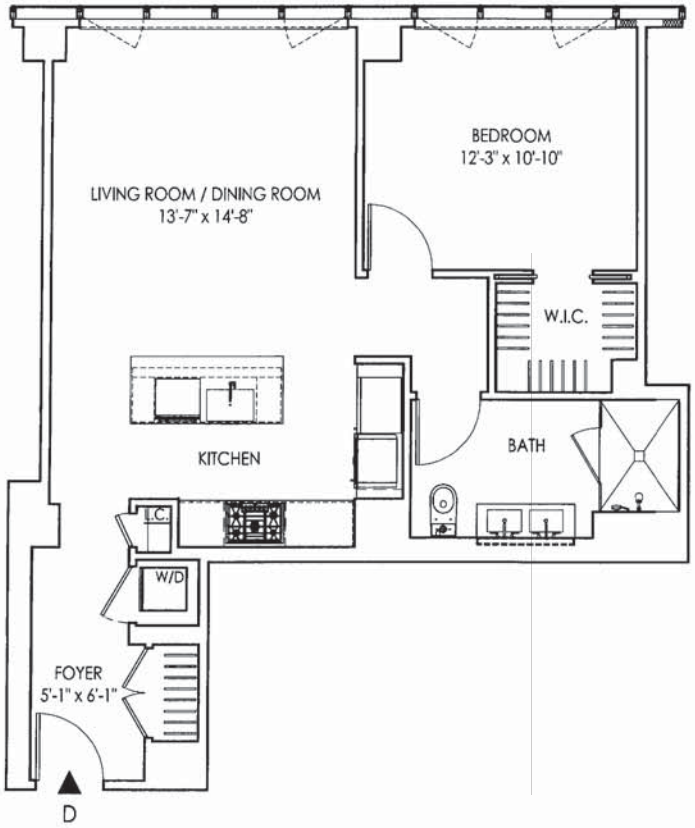
2 BEDROOM
2 BATH

AREA = 1,279 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-57
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE D
FLOOR 11

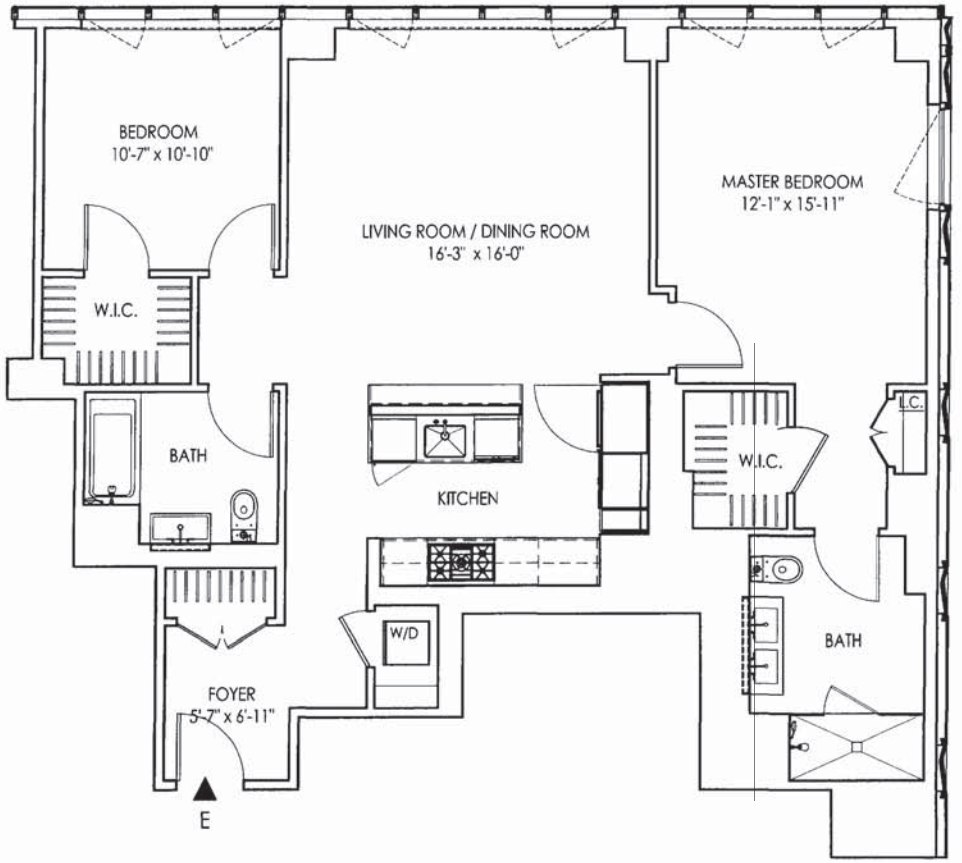
1 BEDROOM
1 BATH

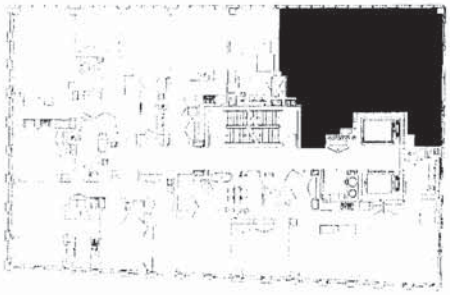
AREA = 765 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-58
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE E
FLOOR 11

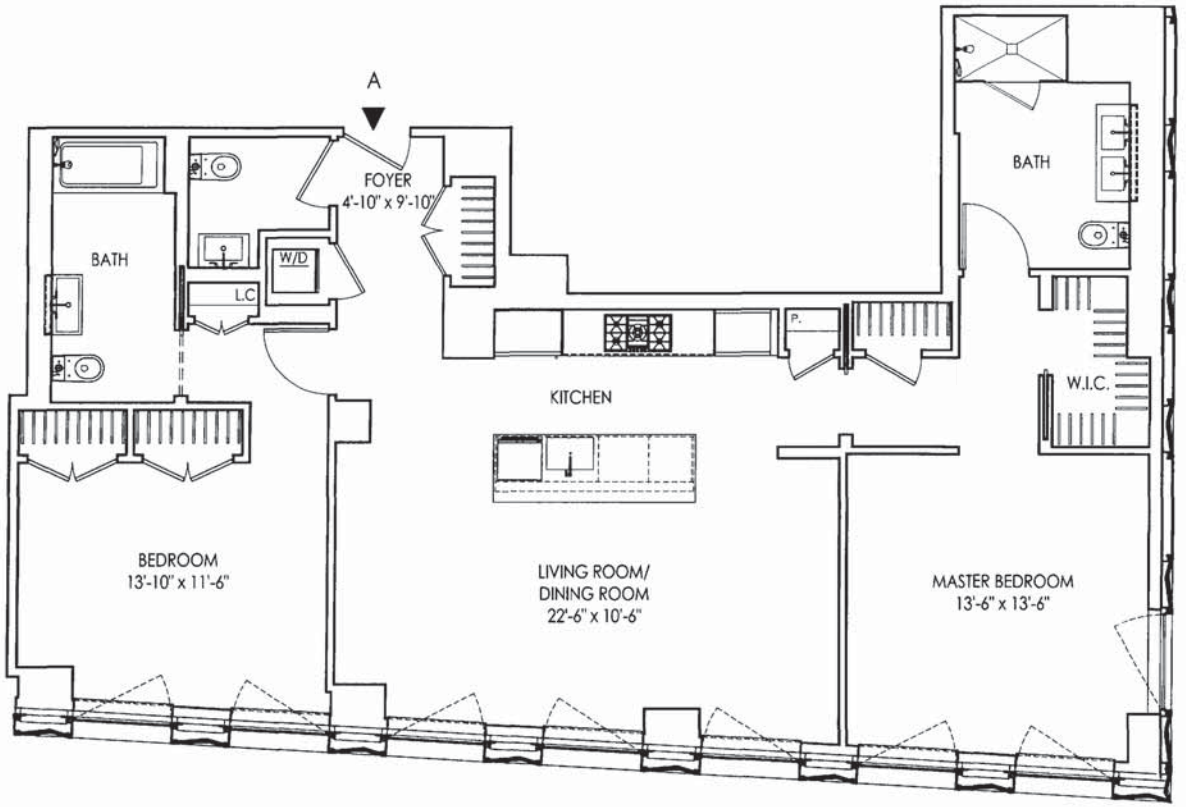
2 BEDROOM
2 BATH

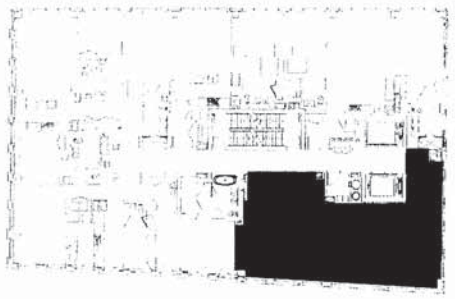
AREA = 1,225 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-59
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE A
FLOOR 12

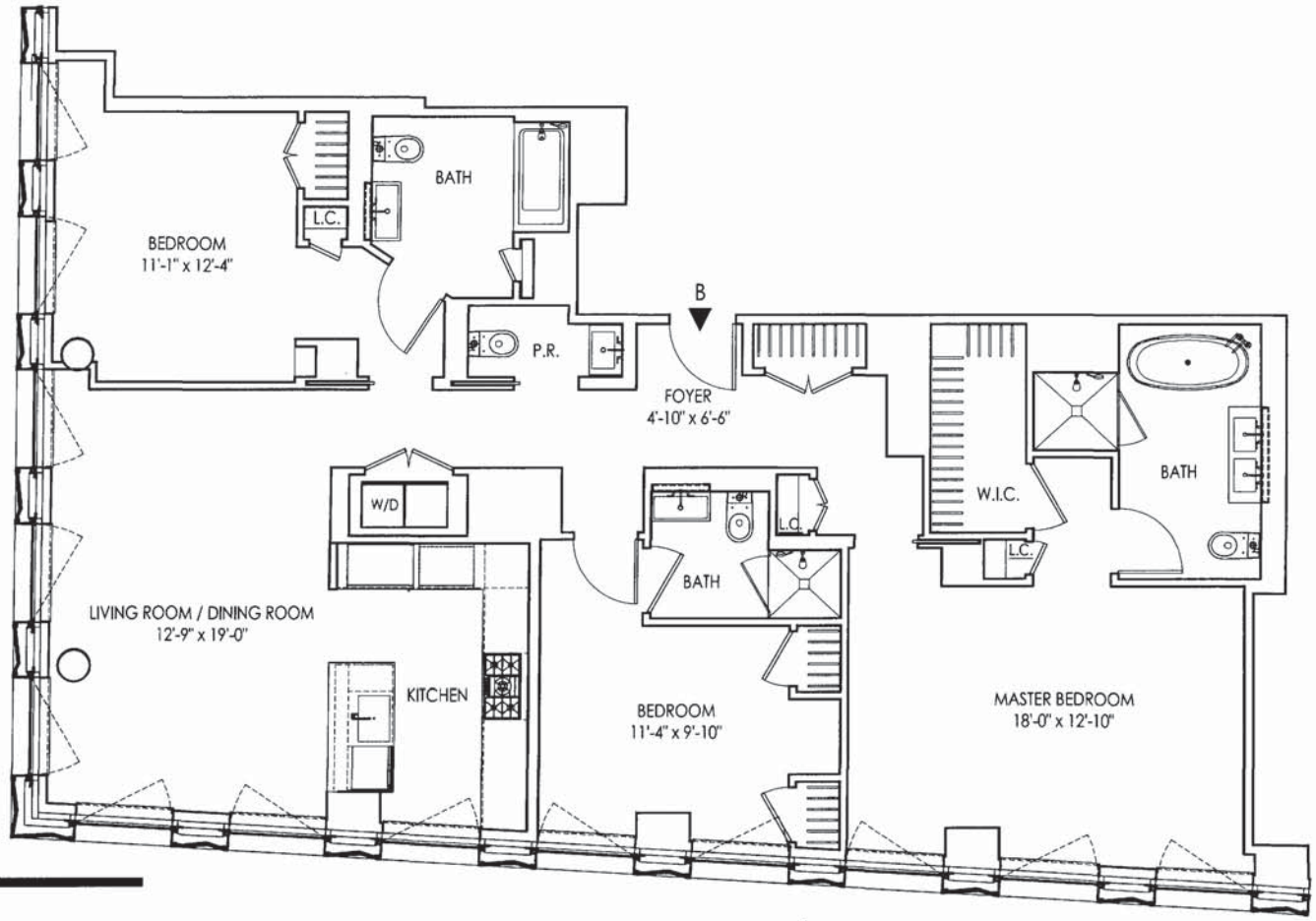
2 BEDROOM
2.5 BATH

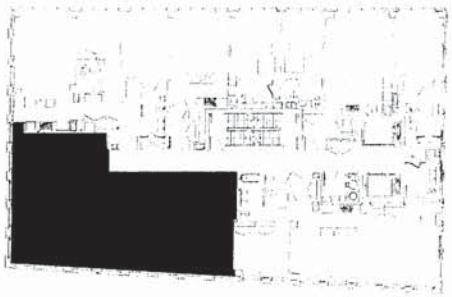
AREA = 1,353 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-60
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE B
FLOOR 12

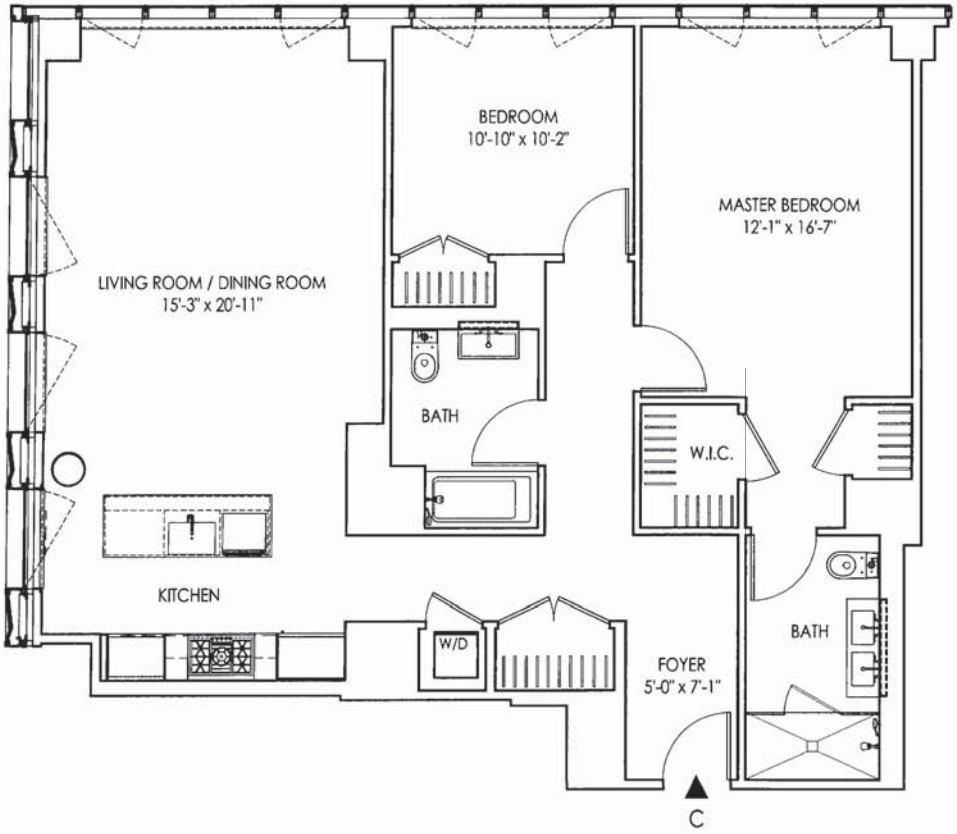
3 BEDROOM
3.5 BATH

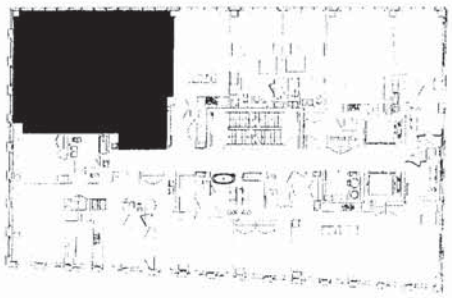
AREA = 1,683 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-61
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE C
FLOOR 12

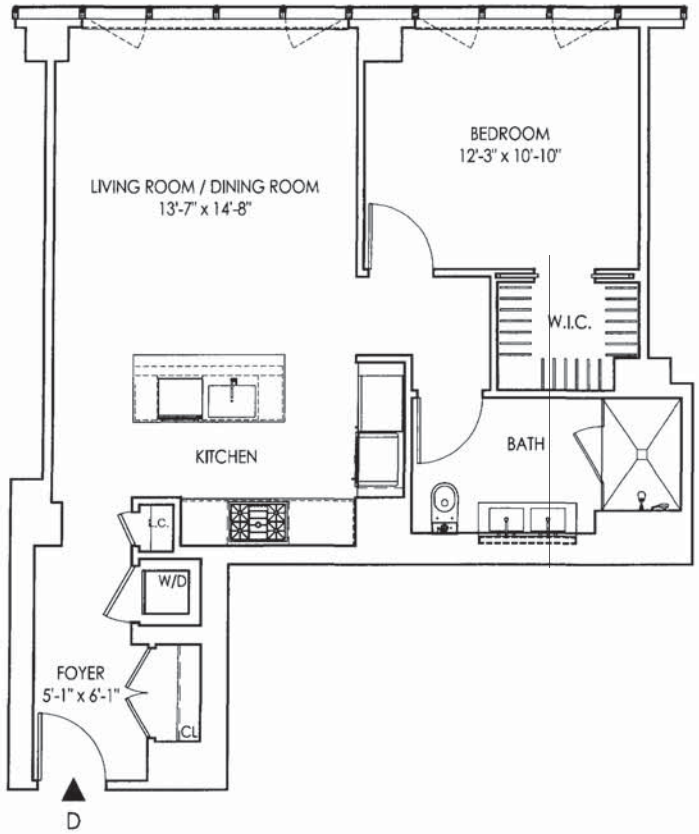
2 BEDROOM
2 BATH

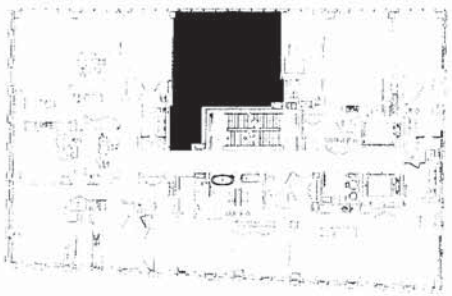
AREA = 1,275 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-62
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE D
FLOOR 12

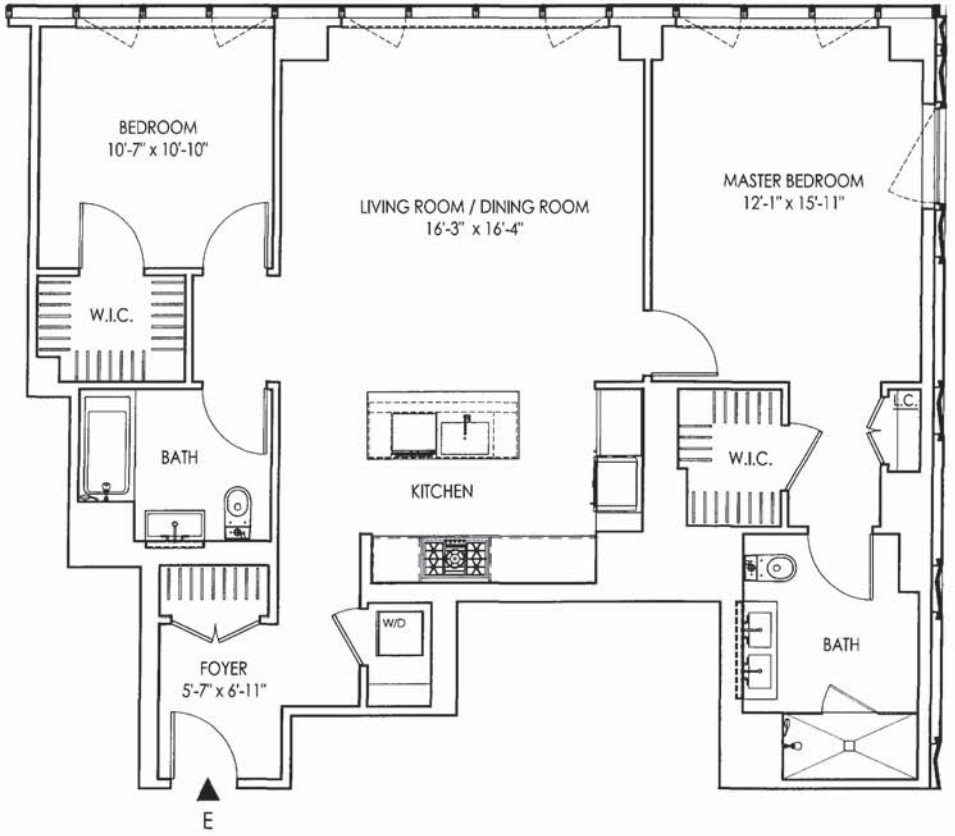
1 BEDROOM
1 BATH

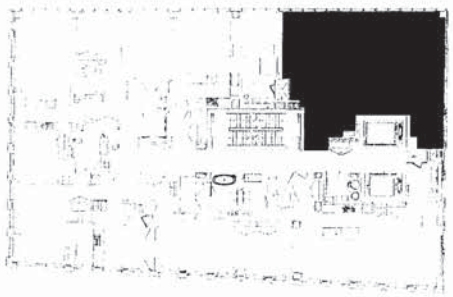
AREA = 766 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-63
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE E
FLOOR 12

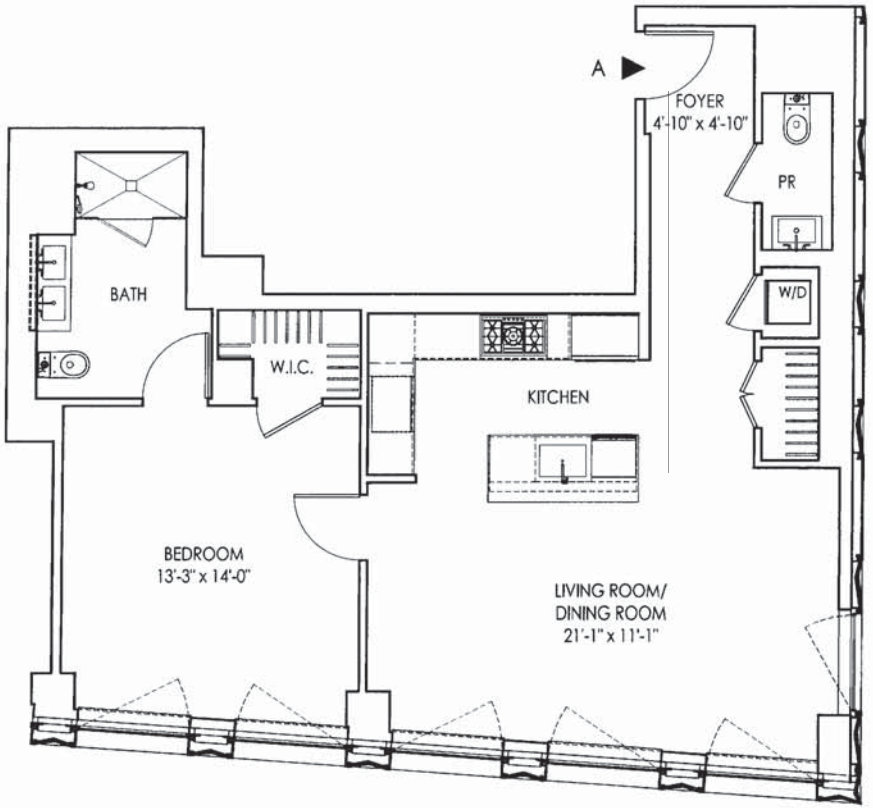
2 BEDROOM
2 BATH

AREA = 1,226 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-64
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE A
FLOOR 14

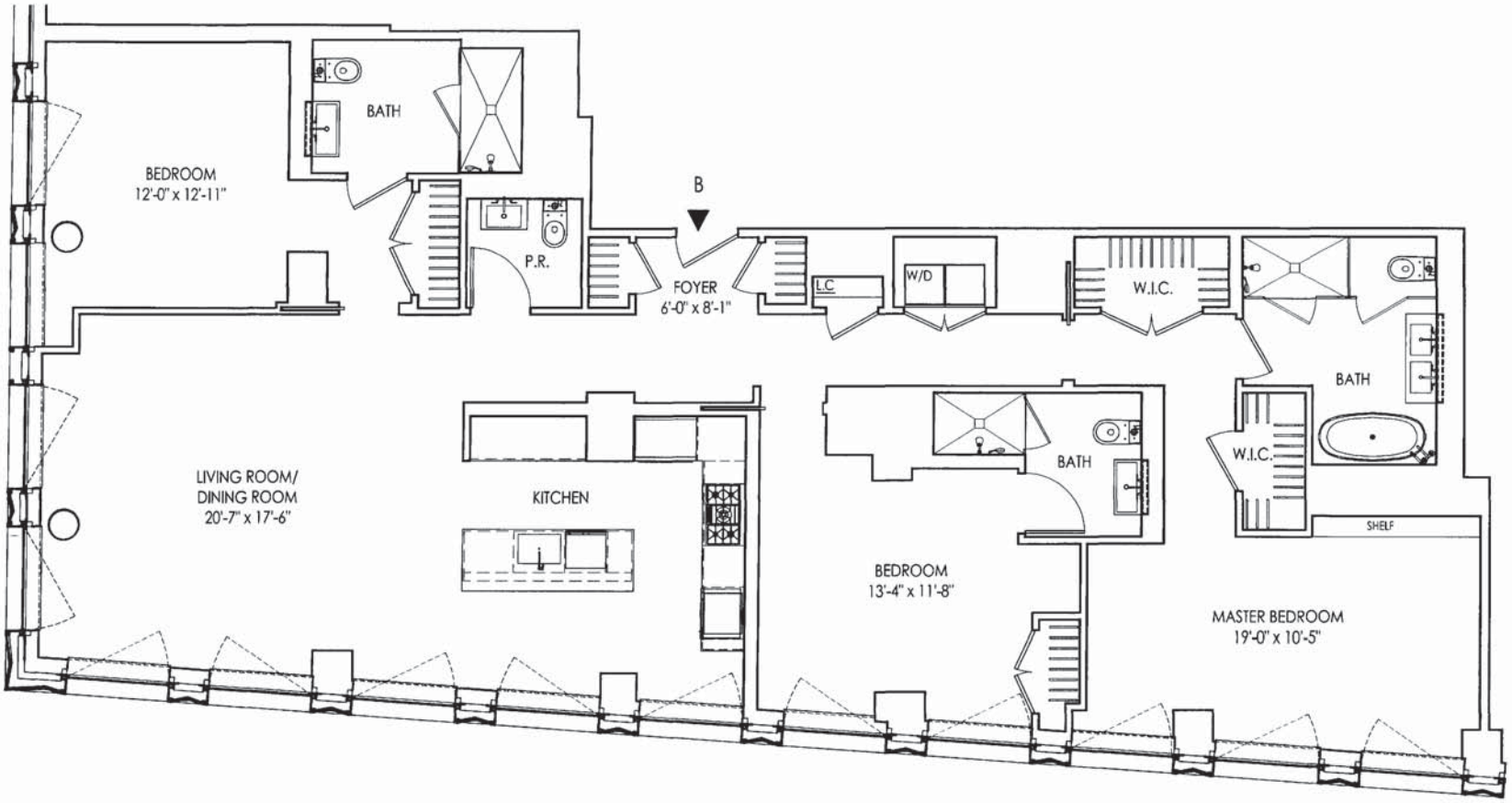
1 BEDROOM
1.5 BATH

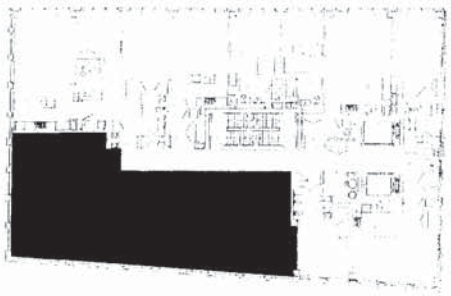
AREA = 951 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-65
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE B
FLOOR 14

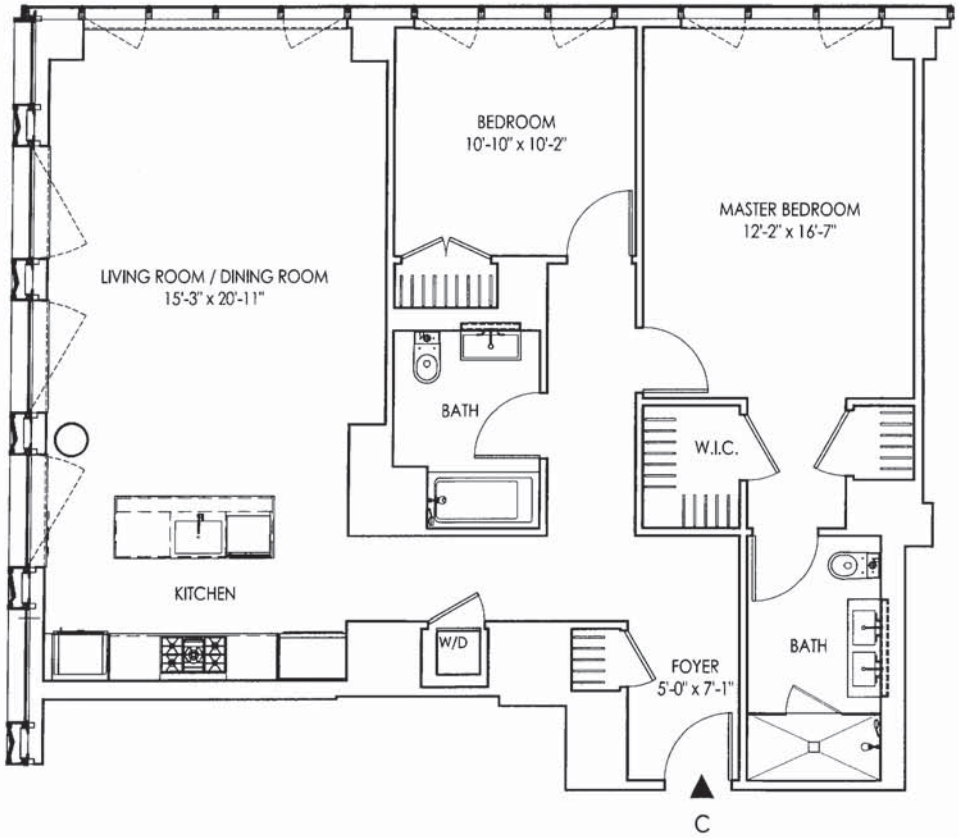
3 BEDROOM
3.5 BATH

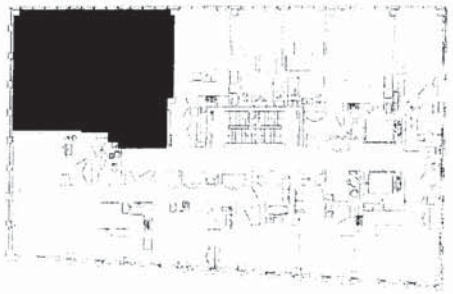
AREA = 2,011 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-66
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE C
FLOOR 14

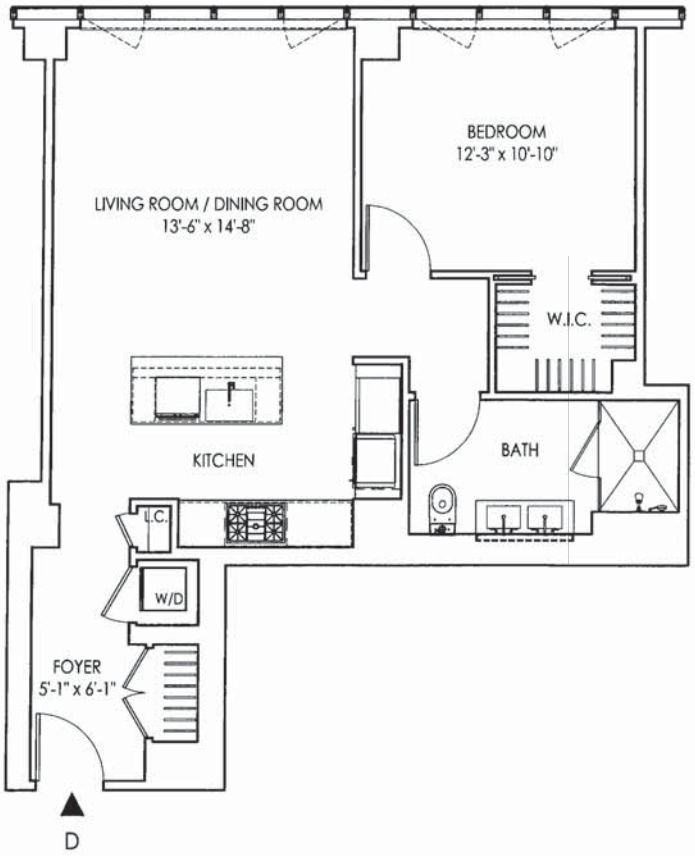
2 BEDROOM
2 BATH

AREA = 1,289 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-67
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE D
FLOOR 14

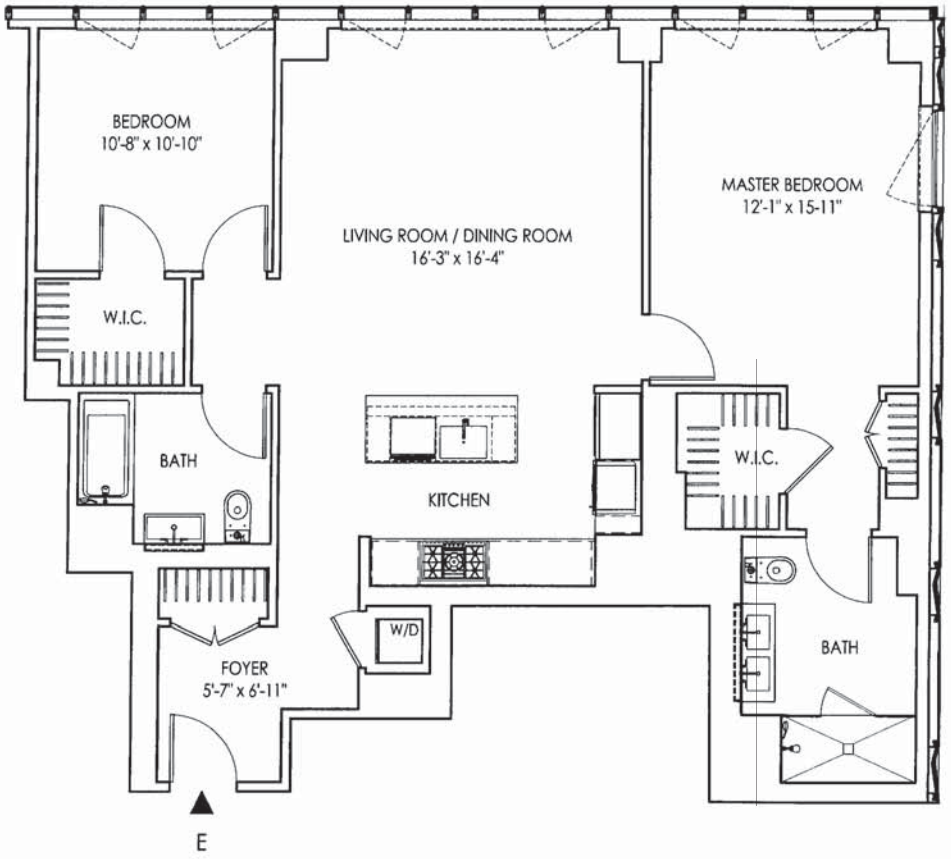
1 BEDROOM
1 BATH

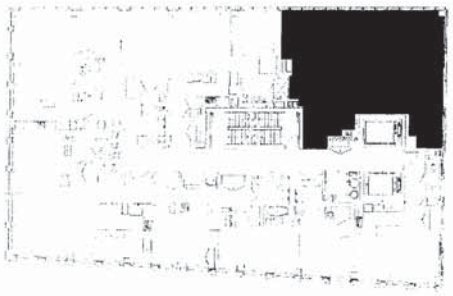
AREA = 763 SF

SCALE: 0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-68
SITE 1 DSA OWNER LLC	July 6, 2016	





RESIDENCE E
FLOOR 14

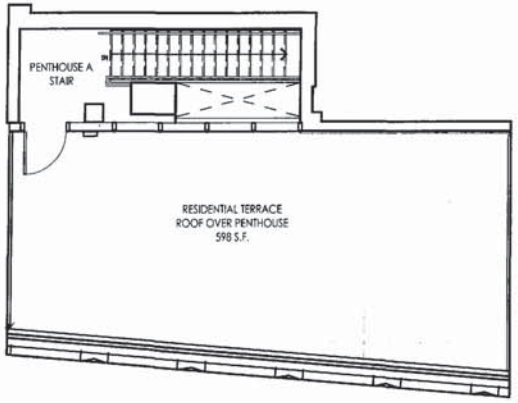
2 BEDROOM
2 BATH

AREA = 1,226 SF

SCALE:
0 2' 4' 8'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

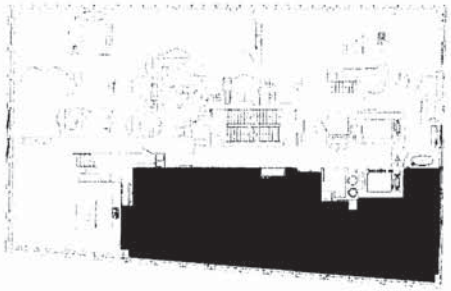
242 BROOME STREET CONDOMINIUM		A-69
SITE 1 DSA OWNER LLC	July 6, 2016	

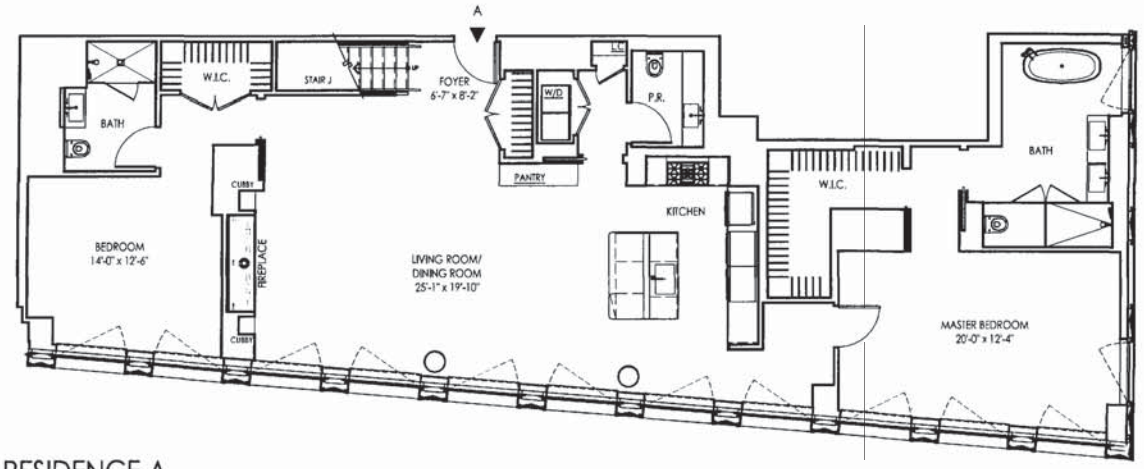


RESIDENCE A
STAIR & ROOF TERRACE

STAIR AREA = 170 SF
TERRACE AREA = 598 SF







RESIDENCE A
PENTHOUSE FLOOR

2 BEDROOM
2.5 BATH

AREA = 1,941 SF

SCALE:
0 2' 4' 8' 16

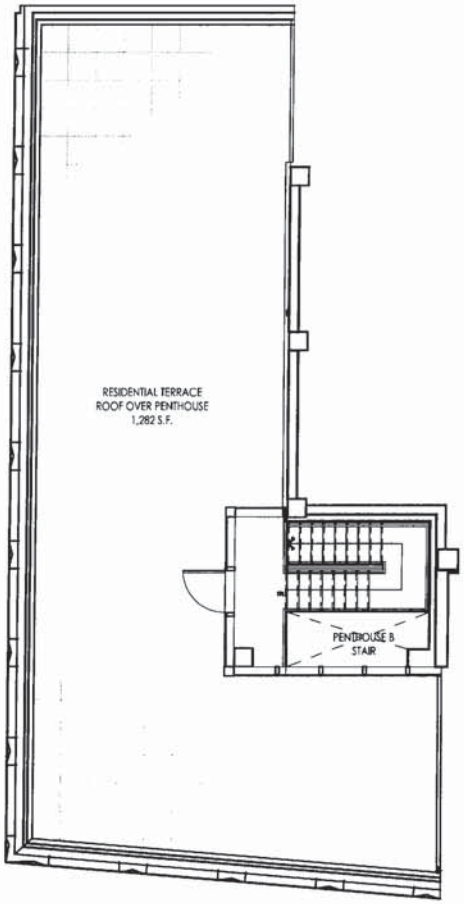
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

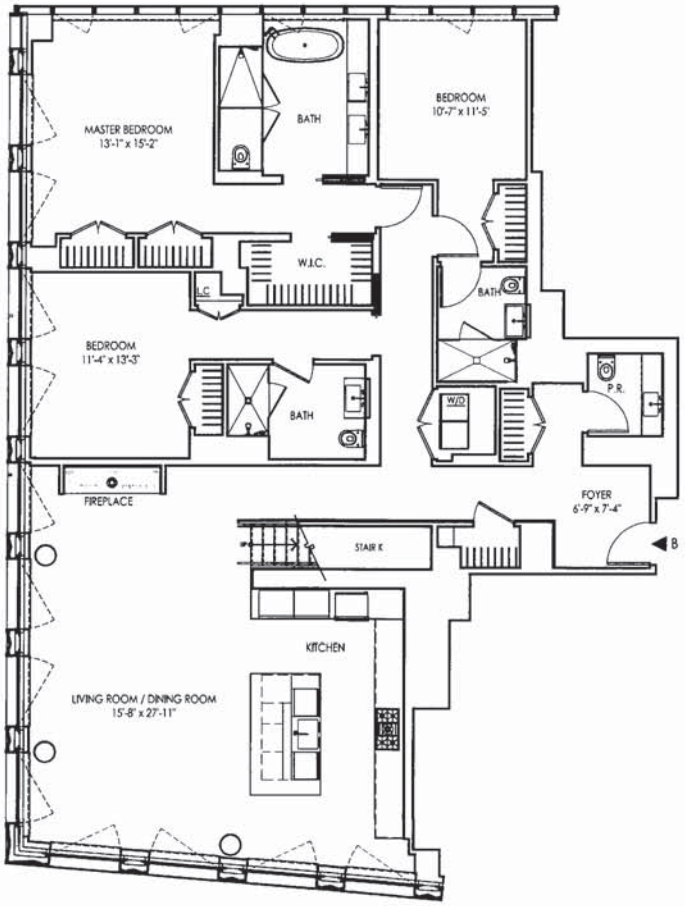
242 BROOME STREET CONDOMINIUM		A-70
SITE 1 DSA OWNER LLC	July 6, 2016	

RESIDENCE B
STAIR & ROOF TERRACE

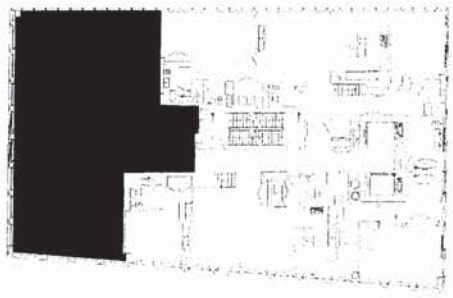
STAIR AREA = 180 SF

TERRACE AREA = 1,282 SF









RESIDENCE B
PENTHOUSE FLOOR

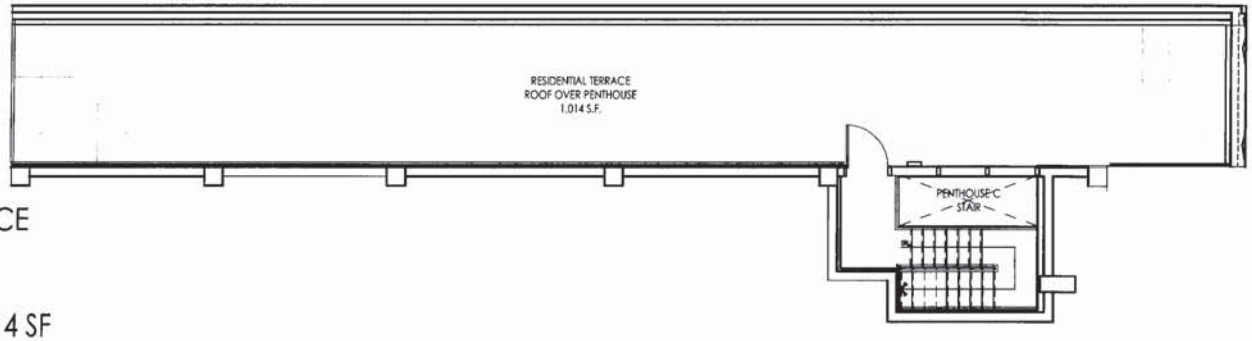
3 BEDROOM
3.5 BATH

AREA = 2,298 SF

SCALE: 0 2' 4' 8' 16

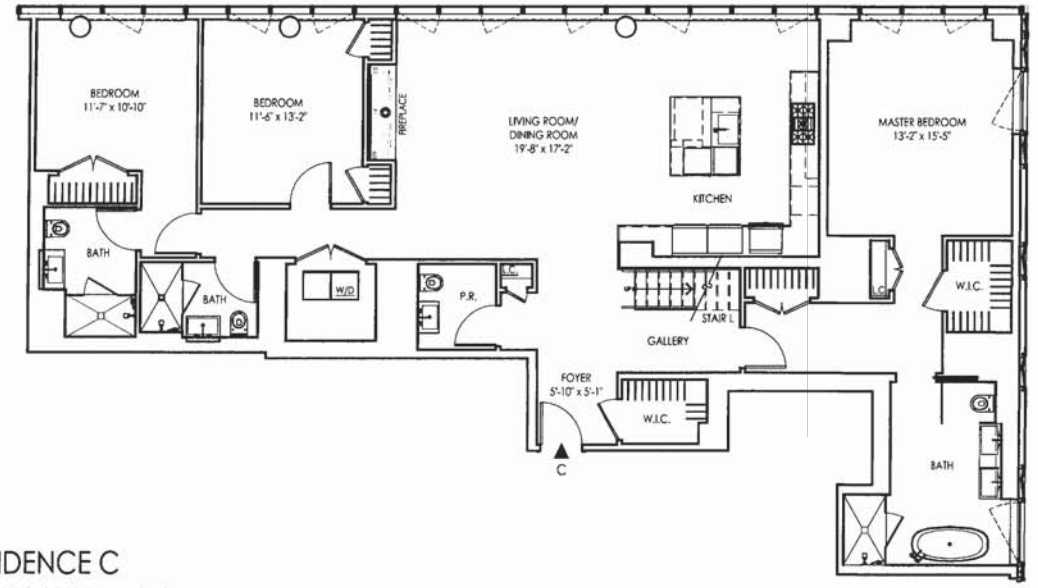
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-71
SITE 1 DSA OWNER LLC	July 6, 2016	

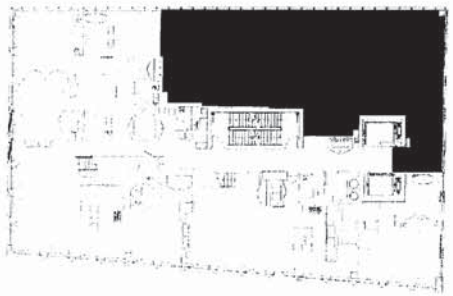


RESIDENCE C
STAIR & ROOF TERRACE

STAIR AREA = 146 SF
TERRACE AREA = 1,014 SF







RESIDENCE C
PENTHOUSE FLOOR

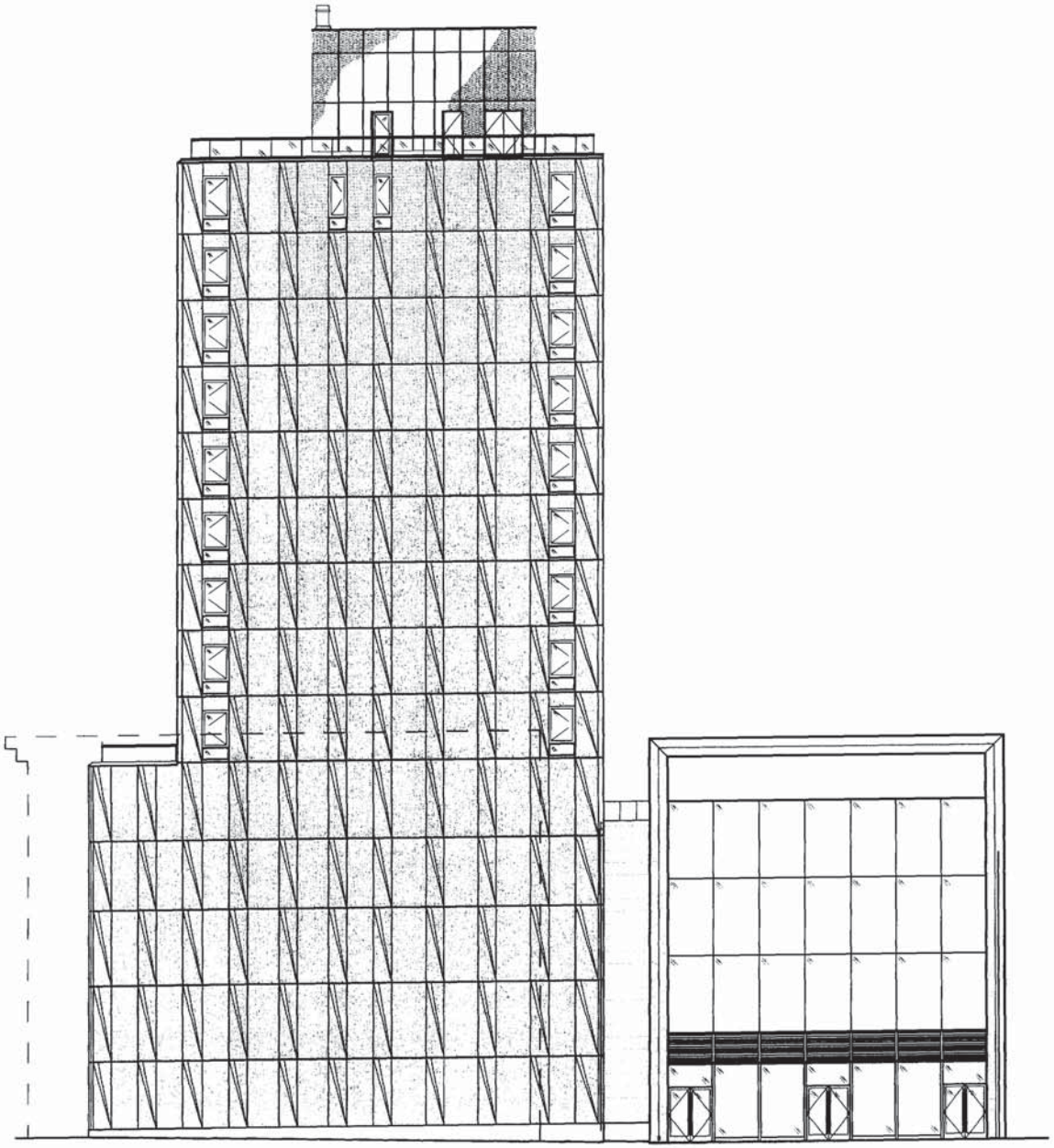
3 BEDROOM
3.5 BATH

AREA = 2,035 SF

SCALE: 0 2' 4' 8' 16

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

242 BROOME STREET CONDOMINIUM		A-72
SITE 1 DSA OWNER LLC	July 6, 2016	

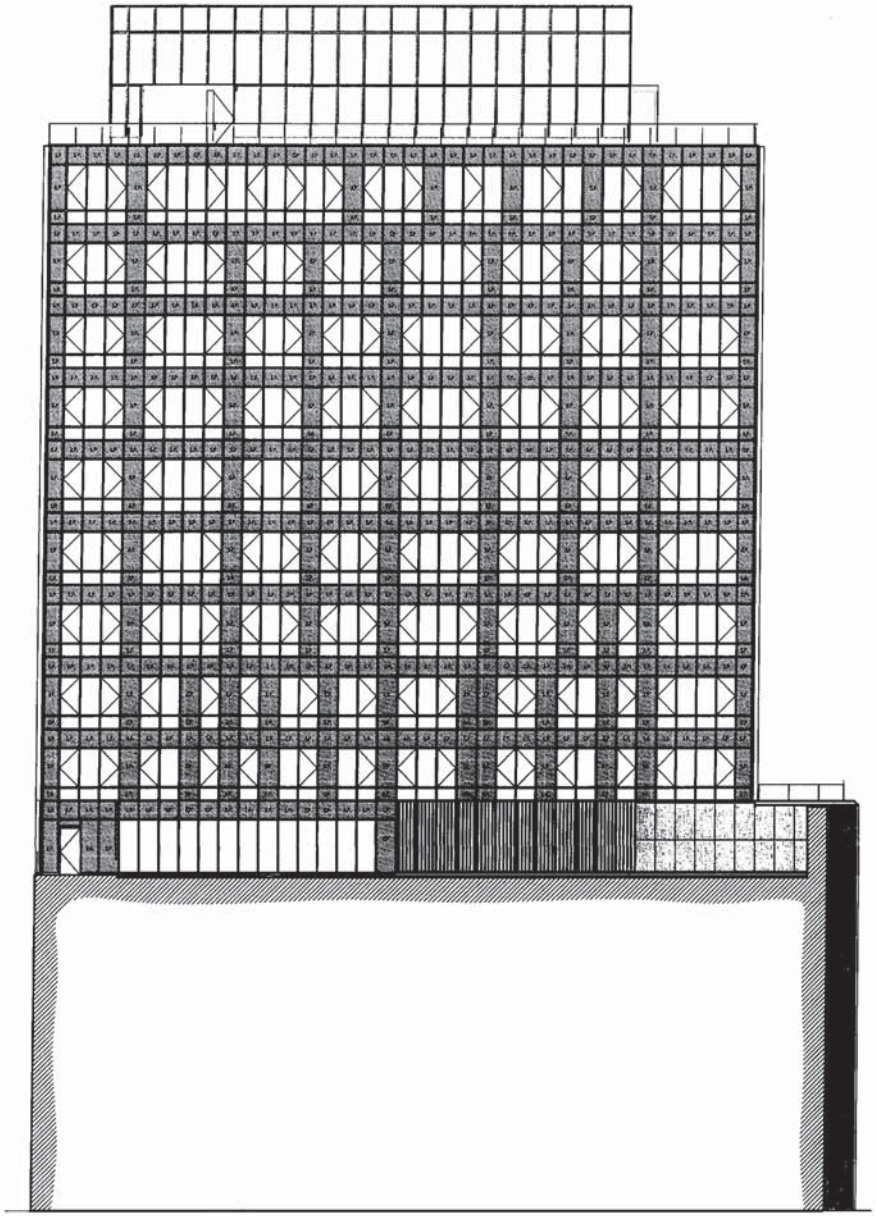


BUILDING ELEVATION - EAST

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE: 0 4' 8' 16' 32' 48'

242 BROOME STREET CONDOMINIUM		A-73
SITE 1 DSA OWNER LLC	July 6, 2016	



BUILDING ELEVATION - NORTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE: 0 4' 8' 16' 32' 48'

242 BROOME STREET CONDOMINIUM		A-74
SITE 1 DSA OWNER LLC	July 6, 2016	

BUILDING ELEVATION - SOUTH

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

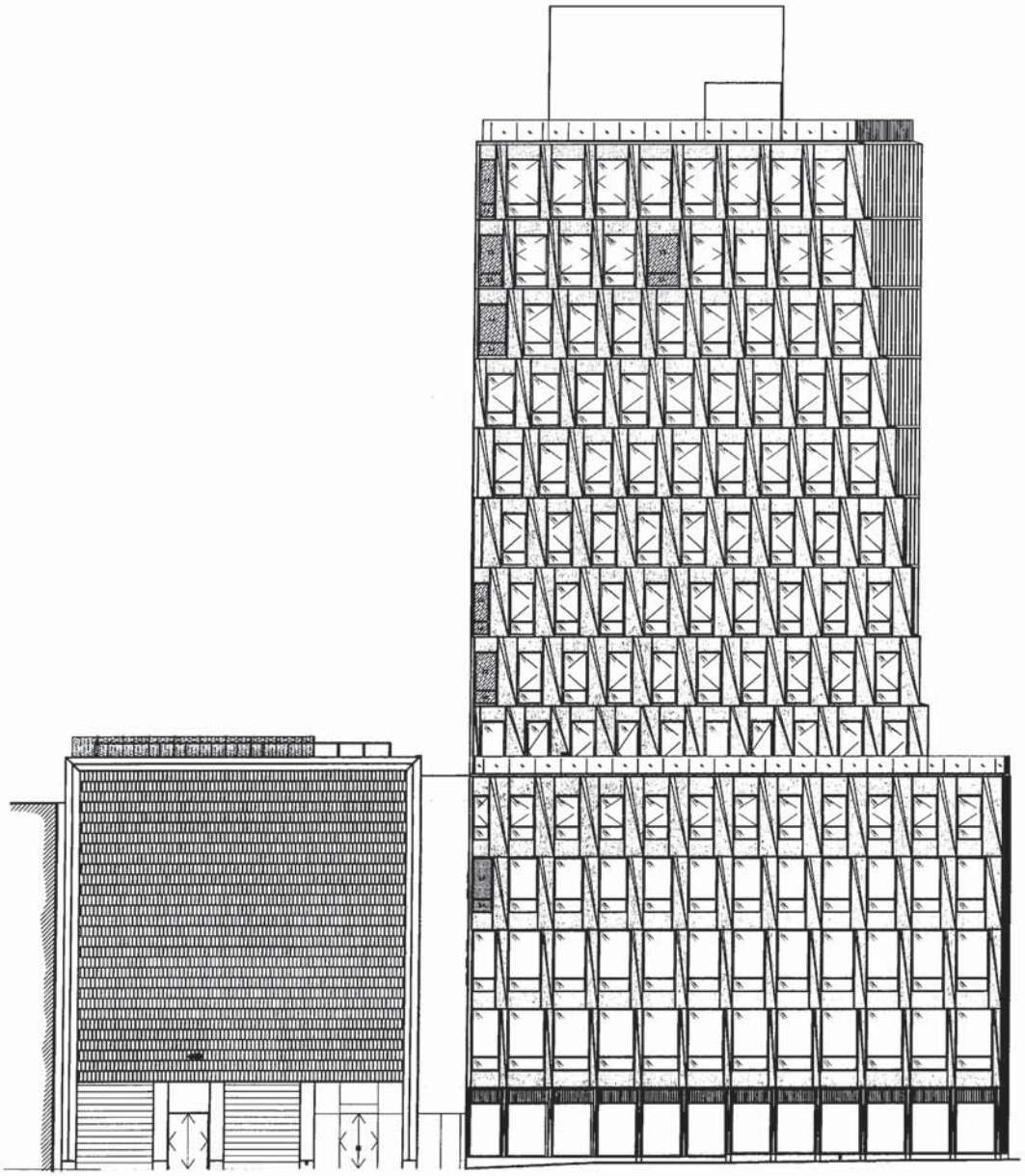
SCALE:

242 BROOME STREET
CONDOMINIUM

SITE 1 DSA OWNER LLC

July 6, 2016

A-75



BUILDING ELEVATION - WEST

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES.
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.

SCALE:
0 4' 8' 16' 32' 48'

242 BROOME STREET CONDOMINIUM		A-76
SITE 1 DSA OWNER LLC	July 6, 2016	

PURCHASE AGREEMENT

PURCHASE AGREEMENT

SITE 1 DSA OWNER LLC

Sponsor

With

_____

Purchaser

Residential Unit Number ____
242 BROOME STREET CONDOMINIUM

242 BROOME STREET
NEW YORK, NY 10002

TABLE OF CONTENTS

Section		Page
1.	THE PLAN	3
2.	DEFINITIONS	3
3.	THE UNIT	4
4.	PURCHASE PRICE	4
5.	DEPOSIT TO BE HELD IN TRUST	4
6.	CLOSING DATE AND PLACE	5
7.	CLOSING DOCUMENTS	5
8.	STATUS OF TITLE	6
9.	CLOSING ADJUSTMENTS	6
10.	MORTGAGE TAX CREDIT/PARTIAL ASSIGNMENT OF MORTGAGE	7
11.	CLOSING COSTS	8
12.	AGREEMENT NOT A LIEN OR ENCUMBRANCE	8
13.	DEFAULT BY PURCHASER	8
14.	AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE	9
15.	SPONSOR'S INABILITY TO CONVEY THE UNIT	9
16.	FIXTURES, APPLIANCES AND PERSONAL PROPERTY	10
17.	CONSTRUCTION	10
18.	INSPECTION OF THE UNIT	11
19.	DAMAGE TO THE UNIT	11
20.	NO REPRESENTATIONS	11
21.	PROHIBITION AGAINST ADVERTISING	12
22.	BROKER	12
23.	AGREEMENT MAY NOT BE ASSIGNED	12
24.	BINDING EFFECT	13
25.	NOTICES	13
26.	JOINT PURCHASERS	13
27.	LIABILITY OF SPONSOR	13
28.	FURTHER ASSURANCES	14
29.	AGREEMENT NOT CONTINGENT UPON FINANCING	14
30.	COSTS OF ENFORCING AND DEFENDING AGREEMENT	14
31.	SEVERABILITY	14
32.	STRICT COMPLIANCE	14
33.	GOVERNING LAW	15

34. WAIVER OF JURY 15
35. ENTIRE AGREEMENT 15
36. CERTAIN REFERENCES 15
37. CAPTIONS 15
38. SUCCESSORS AND ASSIGNS 15
39. CONFIDENTIALITY 15
40. NO ORAL CHANGES 16
41. PERFORMANCE 16
42. COUNTERPARTS 16
43. GOVERNING LAW/JURISDICTION AND VENUE/AGENT FOR SERVICES OF PROCESS 16
44. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY 17
45. CERTIFICATION OF SPONSOR AND PRINCIPALS 17
46. AFFORDABLE UNIT PURCHASERS 17

SCHEDULE A – PERMITTED ENCUMBRANCES
SCHEDULE B – INSPECTION STATEMENT
SCHEDULE C – RIDER TO PURCHASE AGREEMENT RE: ESCROW PROVISIONS
SCHEDULE D-- OWNER OCCUPANCY AFFIDAVIT (FOR AFFORDABLE UNIT PURCHASERS ONLY)

PURCHASE AGREEMENT

RESIDENTIAL UNIT NUMBER ____
242 BROOME STREET CONDOMINIUM

242 BROOME STREET
NEW YORK, NY 10002

AGREEMENT, made as of _____, _____, between Sponsor and Purchaser (defined below).

W I T N E S S E T H :

1. THE PLAN

Purchaser acknowledges having received and read a copy of the Offering Plan for the 242 Broome Street Condominium and all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser has not received and read the Plan and all amendments thereto at least 3 business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to Selling Agent. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Residential Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

2. DEFINITIONS

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means Site 1 DSA Owner LLC, having an office at c/o Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, NY 10011. Sponsor's taxpayer identification number is 46-5343933.

2.2. "Purchaser" means _____ having an address at _____, _____, _____. Purchaser's social security number / EIN is: _____.

2.3 "Attorney for Sponsor" means Starr Associates LLP, having an address at 220 East 42nd Street, Suite 3302, New York, New York 10017; Attention: Samantha Sheeber, Esq. Telephone number: (212) 620-2683. Fax number: (212) 696-5013. E-mail address: ssheeber@starr-lawfirm.com.

2.4 "Attorney for Purchaser" means _____, having an address at _____, _____, _____. Attention: _____, Esq. Telephone number: (____) _____. Fax number: (____) _____. E-mail address: _____.

2.5 "Selling Agent" means Douglas Elliman Real Estate, having an address at 575 Madison Avenue, New York, NY 10022. Telephone number: (212) 891-7102. Fax number: (212) 702-4092.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorney for Sponsor.

2.8 "Title Company" means First American Title Insurance Company, having and office at 666 Third Avenue, New York, NY 10017. Telephone number: (212) 922-9700. Fax number: (212) 922-0881.

3. THE UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the Unit designated as Unit _____ in the Declaration, ("Unit"), together with its undivided _____% interest in the Common Elements appurtenant to such Unit.

4. PURCHASE PRICE

4.1 The Purchase Price of the Residential Unit ("Purchase Price") is $_____.

For Purchasers of Market Rate Units, the Purchase Price is payable as follows:

(a) $_____ ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement;

(b) $_____ ("Additional Deposit"), due upon the earlier to occur of (i) 6 months after the execution date of this Agreement or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective; and

(c) $_____ ("Balance of Purchase Price"), by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

(Purchasers of Affordable Units are required to pay an Initial Deposit of 5% of the Purchase Price due upon Purchaser's signing and delivering this Agreement and are not required to pay an Additional Deposit.)

4.2 All checks shall represent United States currency, be drawn on or issued by a United States Bank or trust company which is a member of the New York Clearing House Association and shall be unendorsed. The Deposit shall be made payable to the direct order of "Starr Associates LLP, as Escrow Agent." The Balance shall be made payable to the direct order of "Site 1 DSA Owner LLC"(or such other party as Sponsor directs to Purchaser, in writing, at least 1 business day prior to the date of Closing of Title). If any check is returned for insufficient funds or any other reason, such return shall be deemed to be a default by Purchaser under this Agreement and shall entitle Sponsor to exercise any of the remedies set forth in Article 13 hereof. Notwithstanding the foregoing, if the check representing the Initial Deposit is returned for insufficient funds or any other reason, such return shall be deemed to be a non-curable default by Purchaser and this Agreement shall automatically be deemed cancelled. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

5. DEPOSIT TO BE HELD IN TRUST

All Deposits made pursuant to this Agreement are subject to the requirements of Sections 352-e(2) (b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto. All monies received from Purchaser towards the Deposit shall be delivered to Escrow Agent and shall be held in accordance with the Section of the Plan entitled "Escrow and Trust Fund Requirements" a copy of which is annexed hereto as Schedule C and made a part hereof. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title

under this Agreement. In the event Sponsor cannot convey title to the Unit to Purchaser by reason other than Purchaser's default, the Deposit shall be returned to Purchaser, within 30 business days of Sponsor's notification to Purchaser that it cannot convey title.

6. CLOSING DATE AND PLACE

6.1 The Closing of Title shall be held at the offices of Starr Associates LLP, 220 East 42nd Street, New York, New York (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than 30 days' prior notice ("Initial Closing Notice"). After the Initial Closing Notice, Sponsor may, from time to time, adjourn and reschedule the date and hour for Closing at any time on notice to Purchaser, which new Closing notice shall fix a new date, hour and place for the Closing. The rescheduled Closing shall not be earlier than: (a) the date set forth in the Initial Closing Notice or, (b) 5 days from the date of Sponsor's Closing adjournment notice. These notice provisions may be modified or waived by an agreement signed by Sponsor and Purchaser. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Attorney for Sponsor at Closing an extra fee as set forth in the Plan.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, shall mean the conveyance of title to the Unit from Sponsor to Purchaser.

6.3 The Closing of Title shall only occur with or after compliance with the prerequisites to Closing and the Section of the Plan entitled "Terms of Sale."

7. CLOSING DOCUMENTS

7.1 At the Closing of Title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances, and title conditions set forth on Schedule A annexed hereto and made a part hereof. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly complete and execute before a notary public the New York City and New York State Transfer Tax Return Forms and any other forms then required by Law, all of which shall be prepared by Sponsor.

7.2 At the Closing of Title, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board prepared by Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the Closing of Title, Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in compliance with IRS Section 1445 as amended, or any successor provision or regulation promulgated thereunder.

7.4 At the Closing of Title, Sponsor and Purchaser shall execute and acknowledge in form for recording such other documents that are reasonably necessary or customary in connection with the conveyance of a condominium unit, including, but not limited to, title affidavits, transfer tax forms, reporting information in respect of real estate transactions, smoke detector affidavit and window guard notices.

7.5 The executed deed, transfer tax forms and power of attorney shall be delivered at the Closing to the representative of the Title Company insuring Purchaser's title (or, if no such representative is present, then to the Attorney for Sponsor) for recording in the Office of the City Register, which recording shall be at Purchaser's expense. After being recorded the deed shall be returned to Purchaser and the power of attorney shall be returned to the Condominium Board.

7.6 Purchaser's payment of the Balance of the Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations

stated in the Plan and this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan, and Part 20 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE

8.1 At the Closing of Title, Sponsor shall convey to Purchaser and Purchaser shall accept such fee simple title to the Unit as the Title Company will approve and insure without additional premium to Purchaser, provided that the only liens and encumbrances affecting title shall be those set forth in Schedule A annexed hereto and made a part hereof and those expressly agreed to by Purchaser. Any lien and encumbrance or condition which is not set forth in Schedule A annexed hereto shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to Closing to the Title Company, together with the attendant recording or filing fee, if any, or (b) the Title Company (or such other title insurance company Purchaser may utilize), is or would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien. Sponsor shall not be obligated to cause Purchaser's title company to omit any exceptions if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception.

8.2 Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the Closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the Closing of Title, then, for purposes of Article 13 below, Purchaser shall be deemed at fault for not having sent timely notice, and the Closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

8.3 If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey fee simple title to the Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance company. If Purchaser did not obtain title insurance at the Closing, for purposes of this subparagraph, the amount and coverage which Purchaser could have obtained from Purchaser's title insurance company shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subparagraph shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law. This provision shall survive Closing.

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes; and

(c) if Purchaser is allowed to occupy the Unit prior to Closing, accrued rent and any other charges pursuant to a use and occupancy agreement, if any, covering the Unit.

9.2 If the Unit has been separately assessed for real estate taxes but the Closing of Title occurs before the tax rate is fixed, adjustment of real estate taxes shall be based upon the latest tax rate applied to the

most recent applicable assessed valuation. Installments for real estate tax assessments due after the Closing, if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Unit has not been separately assessed for real estate taxes as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit. In addition, Purchaser shall pay the Unit's proportionate share of real estate taxes for the next ensuing tax period and Sponsor or the Condominium will pay such real estate taxes directly to the City of New York. Sponsor shall not be obligated to reimburse Purchaser after the Closing on account of any difference between the amount of real estate taxes for the then current tax period paid by Purchaser at Closing calculated according to the above formula and the amount of real estate taxes subsequently billed by the City of New York to such Purchaser (as Unit Owner).

9.3 Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such real estate taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the Closing of Title.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date subject to Sponsor's rights under Section 13.2 of this Agreement, (a) the Closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing of Title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein in the Plan.

9.6 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing of Title.

10. MORTGAGE TAX CREDIT/PARTIAL ASSIGNMENT OF MORTGAGE

10.1 In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the New York Condominium Act, it is specifically understood that such credit shall 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. At the Closing of Title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

10.2 In the event that (i) Sponsor is ineligible for a mortgage recording tax credit, (ii) Purchaser obtains mortgage financing and (iii) Sponsor has an outstanding mortgage at the time of Closing, Purchaser shall make a good faith effort to cooperate with Sponsor and Sponsor's lender to facilitate a partial assignment of Sponsor's mortgage to Purchaser's lender, as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments."

11. CLOSING COSTS

In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." All such Closing Costs shall be paid by Purchaser, at Closing, by Purchaser's unendorsed personal certified check or by official bank check, in either event drawn upon a bank that is a member of the New York Clearing House Association.

12. AGREEMENT NOT A LIEN OR ENCUMBRANCE

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or Building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

13. DEFAULT BY PURCHASER

13.1 The following shall constitute "Events of Default" hereunder:

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

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

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

(iv) if Purchaser is permitted to become the tenant or occupant of the Unit, Purchaser's failure to pay rent or to otherwise comply with some other lease or occupancy obligation; or

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

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

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

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

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

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

13.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Additional Deposit, the Balance of the Purchase Price and to pay, perform or comply with Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel this Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) the entire Deposit and any interest earned on the Deposit and (b) Unit Upgrade Funds. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with this Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection).

14. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest earned thereon, shall be returned to Purchaser within 30 days from the filing date of the amendment abandoning the Plan. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to cure such title defect, and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all sums Deposits and all other sums deposited by

Purchaser hereunder, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

16. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in this sale. No portion of the Purchase Price shall be attributable to such items.

17. CONSTRUCTION

17.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be in accordance with the Plan and the Plans and Specifications, subject to the right of Sponsor to amend the Plan and the Plans and Specification in order to substitute materials, equipment or fixtures of comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a PCO for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

17.2 The construction of the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

17.3 The closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Terms of Sale" in Part I of the Plan. As a result, if all such prerequisites are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without provision for escrow), notwithstanding any construction items noted on Purchaser's Inspection Statement (as herein defined) remaining for Sponsor to complete and/or correct in accordance with its obligation under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building or the Unit.

17.4 The actual date for the First Closing is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites recited in the Section of the Plan entitled "Closing of Title to Residential Units." Purchaser acknowledges that construction may be delayed by late delivery of material or equipment, labor difficulties, unavailability of Building trades, casualty, inclement weather and other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially later than the projected date or the time to complete or to close title to the Unit is delayed or is postponed by Sponsor.

18. INSPECTION OF THE UNIT

18.1 Upon receipt of the Closing Notice, Purchaser shall arrange an appointment with a representative of Sponsor to inspect the interior of the Unit within the 7 days prior to the Closing Date fixed by the Closing Notice. Purchaser or Purchaser's duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule B to this Agreement) and deliver same to Sponsor's representative at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the interior of the Unit within 7 days prior to the Closing Date fixed by the Closing Notice or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from appearing at the Closing, paying the Balance of the Purchase Price when due and shall constitute Purchaser's full acceptance of the Unit as is. However, nothing herein shall relieve Sponsor of its obligations as set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

18.2 Any work set forth on the Inspection Statement shall be completed by Sponsor as agreed in writing and shall not be grounds for delaying the Closing. Purchaser will be obligated to provide Sponsor and its contractors, subcontractors agents and employees, unfettered access to the Unit and any Residential Limited Common Elements appurtenant thereto after Closing in order to complete the work on the Inspection Statement, failing which Sponsor shall be relieved of its obligations to complete the work set forth on the Inspection Statement. Sponsor has no obligation under the Plan to deposit any monies in escrow at Closing as a result of any work set forth on the Inspection Statement.

19. 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:

19.1 The risk of loss to the Unit by fire or other casualty until the earlier of Closing of Title or possession of the Unit by Purchaser is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the Closing of Title.

19.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to Purchaser all Deposits and other sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all Deposits and other such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

20. NO REPRESENTATIONS

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the

dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented. Purchaser has relied solely on Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor 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. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of any Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article shall survive the Closing of Title.

21. PROHIBITION AGAINST ADVERTISING

Prior to the Closing of Title, Purchaser agrees not to list the Unit for sale or rental with any broker or place or authorize any listing in any broker's listing system or other listing service or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or rental, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion.

22. BROKER

Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the Selling Agent and the Co-Broker, if any, named in this Agreement, whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and the Co-Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent or the Co-Broker in connection with this transaction. Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith whether arising as a result of litigation between Purchaser and Sponsor or between a third- party and Sponsor, including legal fees cost and disbursements. The provisions of this Article shall survive the Closing of Title.

23. AGREEMENT MAY NOT BE ASSIGNED

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld or delayed. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall have such right, provided that (i) Purchaser designates such assignee at least 10 business days prior to the Closing Date; (ii) Purchaser delivers to Attorney for Sponsor the fee set forth in the Plan for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing is not delayed as a result of such assignment, (iv) the assignee of this Agreement assumes in writing, by an instrument prepared by Attorney for Sponsor, the obligations of Purchaser under this Agreement and (v) the assignment is made without consideration. Any purported assignment by Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement, and shall be voidable at the option of Sponsor.

24. BINDING EFFECT

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser or the Attorney for Purchaser. If this Agreement is not accepted within 30 days from the delivery to Sponsor of this Agreement executed by Purchaser together with the Deposit by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and the Deposit shall be returned to Purchaser within 30 days thereafter. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

25. NOTICES

25.1 Any notice, election, demand, request, letter, consent or other communication hereunder or under the Plan shall be in writing and either delivered in person, via electronic transmission (e-mail) or sent, postage prepaid, by registered or certified mail return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed to the Attorney for Purchaser at the address given at the beginning of this Agreement with a copy by regular mail delivered to Purchaser at the address given at the beginning of this Agreement and to the Attorney for Sponsor at the address given at the beginning of this Agreement, with a copy by regular mail delivered to Sponsor at the address given at the beginning of this Agreement. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given on the date when personally delivered, when sent via electronic transmission (e-mail), when delivered to the overnight courier, or in the case of mailing, on the date mailed in a prepaid sealed wrapper, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

25.2 Sponsor hereby designates and empowers both the Selling Agent and Attorney for Sponsor, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

25.3 Purchaser hereby designates and empowers the Attorney for Purchaser, as Purchaser's agent to give any notice to Sponsor under this Agreement in Purchaser's name, which notice so given shall have the same force and effect as if given by Purchaser.

26. JOINT PURCHASERS

The term "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case their obligations shall be joint and several.

27. LIABILITY OF SPONSOR

Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, weather, fire,

flood, explosion, war, riot, sabotage, epidemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

28. 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.

29. 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), except for Eligible Buyers of Affordable Units under the limited conditions set forth in Paragraph 47.4 of this Agreement. Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing beyond the expiration of the loan commitment.

30. COSTS OF ENFORCING AND DEFENDING AGREEMENT

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

31. SEVERABILITY

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

32. STRICT COMPLIANCE

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

33. GOVERNING LAW

The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

34. WAIVER OF JURY

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby or in the Plan. 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.

35. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

36. CERTAIN REFERENCES

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

37. CAPTIONS

The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

38. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and enure to the benefit of Sponsor and its successors and assigns.

39. CONFIDENTIALITY

Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential, except that Sponsor shall be permitted to disclose that a Purchase Agreement has been executed for the Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, brokers, architects/engineers, accountants, Escrow Bank and individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

40. NO ORAL CHANGES

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto or in a separate written agreement signed by the parties hereto or by an amendment to the plan.

41. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

42. COUNTERPARTS

This Agreement may be executed in any number of original, email, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Agreement.

43. GOVERNING LAW/JURISDICTION AND VENUE/AGENT FOR SERVICES OF PROCESS

43.1 This Agreement was negotiated in the State of New York and the Unit to be conveyed pursuant hereto is located in the State of New York, which State the parties agree has a substantial relationship to the parties and to the underlying transaction embodied hereby, and in all respects, including matters of construction, validity and performance, this Agreement and the obligations arising hereunder shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and performed in such State and any applicable law of the United States of America. Purchaser hereby unconditionally and irrevocably waives any claim to assert that the law of any other jurisdiction governs this Agreement and this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

43.2 Any legal suit, action or proceeding against Sponsor or Purchaser arising out of or relating to this Agreement shall be instituted in any federal or state court in New York County, New York and Purchaser waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding, and Purchaser hereby irrevocably submits to the jurisdiction of any such court in any suit, action or proceeding. Purchaser does hereby designate and appoint Attorney for Purchaser as its authorized agent to accept and acknowledge on its behalf service of any and all process which may be served in any such suit, action or proceeding in any federal or state court in New York, New York, and agrees that service of process upon said agent at said address and written notice of said service of Purchaser mailed or delivered to Purchaser in the manner provided herein shall be deemed in every respect effective service of process upon Purchaser (unless local law requires another method of service), in any such suit, action or proceeding in the State of New York. Purchaser (i) shall give prompt notice to Seller of any changed address of its authorized agent hereunder, (ii) may at any time and from time to time designate a substitute authorized agent with an office in New York, New York (which office shall be designated as the address for service of process), and (iii) shall promptly designate such a substitute if its authorized agent ceases to have an office in New York, New York or is dissolved without leaving a successor.

44. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY

44.1 The provisions of this Article 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 or the Condominium Documents.

44.2 If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser expressly and voluntarily waives such immunity and consents to any suit, action or proceeding arising out of or relating to this Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents, and hereby designates and authorizes a lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents.

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

45. CERTIFICATION OF SPONSOR AND PRINCIPALS

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

46. AFFORDABLE UNIT PURCHASERS

46.1 Under the Affordable Unit Requirements (as defined in the Plan), the 11 Affordable Units are being offered to Eligible Buyers whose annual Household income is no greater than 130% of AMI. These requirements impose certain obligations and risks on the Affordable Unit Owners. In connection with such purchase, at Closing, Purchaser shall execute and deliver an Owner Occupancy Affidavit in the form annexed hereto as Schedule D.

46.2 Purchaser acknowledges that the Purchaser and the Affordable Unit shall be bound by the Affordable Unit Requirements, which are incorporated herein by reference. As a condition of purchasing such Affordable Unit, Purchaser shall be fully qualified as an Eligible Buyer approved as an Eligible Buyer by HPD and shall execute any documentation necessary to satisfy HPD as to such requirements. Purchaser further acknowledges that it is a condition to receiving the benefit of the below-market Purchase Price that in the event that Purchaser ceases to qualify as an Eligible Buyer at any time from the date of the Purchase Agreement until the closing date, Sponsor reserves the right to unilaterally terminate this Purchase Agreement and return Purchaser's Deposit with all interest accrued and thereafter neither party shall have any further rights or obligations with respect to this Purchase Agreement. In the event Sponsor conveys the Affordable Unit to Purchaser and subsequently it is determined that Purchaser fraudulently certified its Annual Income to Sponsor or to HPD, the deed conveying title to the Affordable Unit shall become void and Purchaser shall be evicted from the Affordable Unit.

46.3 The Deposit for Eligible Buyers of Affordable Units shall be 5% of the Purchase Price.

46.4 The obligations of Purchaser under the Purchase Agreement are contingent upon issuance on or before a date which is 30 calendar days after a fully executed counterpart of the Purchase Agreement is delivered to Purchaser ("Commitment Date") of a written commitment ("Commitment") from JP Morgan Chase Bank, Wells Fargo Bank or Citibank (collectively, "Lender") secured through the services of _____, having an address at _____, Tel. (___) _____-_____, OR _____, having an address at _____, Tel. (___) _____-_____, (hereinafter the "Mortgage Broker") pursuant to which Lender agrees to make a loan to Purchaser, at Purchaser's sole cost and expense, in an amount not to exceed 90% of the Purchase Price, or such lesser sum as Purchaser shall be willing to accept, at the prevailing fixed rate or adjustable rate of interest for a term of at least thirty (30) years and on other customary commitment terms, whether or not conditioned upon any factors other than an appraisal satisfactory to Lender, secured by a mortgage on the Unit ("Loan").

Purchaser shall:

(a) promptly make an application to Lender for the Loan through Mortgage Broker within 5 days after a fully executed counterpart of the Purchase Agreement is delivered to Purchaser. In the event Purchaser fails to make an application for the Loan through Mortgage Broker or fails to fulfill any provision of this Rider, the Mortgage contingency shall be deemed waived, the purchase of the Unit will not be contingent upon financing and this Rider shall be deemed null and void.

(b) furnish truthful, accurate and complete information, data and documents relating to Purchaser and members of Purchaser s family, as required, and promptly submit such further information, data and documents as requested by Mortgage Broker and/or Lender.

(c) pay all fees, points and charges required in connection with such application and the Loan.

(d) pursue such application with all due diligence.

(e) cooperate in good faith with Lender and Mortgage Broker to obtain the Commitment and close the Loan.

(f) give notice to Sponsor of the name and address of Lender to which Purchaser has made such application and provide Sponsor on demand with any other information relevant to Purchaser's Loan application.

(g) comply with all requirements of the Commitment and furnish Sponsor with a copy thereof promptly after receipt thereof.

The obligations of Purchaser set forth in (a) through (g) are hereafter referred to as the "Financing Obligations."

At the sole option of Sponsor, if the Purchaser fails to obtain a Commitment for any reason, or if Lender refuses to issue a commitment by the Commitment Date, Sponsor shall have the right to extend the Commitment Date for an additional 30 day period ("Extension Period") without waiving any of Purchaser's obligations hereunder. During the Extension Period, Purchaser shall comply strictly and fully with each and every one of the Financing Obligations set forth herein, failing which, upon 3 days' written notice from Sponsor, the mortgage contingency shall be deemed waived, the purchase of the Unit will not be contingent upon financing.

If Lender refuses to issue a Commitment to Purchaser for any reason other than Purchaser's failure to comply with any of the Financing Obligations or Purchaser's failure to make an application for the Loan through the services of Mortgage Broker or Purchaser's failure to fulfill any provision of this Paragraph 47.4, Purchaser may cancel the Purchase Agreement by giving Notice to Sponsor ("Cancellation Notice") within 5 business days after the Commitment Date, "time being of the essence," in which case, the Purchase Agreement shall be deemed cancelled and thereafter neither party shall have any further rights against, or obligations or liabilities to, the other by reason of the Purchase Agreement except that the Deposit shall be refunded to Purchaser within 20 days thereafter. The Cancellation Notice shall be accompanied by a copy of any loan refusal letter or non-complying loan commitment (as the case may be) issued by Lender, if available, or if not available, provided promptly after receipt. If Purchaser fails to give the Cancellation Notice or if Purchaser shall accept a Commitment not obtained through Mortgage Broker then Purchaser shall be deemed to have waived Purchaser's right to cancel the Purchase Agreement and to receive a refund of the Deposit by reason of this contingency.

By executing this Agreement, Purchaser authorizes Lender to provide Sponsor and Mortgage Broker with copies of all applications, information, data and documents applicable to Purchaser in connection with Purchaser s application for a Commitment and the closing of the Loan.

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

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

SITE 1 DSA OWNER LLC

By: _____
Name: Charles Bendit
Title: Authorized Signatory

SCHEDULE A

PERMITTED ENCUMBRANCES

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

2. Any state of facts which an accurate survey or personal inspection of the Property would show, provided such state of facts would not render title uninsurable without additional premium to Purchaser and would not prevent the use of the Unit for dwelling purposes.

3. The terms, burdens, covenants, restrictions, conditions, easements and Residential Rules and Regulations, all as set forth in the Declaration, the By-Laws (and the Residential Rules and Regulations made thereunder), the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans as all of the same may be amended from time to time. With respect to the Affordable Units, in addition to the foregoing, the Affordable Housing Declaration, as it may be amended from time to time.

4. Consents by Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

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

7. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

8. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations.

9. Leases and service, maintenance, employment, concessionaire and Storage Locker Licenses, if any, of other Units or portions of the Common Elements.

10. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the Closing of Title.

11. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

12. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

13. Any encumbrance as to which the Title Company (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit) would

be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

14. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

15. Any lease covering the Unit(s) made from Sponsor to the Purchaser.

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

17. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

18. Any TCO or PCO for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

19. Any encumbrance, covenant, easement, agreement, or restriction against the Property set forth in the form of Unit Owner's Specimen Title Policy prepared by the Title Company set forth in Part II of the Plan, as the same may be updated from time to time prior to the Closing.

20. Subject to New York State Real Property Tax Law Section 421-a and the Rules promulgated thereunder.

21. Subject to the Affordable Housing Declaration with respect to the Affordable Units.

22. Administering Agent Agreement with respect to the Affordable Units.

23. Subject to the Acquisition Documents as defined in the Declaration including without limitation, the Contract of Sale dated September 17, 2013 between the New York City Economic Development Corporation ("EDC") and Sponsor, a Land Disposition Agreement dated November 25, 2015 between the City of New York and EDC and a Declaration of Large Scale General Development recorded on March 19, 2015 in CRFN 2015000094319 made by the City of New York, and First Modification to Restrictive Declaration recorded April 4, 2015 in CRFN 2015000124879, all as same may be amended from time-to-time.

24. Zoning Lot Description and Ownership Statement made by SLCE Architects LLP recorded on December 24, 2014 in CRFN 2014000424288.

25. Zoning Lot Certification recorded on December 24, 2014 in CRFN 2014000424287.

26. Zoning Lot Description and Ownership Statement made by NYC Department of Housing Preservation and Development recorded on March 11, 2015 in CRFN 2015000082196.

27. Terms, covenants, and conditions contained in Land Disposition Agreement dated 11/25/2015 from The City of New York, acting by and through its Department of Housing Preservation and Development to New York City Economic Development Corporation dated as of 11/25/2015 and recorded 12/04/2015 in CRFN 2015000430234.

WITH REGARD THERETO:

(a) Assignment and Assumption Agreement made by New York City Economic Development Corporation, as assignor, and Site 1 DSA Owner LLC, as assignee, dated as of 11/25/2015 and recorded 12/04/2015 in CRFN 2015000430235.

(b) Subordination Agreement (Reverter) made by and between The City of New York, acting by and through its Department of Housing Preservation and Development, and Goldman Sachs Bank USA dated as of 11/25/2015 and recorded 12/04/2015 in CRFN 2015000430241.

28. Terms, covenants, conditions and provisions for the revesting of title as set forth in deed made by The City of New York, acting by and through its Department of Housing Preservation and Development, and New York City Economic Development Corporation dated as of 11/25/2015 and recorded 12/04/2015 in CRFN 2014000430236.

29. Terms, covenants, conditions and agreements as set forth in an unrecorded Operating Agreement made between Site 1 DSA Owner LLC and New York City Economic Development Corporation dated as of 11/25/2015 as referred to in the Deed recorded in CRFN 2015000430236.

30. Covenants, agreements, obligations, right of re-entry and forfeiture as set forth in deed made by New York City Economic Development Corporation to Site 1 DSA Owner LLC dated as of 11/25/2015 and recorded 12/04/2015 in CRFN 2015000430237.

31. Assignment of Surplus Money made from New York City Economic Development Corporation and Site 1 DSA Owner LLC, Assignor to The City of New York, Assignee, dated as of 11/25/2015 and recorded on 12/04/2015 in CRFN 2015000430243.

32. Covenants and restrictions contained in Declaration of Large-Scale General Development recorded on 03/19/2015 in CRFN 2015000094319 and as modified in First Modification to Restrictive Declaration recorded 04/14/2015 in CRFN 2015000124879. Policy insures that any violations thereof will not result in a forfeiture or reversion of title.

SCHEDULE B

INSPECTION STATEMENT

Date: _____

Site 1 DSA Owner LLC
c/o Taconic Investment Partners LLC
111 Eighth Avenue, Suite 1500
New York, New York 10011

Re: Residential Unit No: _____ ("Unit")
242 Broome Street Condominium
242 Broome Street
New York, New York 10002 ("Condominium")

Ladies and Gentlemen:

1. On the date hereof, the undersigned ("Purchaser") or Purchaser's agent ("Purchaser's Rep") inspected the Unit which Purchaser is acquiring from Sponsor and have found the Unit to be in good condition, except as otherwise noted on the attached schedule as Exhibit "A."

2. Purchaser acknowledges that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, towel bars, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to the date Purchaser moves into the Building. Purchaser agrees to sign-off each item requiring adjustment, or repairs, if any, as they are completed.

3. In the event Purchaser performs work in the Unit of any kind affecting any of the areas or items listed above after the Closing, Sponsor will be relieved of any and all obligations related to the items listed on Exhibit A.

4. Purchaser hereby agrees to provide Sponsor and its contractors, subcontractors, agents and employees, unfettered access to the Unit and any Residential Limited Common Elements appurtenant thereto after Closing in order to complete the work set forth on the Inspection Statement, failing which Sponsor shall be relived of its obligations to complete the items listed on Exhibit A.

PURCHASER(S):

_____
(signature)

_____
(signature)

OR

PURCHASER'S REP:

_____
(signature)

_____
Sponsor's Representative

EXHIBIT A

PUNCHLIST ITEMS:

SCHEDULE C

RIDER TO PURCHASE AGREEMENT RE: ESCROW PROVISIONS

This Rider is made as of _____, between Sponsor, Purchaser and Escrow Agent.

Re: Residential Unit No: _____ ("Unit")
242 Broome Street Condominium
242 Broome Street
New York, New York 10002 ("Condominium")

1. ESCROW AND TRUST FUND REQUIREMENTS

All deposits, down payments, advances and payments made by Purchasers prior to the Closing ("Deposits") will be held in escrow in conformity with the disclosure contained in this Section of the Plan and in accordance with the escrow provisions contained in the Purchase Agreement.

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

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

All Deposits made by Purchasers prior to the Closing of each individual transaction will be placed in a segregated special escrow account of Starr Associates LLP, the escrow agent ("Escrow Agent"), whose address is 220 East 42nd Street, Suite 3302, New York, New York 10017 and whose telephone number is (212) 620-2680. As of the date of this Rider, the attorneys who are signatories on these accounts authorized to withdraw funds, acting singly, are: Allan Starr, Esq., Andrea L. Roschelle, Esq, Samantha Sheeber, Esq. and Adam Kriegstein, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any Authorized Signatory is Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

Escrow Agent has established a master escrow account entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account") at Signature Bank located at 261 Madison Avenue, New York, New York 10016 ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York. Deposits properly made payable to "Starr Associates LLP, as Escrow Agent" will be placed in the Master Escrow Account within 5 business days after tender by Purchaser to Sponsor or Selling Agent. Any subsequent Deposit tendered by Purchaser after the Initial Deposit will be placed in the Master Escrow Account within 10 business days after tender by Purchaser to Sponsor or Selling Agent.

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

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

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the tender of the Deposit. If Purchaser does not receive notice that the Deposit has been placed in the Master Escrow Account within 15 business days after tender of the Deposit, Purchaser may cancel the Purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after tender or crediting of the Deposit by notice delivered to Sponsor and to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. Escrow Agent will not be required to send the letter referred to above to each Purchaser in connection with any additional Deposits tendered by Purchaser after the Initial Deposit (or in connection with any changes in the interest rate).

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

Under current Law, the sub-accounts at the Escrow Bank are insured by the Federal Deposit Insurance Corporation ("FDIC") to a maximum of $250,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $250,000 such Deposit will not be FDIC insured in excess of $250,000; and (ii) while the Deposit is in the non-interest bearing portion of the Master Escrow Account, the Deposit may not be fully FDIC insured even if the Deposit does not exceed $250,000. No representation is made with respect to any further changes in Law which may increase or decrease such limit.

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

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

If a Purchaser tenders a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after tender, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser. In the event a Deposit or portion thereof is delivered by wire transfer to Escrow Agent, any wiring fees charged by the initiating and/or receiving banks will be Purchaser's obligation.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to Sponsor only in the event there is a Consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of June 15, 2015, the interest rate for the Escrow Bank is 0.30%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no guarantee of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Master Escrow Account into the sub-escrow account portion of the Master Escrow Account, as determined by whether and when the Deposit clears.

All instruments shall be made payable directly to the order of "Starr Associates LLP, as escrow agent." Endorsed instruments will not be accepted.

If a check delivered by a Purchaser fails for collection, the Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed).

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

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

Escrow Agent shall release the Deposits if so directed:

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

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

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

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

court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

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

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

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

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

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

Escrow Agent is acting merely as a stakeholder. Escrow Agent makes no representation with regard to and shall not be responsible for the maintenance by Sponsor of the Letter of Credit. Upon payment of the Deposit pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to the Deposit. Escrow Agent shall accept a Deposit made by check made payable subject to collection.

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

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

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

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

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

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

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

2. DEFINITIONS

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

3. CONFLICTS

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

4. FULL FORCE AND EFFECT

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

5. COUNTERPARTS

This Rider may be executed in any number of original, e-mail, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Rider.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

SITE 1 DSA OWNER LLC

By: _____
Name: Charles Bendit
Title: Authorized Signatory

ESCROW AGENT:

Executed solely in connection with the provisions set forth in this Escrow Rider.

STARR ASSOCIATES LLP

By: _____
Name: Samantha Sheeber
Title: Partner

SCHEDULE D

OWNER OCCUPANCY AFFIDAVIT

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

_____, being duly sworn, under penalty of perjury, deposes and says:

1. As of the date hereof, I am purchasing a condominium dwelling unit (the "Home") in the building known by the street address 242 Broome Street, New York, New York, Unit _____ (the "Property").

2. I have never owned (or held shares in a cooperative corporation that owned) any other residential property that was developed or assisted through a local, state, or federal homeownership program.

3. I intend to occupy the Home as my primary residence.

4. In connection with my purchase of the Home, I signed legal documents in which I promised to continuously occupy the Home as my sole primary residence in perpetuity (the "Owner Occupancy Requirements"). Among other things, the Owner Occupancy Requirements:

(i) require me to reside and sleep at the Home not less than 270 calendar days per year (unless I am on active military duty, in which case each night I spend away from the Home for this purpose will be counted as a night spent in the Home, or enter into an authorized sublease as described below),

(ii) prohibit me from subleasing the Home for more than a cumulative total of 18 months in any 5 year period, prohibit me from subleasing the Home to anyone whose income exceeds a specified limit, limit the rent that I may charge for any sublease, and prohibit me from allowing the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the shares allocated to the Home,

(iii) require me to indicate the Home as my sole address/residence on any tax return, voter registration, driver's license or other permit to operate a motor vehicle, and any other document or application stating my address or residence, and

(iv) prohibit me from acquiring, owning or leasing any other residential property in, or within a 100 mile radius of, New York City (and require me to sell any such residential property that I acquire through inheritance within one year from the date that the estate transfers title to me).

5. I give this affidavit in order to induce the City of New York, acting by and through its Department of Housing Preservation and Development ("HPD") to permit my purchase of the Home and provide certain subsidies benefitting the Property. I understand that HPD is relying upon my representation that I will comply with the Owner Occupancy Requirements.

6. I understand that HPD may require me to provide an annual certification or affidavit regarding my compliance with the Owner Occupancy Requirements and that HPD may use any lawful means to investigate my compliance with the Owner Occupancy Requirements.

7. I understand that a misstatement or misrepresentation in this Affidavit may result in civil or criminal penalties and that any violation of the Owner Occupancy Requirements may result in legal action against me or the imposition of additional fees, charges, or special assessments in connection with the unit.

_____
Name:

Sworn to before me this
___ day of _____, _____

_____
Notary Public

RIDER TO PURCHASE AGREEMENT
RE: STORAGE LOCKER

This Rider is made as of _____, between Sponsor and Purchaser.

Re: Residential Unit No: _____ ("Unit")
242 Broome Street Condominium
242 Broome Street
New York, New York 10002 ("Condominium")

1. STORAGE LOCKER LICENSE

1.1 Sponsor agrees to sell and Purchaser agrees to purchase Storage Locker #_____ for a Purchase Price of $_____. At Closing, Purchaser shall enter into a Storage Locker License to use the specific storage locker designated by Sponsor, the form of which is set forth in Part II of the Plan.

1.2 The Purchase Price is payable as follows:

(a) $_____ ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement;

(b) $_____ ("Additional Deposit"), due upon the earlier to occur of (i) 6 months after the execution date of this Agreement or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective; and

(c) $_____ ("Balance of the Purchase Price"), by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

2. RE-DESIGNATION OF STORAGE LOCKER

Sponsor reserves the right at or prior to Closing to designate a different Storage Locker in lieu of the Storage Locker set forth above, provided the new Storage Locker is equal to or greater in size and has the same Purchase Price.

3. TEMPORARY CERTIFICATE OF OCCUPANCY

Purchaser will be required to consummate the purchase of the Unit and the Storage Locker simultaneously at Closing, even though a TCO has not been issued, and access may not be available for the Storage Locker Area of the Building. In such event, the proceeds from the sale of the Storage Locker License will be held in escrow ("Storage Locker Escrow") by Escrow Agent until such time as a TCO has been issued for the Storage Locker Area in which the Storage Locker is located. The Storage Locker Escrow will not be held in an interest bearing escrow account, and, therefore, Purchaser will earn no interest on the Storage Locker Escrow.

4. DAMAGE TO THE STORAGE LOCKER AREA

If there is a fire or other casualty to the Storage Locker Area and Sponsor does not elect to repair or restore such area following such fire or casualty, then the Purchase Agreement shall be deemed modified to provide for the Closing of Title with respect to the Unit only. In such event, the Balance of the Purchase Price of the Unit shall be reduced by the amount of the Deposit paid pursuant to the terms of this Rider.

5. DEFINITIONS

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

6. CONFLICTS

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

7. FULL FORCE AND EFFECT

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

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

SITE 1 DSA OWNER LLC

By: _____
Name: Charles Bendit
Title: Authorized Signatory

UNIT DEED – AFFORDABLE UNITS

UNIT DEED

AFFORDABLE UNITS

THIS INDENTURE, made the ____ day of _____, ____, between Site 1 DSA Owner LLC, having an office at c/o Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, New York 10011 ("Grantor") and _____ having an address at _____ ("Grantee").

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Residential Unit No. ____ in the building ("Building") known as the 242 Broome Street Condominium ("Condominium") and by the street number 242 Broome Street, Borough of Manhattan, County of New York, City and State of New York, said Unit being designated and described by the above Unit number in a certain declaration dated [DECLARATION DATE], made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York ("Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on [DEC RECORDING DATE], as CRFN# [DEC CRFN #] ("Declaration"). The Unit is also designated as Tax Lot 56 in Block 409 of the Borough of Manhattan on the Tax Map of the Department of Finance of The City of New York and on the Floor Plans of the Building, certified by SLCE Architects, LLP. on [ARCHITECT CERT DATE], and filed with the Department of Finance of The City of New York on [FP FILING DATE], as Condominium Plan No. [CONDO PLAN #] and also filed in the Register's Office on [FP RECORDING DATE], as Condominium Map No. [FP MAP #];

The Unit conveyed herein is an Affordable Unit as that term is defined in the Declaration and in the Affordable Housing Declaration defined herein.

TOGETHER with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of the Condominium ("By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are, collectively, referred to as the "Property").

SUBJECT to the requirements set forth in the Declaration of Affordable Housing with respect to Housing Restrictive Covenants, which declaration was recorded in the Resister's office on [AH DATE] AS CRFN # [AH CRFN #] ("Affordable Housing Declaration").

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only and may not be used for dormitory use of any kind.

Grantor represents that the Grantor is the same party as the Grantee of the Property under deed dated _____ and recorded in the Register's office on _____ as CRFN _____.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (and any Residential Rules and Regulations adopted under the By-Laws).

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration, the By-Laws (and any Residential Rules and Regulations adopted under the By-Law) and the Affordable Housing Declaration and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration of Condominium, the By-Laws of the Condominium and the Affordable Housing Declaration.

* * * * *

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

SITE 1 DSA OWNER LLC

By: _____
Name: Charles Bendit
Title: Authorized Signatory

GRANTEE:

_____
(signature)

_____
(signature)

(ACKNOWLEDGEMENTS)

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A
TO RESIDENTIAL UNIT DEED

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

UNIT DEED – MARKET RATE UNITS

UNIT DEED

MARKET RATE UNITS

THIS INDENTURE, made the ____ day of _____, ____, between Site 1 DSA Owner LLC, having an office at c/o Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, New York 10011 ("Grantor") and _____ having an address at _____ ("Grantee").

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Residential Unit No. ____ in the building ("Building") known as the 242 Broome Street Condominium ("Condominium") and by the street number 242 Broome Street, Borough of Manhattan, County of New York, City and State of New York, said Unit being designated and described by the above Unit number in a certain declaration dated [DECLARATION DATE], made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York ("Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on [DEC RECORDING DATE], as CRFN# [DEC CRFN #] ("Declaration"). The Unit is also designated as Tax Lot 56 in Block 409 of the Borough of Manhattan on the Tax Map of the Department of Finance of The City of New York and on the Floor Plans of the Building, certified by SLCE Architects, LLP. on [ARCHITECT CERT DATE], and filed with the Department of Finance of The City of New York on [FP FILING DATE], as Condominium Plan No. [CONDO PLAN #] and also filed in the Register's Office on [FP RECORDING DATE], as Condominium Map No. [FP MAP #];

The Unit conveyed herein is not an Affordable Unit as that term is defined in the Declaration.

TOGETHER with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of the Condominium ("By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are, collectively, referred to as the "Property").

SUBJECT to the requirements set forth in the Affordable Housing Declaration with respect to _____.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only and may not be used for dormitory use of any kind.

Grantor represents that the Grantor is the same party as the Grantee of the Property under deed dated _____ and recorded in the Register's office on _____ as CRFN _____.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (and any Residential Rules and Regulations adopted under the By-Laws).

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Residential Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-Laws of the Condominium.

* * * * *

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

SITE 1 DSA OWNER LLC

By: _____
Name: Charles Bendit
Title: Authorized Signatory

GRANTEE:

_____
(signature)

_____
(signature)

(ACKNOWLEDGEMENTS)

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A
TO RESIDENTIAL UNIT DEED

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

USE AND OCCUPANCY AGREEMENT

USE AND OCCUPANCY AGREEMENT

This use and occupancy agreement ("Use and Occupancy Agreement") for Unit _____ ("Unit") at the 242 Broome Street Condominium, located at 242 Broome Street, New York, New York 10002 ("Premises") is made as of _____, 20___ between Site 1 DSA Owner LLC ("Sponsor") and _____ ("Purchaser") (together, the "Parties").

BACKGROUND

A. Sponsor is the sponsor of an offering pursuant to an offering plan ("Plan") to convert the Premises to condominium ownership.

B. The Parties executed a Purchase Agreement for the Unit dated _____, 20___ as may be amended from time to time ("Purchase Agreement").

C. The Parties executed a Rider to the Purchase Agreement ("Rider") pursuant to which Purchaser was granted the right to enter into a Use and Occupancy Agreement and thereby use and occupy the Unit pre-closing.

NOW THEREFORE, it is agreed by the Parties as follows:

1. All capitalized terms used in this Use and Occupancy Agreement shall have the same meanings ascribed to them in the Plan, Purchase Agreement and Rider, as amended.

2. The term ("Term") of this Use and Occupancy Agreement shall commence on _____, 20___ ("Occupancy Date") and end on a date occurring on the earlier of: (a) the Closing of Title to the Unit pursuant to the terms of the Purchase Agreement, and (b)_____, 20___, unless the date is extended in accordance with the terms of this Use and Occupancy Agreement or (c) the date that either Sponsor or Purchaser cancels the Purchase Agreement in accordance with the terms thereof.

3. Purchaser shall pay to Sponsor without deduction or offset, use and occupancy payments (each a "Payment") in the amount of $_____ per month to be paid on the first day of each month of the Term. If this Use and Occupancy Agreement terminates as a result of the Closing of Title to the Unit, any Payment received by Sponsor for the month in which the Closing of Title takes place shall be adjusted between Sponsor and Purchaser at Closing.

4. Purchaser warrants that the Unit has been inspected and examined and Purchaser shall accept title to the Unit at Closing in the same "as is" condition as existed on the Occupancy Date, except for items set forth on the Inspection Statement executed by Purchaser prior to the Occupancy Date, if any.

5. During the Term, Purchaser shall keep the Unit clean and in good condition and no person other than Purchaser and Purchaser's family may occupy the Unit (subject in all events to the Declaration of Condominium, the By-Laws and the Rules and Regulations of the Condominium) and the Unit may not be sublet, and/or occupied by any other person without the express prior written consent of Sponsor. Purchaser shall not harbor any pets in the Unit without Sponsor's prior written consent. Purchaser shall not perform any alterations, modifications, renovations and/or repairs to or in the Unit without Sponsor's prior written consent. Purchaser acknowledges that while the Unit may be legally occupied, certain services and facilities in the Building may be subject to shut-off or otherwise unavailable as a result of ongoing construction. Purchaser agrees that the interruption or failure of any such services or facilities shall not be an objection or defense by Purchaser to any of the conditions or obligations set forth in this Use and Occupancy

Agreement or under the Purchase Agreement, nor shall Purchaser be entitled to any reduction in the Payments required in paragraph 3 hereunder or in the Purchase Price.

6. It is specifically understood and agreed that Sponsor and the Condominium Board shall be free from any and all liability for any damage or injury to persons or property or arising from any cause or happening whatsoever in, on, or to the Unit from and after the Occupancy Date, except if caused by the willful, affirmative acts on the part of Sponsor, the Condominium Board or their respective agent(s). Commencing on the Occupancy Date and throughout the Term, Purchaser shall obtain and maintain (a) personal general liability insurance against any and all claims for bodily injury death or property damage (including, but not limited to, loss due to water damage) occurring in, upon or from the Unit thereto or any part thereof, with limits not less than $_____ for bodily injury or death arising out of any one occurrence and $_____ for damage to property plus at least $_____ umbrella liability coverage 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 personal property). Such insurance shall name Sponsor and the Condominium Board as additional insured parties and may not be cancelled without prior written notification to Sponsor. Purchaser shall indemnify, defend and hold Sponsor and the Condominium Board harmless from and against any and all costs, expenses, liabilities and/or obligations (including, without limitation, reasonable attorneys' fees and disbursements) arising from any cause or happening whatsoever in, on, or to the Unit from and after the Occupancy Date, except if caused by the willful, affirmative acts on the part of Sponsor, the Condominium Board or their respective agent(s).

7. It is specifically understood and agreed that nothing contained herein shall serve to waive or modify the rights of Sponsor or Purchaser under the Purchase Agreement in the event the parties fail to close title in accordance with the terms of the Purchase Agreement.

8. The parties acknowledge that this Use and Occupancy Agreement is not a lease and that a landlord/tenant relationship is not established by virtue of this Use and Occupancy Agreement or Purchaser's occupancy of the Unit, which is provided solely as an accommodation to Purchaser.

9. In the event Purchaser files a voluntary petition in bankruptcy, or has an involuntary petition in bankruptcy filed against it subsequent to the execution of this Use and Occupancy Agreement, Purchaser acknowledges, warrants and represents, to the maximum extent permitted by law, that, as of the date of this Use and Occupancy Agreement: (i) Purchaser is presently occupying the Unit with no rights of possession, whether legal or equitable, in the Unit, except as otherwise provided in this Use and Occupancy Agreement; (ii) the automatic stay, pursuant to 11 U.S.C. §362(a), does not bar or prevent Sponsor from recovering possession of the Unit, and (iv) a trustee-in-bankruptcy may not assume or reject Purchaser's right to occupy the Unit, pursuant to 11 U.S.C. §365.

10. In the event that (i) Purchaser defaults under the terms of this Use and Occupancy Agreement which default is not cured within 10 days of notice (other than Purchaser's failure to make a Payment within ten (10) days of the first day of the month in which such Payment is due, in which event Sponsor shall not be required to send notice of default and the event of default shall be deemed to have occurred on the 11th day after the date on which such Payment is due) or (ii) the Term expires, Purchaser shall vacate and deliver possession of the Unit to Sponsor in broom-clean condition within 10 days of written notice from Sponsor or its attorney ("Vacate Date").

11. Purchaser acknowledges that it would be difficult, if not impossible, to actually assess the damage that would be suffered by Sponsor as a result of Purchaser's failure to faithfully perform its

obligation to vacate and surrender the Unit on or before the Vacate Date. Therefore, it is expressly agreed that if Purchaser fails to vacate and surrender exclusive possession of the Unit on or before the Vacate Date and/or seek an extension of time to remain in the Unit beyond the Vacate Date and/or fail to deliver the keys to the Unit on or before the Vacate Date, in addition to having liability for the damages available hereunder or available to Sponsor at law or equity, Purchaser shall be liable to Sponsor for liquidated damages in a sum equal to $_____ ("Liquidated Damage Payments," each a "Liquidated Damages Payment") for each day between the Vacate Date and the date on which Purchaser vacates and surrenders exclusive possession of the Unit or Sponsor obtains vacant, legal and physical possession of the Unit. The obligation to make Liquidated Damage Payments begins on the first day following the Vacate Date. The Parties agree that the requirement that Purchaser make Liquidated Damage Payments and that Sponsor recover the attorneys' fees and costs in enforcing the terms of this Use and Occupancy Agreement is fair and reasonable under the circumstances and does not constitute a penalty. This paragraph shall not constitute a modification or waiver of Purchaser's obligation to vacate the Unit on or before the Vacate Date in accordance with the terms of the Use and Occupancy Agreement.

12. At Sponsor's option, Liquidated Damage Payments may be deducted from the Security Deposit (defined below). The Liquidated Damage Payments shall be in addition to the Payment required to be paid by Purchaser in paragraph 3 and is in addition to all other charges Purchaser is required to pay pursuant to this Use and Occupancy Agreement and all of Sponsor's remedies under the Purchase Agreement.

13. Purchaser agrees that, without notice, Sponsor may forthwith commence a summary holdover proceeding for the purpose of enforcing this Use and Occupancy Agreement. Purchaser (i) consents in the holdover proceeding to the personal and subject matter jurisdiction of the court; and (ii) waives any and all substantive and procedural defenses to the holdover proceeding; and (iii) consents to the filing by Sponsor of a Stipulation of Settlement ("Stipulation") (a copy of which is annexed hereto) by which Purchaser, among other things, consents to a final judgment of possession and the execution of a warrant of eviction without further notice. Simultaneously with the execution of this Use and Occupancy Agreement, Purchaser shall execute and deliver to Sponsor the Stipulation, the terms of which are incorporated herein.

14. Purchaser shall be liable for any and all actual and incidental costs incurred by Sponsor in recovering possession of the Unit, including, but not limited to, storage and/or disposal fees for Purchaser's belongings, personal property and attorneys' fees and court costs. At Sponsor's option, all actual and incidental costs may be deducted from the Security Deposit, and Purchaser shall be liable for the balance of the costs that exceed the Security Deposit.

15. As security for the performance of Purchaser's obligations hereunder, including, without limitation, making all Payments, Liquidated Damage Payments, attorneys' fees, and reimbursing Sponsor for any and all expenses attendant to performing repairs to the Unit necessitated by Purchaser's occupancy and other incidental costs and expenses, Sponsor hereby acknowledges receipt of $_____ ("Security Deposit"). The Security Deposit shall be returned to Purchaser (less deductions as set forth in this paragraph) either upon Closing or, if the Purchase Agreement has been terminated, within 15 days after the Unit is surrendered to Sponsor as required by this Use and Occupancy Agreement.

16. Any default by Purchaser under this Use and Occupancy Agreement that continues beyond the applicable grace period shall constitute an Event of Default by Purchaser under the Purchase Agreement entitling Sponsor to exercise any and all remedies provided for in the Purchase Agreement. Any default by Purchaser under the Purchase Agreement that continues beyond the applicable grace period shall constitute a default by Purchaser under this Use and Occupancy

Agreement entitling Sponsor, in its sole option, to terminate this Use and Occupancy Agreement in accordance with its terms and with Law.

17. Purchaser expressly acknowledges Purchaser's obligation to and shall comply with the Condominium Declaration, By-Laws and Rules and Regulations.

18. If any Payment due under this Use and Occupancy Agreement is received after the 10th of the month, Purchaser shall pay to Sponsor a late fee in the sum of $_____. If any check delivered by Purchaser to Sponsor is returned for insufficient funds or is uncollectible for any reason, Purchaser shall pay to Sponsor a returned check fee in the amount of $_____. In addition, Sponsor has the right to treat a check from Purchaser that has been returned for insufficient funds as a default under the Purchase Agreement, for which Sponsor may exercise all remedies available under the Purchase Agreement and Law.

19. This Use and Occupancy Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York.

20. In the event of any inconsistency between the provisions of this Use and Occupancy Agreement and those contained in the Plan, the provisions of this Use and Occupancy Agreement shall govern and be binding.

21. Any notices or documents required to be given pursuant to this Use and Occupancy Agreement must be delivered if to Sponsor to Site 1 DSA Owner LLC c/o Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, New York 10011, with a copy to Starr Associates LLP, 220 East 42nd Street, Suite 3302, New York, New York 10017, Attention: Andrea L. Roschelle, Esq.; and if to Purchaser to _____. All deliveries must be made by nationally-recognized overnight courier for next business day delivery and shall be deemed given upon deposit with the courier service.

22. This Use and Occupancy Agreement may only be modified by an agreement in writing signed by the parties hereto. No oral understanding or agreement shall be effective to modify, change or alter the terms or conditions of this Use and Occupancy Agreement.

23. Neither party nor their respective attorney shall be deemed to be the sole drafter hereof, and the parties hereto waive the benefit of any rule of construction relating to the interpretation of a document against the drafter.

24. This Use and Occupancy Agreement may be executed in any number of original, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Use and Occupancy Agreement.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURES PAGE TO USE AND OCCUPANCY AGREEMENT]

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

SITE 1 DSA OWNER LLC

By: _____
Name: Charles Bendit
Title: Authorized Signatory

CIVIL COURT OF THE CITY OF NEW YORK
COUNTY OF NEW YORK

[SPONSOR NAME]

Petitioner-Owner,

- against -

Premises: [CONDO NAME]
[CONDO ADDRESS]
[CONDO CITY/STATE/ZIP]

Respondent-Occupant.

Index No.
L&T -

STIPULATION OF SETTLEMENT
HOLDOVER

WHEREAS, Petitioner and Respondent entered into a certain Purchase Agreement ("Purchase Agreement"), dated as of _____, 20___, pursuant to which Petitioner agreed to convey and Respondent agreed to purchase Unit ____ located in a building known as [CONDO NAME], [CONDO ADDRESS], [CONDO CITY/STATE/ZIP] ("Premises"); and

WHEREAS, Respondent has been occupying the Premises pursuant to an use and occupancy agreement ("Use and Occupancy Agreement"); and

WHEREAS the term ("Term") Respondent was permitted to occupy the Premises under the Use and Occupancy Agreement has expired, but Respondent continues to use, occupy and possess the Premises past the Term without the permission of Petitioner; and

WHEREAS, Respondent has agreed to vacate the Premises;

NOW, THEREFORE, in for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and of the mutual covenants contained herein, the parties hereto wish to settle all claims and resolve all disputes and differences among them and do hereby stipulate and agree as follows:

1. Respondent acknowledges having received and was duly served with the Notice of Petition and Petition Holdover by which Petitioner seeks a final judgment of possession for the Premises and a warrant of eviction ("Warrant") removing Respondent from the Premises.

2. Respondent accepts service, waives traverse and all objections to personal and subject matter jurisdiction, if any. Respondent admits as true each and every allegation set forth in the petition, waives trial by jury, waives all defenses, affirmative defenses and counterclaims of any kind or nature and the service of any notice before the Warrant may be executed.

3. Respondent expressly: (i) waives any and all objections of any kind or nature to the service, substance or sufficiency of notices, if any, served prior to the commencement of this proceeding, (ii) acknowledges that the term granted to Respondent under the Use and Occupancy Agreement has expired; (iii) acknowledges that it has no further right, title or interest in or to the Premises and that (iv) Respondent remains in possession of the Premises past the Term without permission as a "holdover" occupant.

4. Respondent consents to the entry of a final judgment of possession for the Premises and to the immediate issuance and execution of the Warrant and agrees to be evicted from the Premises. Respondent agrees that personal property remaining in the Premises after eviction is deemed abandoned.

5. The terms of the Use and Occupancy Agreement shall govern the obligations of the parties, except as modified by the terms of this Stipulation and Order.

6. Respondent hereby waives, abandons, relinquishes and surrenders any rights it may have to (i) an extension of time to cure any breach of condition set forth in this Stipulation and Order (ii) any stay, order or injunction preventing the execution of the Warrant (iii) judicial intervention of any kind or nature to extend, modify or toll the time periods set forth herein or collaterally attack the enforceability of any of the terms or provisions hereunder (iv) appeal from any order of the Court resulting from this Stipulation and Order.

7. If Petitioner shall employ counsel to enforce any of Respondent's obligations under this Stipulation and Order or to defend any litigation commenced by Respondent in connection with this Stipulation and Order, including, without limitation, an application seeking (i) an extension of time to cure any breach of condition as set forth in this Stipulation and Order (ii) any stay, order or injunction preventing the execution of the Warrant, (iii) judicial intervention of any kind or nature to extend, modify, toll the time periods set forth herein or collaterally attack the enforceability of any of the terms or provisions hereunder; or (iv) to appeal from any order of the Court resulting from this Stipulation and Order, notwithstanding the prohibition in this Stipulation and Order against Respondent seeking such relief, or if Petitioner shall be compelled to enforce any of Petitioner's rights hereunder, Respondent shall pay all of the Petitioner's costs and expenses in connection therewith, including, without limitation, attorneys' fees and disbursements.

8. Respondent warrants and represents that, in executing this Stipulation and Order, Respondent has relied on legal advice from an attorney of Respondent's choosing, is entering into this Stipulation and Order voluntarily and without duress and that the terms of this Stipulation and Order have been read and its consequences (including risks, complications, and costs) have been fully explained to Respondent by its attorney. Respondent further represents that it has not relied on any promise or representation made outside this Stipulation and Order.

9. The parties hereto expressly agree that the Court shall retain jurisdiction over the enforcement of the provisions of this Stipulation and Order.

10. The parties hereto shall cooperate fully so as to facilitate the compliance with all of the obligations set forth in this Stipulation and Order. All documents required to be executed by Respondent shall be delivered to Petitioner within three (3) business days, delivery to be made by hand or overnight courier.

11. In the event of a conflict between the terms of the Use and Occupancy Agreement and those of this Stipulation and Order, the terms of this Stipulation and Order shall prevail.

12. This Stipulation and Order constitutes the entire agreement between Petitioner and Respondent with respect to the subject matter hereof and no oral representations have been made by or between the parties with respect thereto. This Stipulation and Order shall constitute an Order of the Court, subjecting a party who violates its provisions to all rights and remedies available for the violation of a Court order.

13. This Stipulation and Order is the product of substantial negotiations between the parties and, as such, no negative inferences shall be drawn against either party as the drafter hereof.

14. This Stipulation and Order shall be filed with the Court and shall become an Order of the Court upon the signature of any judge sitting in the civil court without further notice to either party.

Dated: New York
_____, 20___

By: _____

STARR ASSOCIATES LLP
Attorneys for Petitioner
220 East 42nd Street, Suite 3302
New York, New York 10017
(212) 620-2681

By: _____
RESPONDENT

By: _____
RESPONDENT

SO ORDERED:

_____
JUSTICE OF THE CIVIL COURT

STORAGE LOCKER LICENSE

STORAGE LOCKER LICENSE

AGREEMENT made this _____ day of _____, _____ ("Agreement") by and between Site 1 DSA Owner LLC, having an office at c/o Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, New York 10011 ("Sponsor"), and the Condominium Board of the 242 Broome Street Condominium on behalf of all Unit Owners, having an address at 242 Broome Street, New York, NY 10002 ("Condominium Board") (Sponsor and the Condominium Board are sometimes collectively referred to as "Licensor") and _____ having an address at _____ ("Licensee");

W I T N E S S E T H :

WHEREAS, the 242 Broome Street Condominium ("Condominium") is governed by a certain Declaration of Condominium recorded in the Office of the Register of the City of New York, County of New York as the same has been or may be amended from time to time ("Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time ("By-Laws") and the Rules and Regulations of the Condominium, as the same has been or may be amended from time to time ("Rules and Regulations") ("Declaration," the "By-Laws" and the "Rules and Regulations" are, collectively, referred to as the "Condominium Documents"); and

WHEREAS, the Condominium is located at 242 Broome Street, New York, NY 10002 ("Property"); and

WHEREAS, Storage Locker [have/has] been installed in a portion of the Property ("Storage Locker Area"); and

WHEREAS, Licensee, owns or simultaneously herewith is acquiring Residential Unit No. _____ in the Condominium; and

WHEREAS, the Condominium Board granted Sponsor the exclusive right to sell, without charge, the Storage Locker pursuant to an Storage Locker license and the Condominium will not be entitled to any of the proceeds from such sale; and

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

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

1. Licensor hereby grants to Licensee, its successors and assigns, a license for the exclusive use of Storage Locker #____ ("Storage Locker License") and Licensee hereby accepts such Storage Locker License from Licensor for a term commencing on the date hereof.

2. Licensee shall pay a monthly license fee to Licensor in the amount of $_____ **[OR]** [the Condominium Board has the right to impose license fees on licensee in accordance with the By-Laws]. Any license fee and/or Special Assessment due hereunder or imposed by the Condominium Board in the future, shall constitute "additional Common Charges" under the terms of the Condominium Documents. Licensee's failure to pay the license fee and/or Special Assessment due hereunder or

imposed by the Condominium Board in the future shall constitute a material default under the terms of the Condominium Documents.

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

4. Except for Sponsor and the Condominium Board, a Residential Unit Owner may not own the Storage Locker without also owning a Residential Unit.

5. Licensee shall not (a) store any property outside of the Storage Locker; or (b) allow any other Person to use the Storage Locker except in accordance with the terms hereof.

6. This Storage Locker License may be assigned by Licensee at any time provided the assignee (i) is a Residential Unit Owner at the Condominium, (ii) assumes the obligations hereunder in the form annexed hereto, (iii) notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements as the same may be modified from time to time, and (iv) no outstanding monies are owed to the Condominium by Licensee and/or assignee. This Storage Locker License shall automatically terminate at such time as Licensee no longer owns a Residential Unit in the Condominium unless this Storage Locker License is assigned to and assumed by another Residential Unit Owner.

7. Licensee represents that Licensee has made a thorough inspection of the Storage Locker and the Storage Locker Area and agrees to take same in its "as is" condition as of the date of this Storage Locker License. Storage Locker Licensee shall throughout the term of this Storage Locker License, take good care of and maintain the Storage Locker. All repairs and replacements to the Storage Locker as well as the Storage Locker Area shall be performed by the Condominium Board and the cost thereof shall be a Residential Common Expense, unless such repair or replacement is necessitated by the negligence, misuse, or abuse of a particular licensee, then the entire cost and expense of such repair or replacement shall be borne by such licensee.

8. Licensor nor Licensor's agents or employees shall be liable for any theft or damage to any property stored in the Storage Locker Area.

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

10. Licensee acknowledges that the Condominium Board shall have the right to impose a monthly license fee payable to the Condominium. The monthly license fee, if imposed, shall constitute "additional Common Charges" under the terms of the Condominium Documents. Licensee's failure to pay the monthly license fee, if imposed, shall constitute a default under the terms of the Condominium Documents.

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

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

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

14. Licensee shall indemnify and hold Licensor and their respective officers, directors, shareholders, unit owners, members, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including legal fees and expenses, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family members, servants, employees, agents, guests and invitees in connection with this Storage Locker License.

15. Licensee shall be obligated at its sole cost and expense to obtain and maintain insurance covering the Storage Locker in amounts sufficient to cover the property located therein.

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

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

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

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

20. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Storage Locker License or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

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

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

Agreed to and Acknowledged by:

LICENSOR:

_____

By: _____
Name:
Title:

LICENSEE:

_____

_____

SPONSOR:

SITE 1 DSA OWNER LLC

By: _____
Name: Charles Bendit
Title: Authorized Signatory

ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE

ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE

THIS ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE made as of the _____ day of _____, _____ by and between _____ ("Assignor"), having an address at _____, and _____ ("Assignee"), having an address at _____.

W I T N E S S E T H :

WHEREAS, Assignor executed a certain Storage Locker License dated _____, _____ ("Storage Locker License") to have the exclusive right to use Storage Locker # ___ ("Storage Locker") located in the Building known as the 242 Broome Street Condominium, located at 242 Broome Street, New York, New York 10002, in accordance with the terms of the Condominium Offering Plan for the Building ("Plan"), as amended; and

WHEREAS, Assignor desires to assign to Assignee all of Assignor's right, title and interest in and to the Storage Locker License; and

WHEREAS, Assignee desires to assume all of the obligations and responsibilities of Assignor in and to the Storage Locker License; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment and Assumption of this Storage Locker License.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. ASSIGNMENT: Assignor hereby assigns to Assignee, from and after the date hereof, all of Assignor's right, title and interest in and to the Storage Locker License, a copy of which is attached hereto and made a part hereof, for a Purchase Price of $_____.

2. ASSUMPTION: Assignee hereby assumes all of the obligations, promises, covenants and responsibilities of Assignor in and to the Storage Locker License as if Assignee had signed the Storage Locker License originally as "Licensee."

3. AUTHORIZATION AND DIRECTION: Assignor and Assignee hereby authorize and direct the Condominium to have the books and records of the Condominium reflect that Assignee has the exclusive right to use the Storage Locker.

4. EFFECTIVE DATE: This Assignment shall not be deemed effective unless and until signed by each of the parties hereto.

5. DEFINED TERMS: All terms not defined herein shall have the meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment and Assumption of Storage Locker License on the day and year first above written.

ASSIGNOR:

_____
(signature)

ASSIGNEE:

_____
(signature)

APPROVED BY:

_____

By: _____
Name:
Title:

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership of the Premises Known as

242 BROOME STREET CONDOMINIUM

and having a street address of

242 BROOME STREET
NEW YORK, NEW YORK 10002

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name: **242 BROOME STREET CONDOMINIUM**

Sponsor: **Site 1 DSA Owner LLC**
c/o Taconic Investment Partners LLC
111 Eighth Avenue, Suite 1500
New York, New York 10011

Date of Declaration:

_____, _____

Prepared by:

STARR ASSOCIATES LLP
Attorneys At Law
220 East 42nd Street
New York, New York 10017
(212) 620-2680

The land affected by the within instrument lies in Block 409 F/K/A Lot 56, N/K/A Lots _____ - _____ on the Tax Map of the Borough of Manhattan, County of New York, City and State of New York

INDEX TO DECLARATION

Article	Subject	Page
ARTICLE 1	DEFINITIONS	1
ARTICLE 2	SUBMISSION OF THE PROPERTY	1
ARTICLE 3	NAME OF THE CONDOMINIUM	1
ARTICLE 4	THE LAND	1
ARTICLE 5	THE PROPERTY AND THE BUILDING	2
ARTICLE 6	THE UNITS	2
ARTICLE 7	THE COMMON ELEMENTS	4
ARTICLE 8	DETERMINATION OF COMMON INTEREST AND RESIDENTIAL COMMON INTEREST	7
ARTICLE 9	USE OF UNITS AND STORAGE LOCKERS	7
ARTICLE 10	EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS	8
ARTICLE 11	OTHER EASEMENTS	9
ARTICLE 12	ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD RESIDENTIAL UNITS AND NON-RESIDENTIAL UNITS	12
ARTICLE 13	ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD	15
ARTICLE 14	POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD	15
ARTICLE 15	TERMINATION OF CONDOMINIUM	16
ARTICLE 16	COVENANT OF FURTHER ASSURANCES	16
ARTICLE 17	COVENANTS RUNNING WITH THE LAND	17
ARTICLE 18	EXCESS DEVELOPMENT RIGHTS	18
ARTICLE 19	AMENDMENTS TO THIS DECLARATION	19
ARTICLE 20	CONSENTS BY SPONSOR	22
ARTICLE 21	PERSON TO RECEIVE SERVICE	23
ARTICLE 22	INCORPORATION BY REFERENCE	23
ARTICLE 23	WAIVER	23
ARTICLE 24	SEVERABILITY	23
ARTICLE 25	SUCCESSORS AND ASSIGNS	23
ARTICLE 26	CAPTIONS	24
ARTICLE 27	CERTAIN REFERENCES	24
ARTICLE 28	GENERAL	24

Exhibits

A – DESCRIPTION OF THE LAND

B – DESCRIPTION OF THE UNITS

C – DEFINITIONS

D – BY-LAWS OF THE CONDOMINIUM

E – UNIT POWER OF ATTORNEY

F – CONDOMINIUM RECOGNITION AND NON-DISTURBANCE AGREEMENT

DECLARATION
OF
242 BROOME STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

Site 1 DSA Owner LLC, a limited liability company organized under the laws of the State of Delaware, having an office at c/o Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, New York 10011 ("Sponsor"), does hereby declare as follows:

ARTICLE 1
DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2
SUBMISSION OF THE PROPERTY

2.1 Sponsor hereby submits the Property to the provisions of the Condominium Act and pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

2.2 Excluded from the Property are any Excess Development Rights, which shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of Sponsor or other Development Rights Owner.

ARTICLE 3
NAME OF THE CONDOMINIUM

The Condominium shall be known as the 242 Broome Street Condominium.

ARTICLE 4
THE LAND

Included in the Property is the Land which is more particularly described in Exhibit A annexed hereto.

ARTICLE 5

THE PROPERTY AND THE BUILDING

5.1 Included in the Property are: 55 Residential Units (consisting of 44 Market Rate Units and 11 Affordable Units), 35 Storage Lockers, and 5 Non-Residential Units in a 14 story structure above grade (including roof level) with 1 cellar. There is no floor 13 designation.

5.1.1 The Residential Units will be located on Floors 5 through 14.

5.1.2 The Storage Lockers will be located on Floor 4.

5.1.3 The Community Facility Unit will be located in Cellar and Floors 1, 2, 3, 5 and 6.

5.1.4 Retail Unit 1 will be located on Floor 1.

5.1.5 Retail Unit 2 will be located on Floors 1, 2, 3 and 5.

5.1.6 Retail Unit 3 will be located on Floor 5.

5.1.7 Retail Unit 4 will be located in Cellar and Floors 1, 2, 3, 5 and 6.

5.2 The Building is classified as being of fire proof construction. The Building structural system consists of: (i) for the mixed use residential/retail portion of the Building: reinforced concrete flat slabs supported on reinforced concrete column as gravity support system with reinforced concrete shear wall as a lateral brace system; and (ii) for the Community Facility Unit portion of the Building: concrete over composite metal deck and floor slab supported by steel beams as gravity support system with reinforced concrete shear wall as lateral brace system. The roof consists of hot liquid applied membrane with rigid insulation above the concrete roof slab.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate location in the Building; approximate square footage; number of rooms; the portions of the Common Elements to which such Unit has immediate access; and the Common Interest appurtenant to such Unit. The precise location of each Unit is shown on the Floor Plans.

6.2 Each Unit is measured from the exterior side of exterior walls and the centerline of the public corridor, elevator and stairs to the centerline of the partitions separating one Unit from another Unit (columns mechanical pipes, shafts, chases and conduits are not deducted from the measurements of the Units). Each Unit is measured vertically from the top of the concrete slab (located under the finished flooring and sub-flooring materials) to the underside of the slab above.

6.3 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to the Unit including Terrace doors (including, without limitation, all locks, peepholes, doorknobs and hardware), hallway exclusively serving such Unit, the interior walls, partitions, floors and floor coverings and ceilings affixed, attached or appurtenant to the Unit, smoke/carbon monoxide detectors, window panes, fireplace, firebox, dampers, mantel and flue, all mechanical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), all plumbing, gas and heating fixtures and equipment, including but not limited to, refrigerators, dishwashers, washers and dryers, heating, ventilating and air conditioning units (including the fans inside the Units), heating equipment, ranges and

other appliances, sinks, bathtubs, waterclosets and all other Facilities as may be affixed, attached or appurtenant to the Unit and serving the Unit. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, water spigots located on Terraces, and any special pipes or equipment which a Unit Owner may install within the walls, ceilings, or floors, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors, unless such installations were made by the Unit Owner after the Unit Owner acquired title to the Unit, in which event Unit Owner shall be responsible for such installations. Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit, including those located on Terraces and any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit, to the extent located within a Residential Unit from the electrical panel (including electrical branch wiring but excluding electrical service riders) and serving or benefiting only that Unit.

6.4 Each Non-Residential Unit also includes, in addition to the items listed in Section 6.3 above, to the extent located in and/or exclusively serving such Non-Residential Unit, and each Non-Residential Unit Owner shall be responsible for, any elevator, escalator, staircase, freight or service entrance, driveway, ramp, canopy and all related Facilities servicing such Non-Residential Unit exclusively including, outdoor signage and exterior lighting for such Non-Residential Unit, all storefronts, entranceways, windows, window frames, skylights and skylight structures and glass panels, door assemblies and related and similar installations on the exterior façade opening into or immediately adjacent to the Non-Residential Unit and any loading berths exclusively servicing such Non-Residential Unit.

6.5 The Community Facility Unit also includes all mechanical equipment, fixtures and facilities exclusively servicing the Community Facility Unit or affixed, attached or appurtenant thereto, wherever located on the Property, and including, but not limited to, the following, as shown on the Floor Plans:

(i) Loading Berth B located on Floor 1;

(ii) Stair C located on Floor 1, Floor 2 and Floor 3; and

(iii) Elevator C1, as such elevator is labelled on the Tax Lot Drawings and its bulkhead, shaft, bank, pit equipment and machine room.

6.6 Retail Unit 1 also includes all mechanical equipment, fixtures and facilities exclusively servicing Retail Unit 1 or affixed, attached or appurtenant thereto, wherever located on the Property.

6.7 Retail Unit 2 also includes all mechanical equipment, fixtures and facilities exclusively servicing Retail Unit 2 or affixed, attached or appurtenant thereto, wherever located on the Property, and including, but not limited to, the following, as shown on the Floor Plans:

(i) Elevator B1, as such elevator is labelled on the Floor Plans and its bulkhead, shaft, bank, pit equipment and machine; and

(ii) Stair R1 located on Floor 1 and Floor 2.

6.8 Retail Unit 3 also includes all mechanical equipment, fixtures and facilities exclusively servicing Retail Unit 3 or affixed, attached or appurtenant thereto, wherever located on the Property, and including, but not limited to, the following, as shown on the Floor Plans:

(i) Kitchen and storage located on Floor 5.

6.9 Retail Unit 4 also includes all mechanical equipment, fixtures and facilities exclusively servicing Retail Unit 4 or affixed, attached or appurtenant thereto, wherever located on the Property, and including, but not limited to, the following, as shown on the Floor Plans:

(i) Elevator E1, as such elevator is labelled on the Floor Plans and its bulkhead, shaft, bank, pit equipment and machine; and

(ii) Stair E located in Cellar and Floor 1.

6.10 Any Common Elements located within a Unit shall not be considered a part of such Unit.

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

6.11 As of the date of the filing of this Declaration with the Register's Office, fee simple absolute title shall automatically vest in Sponsor in all Units and Sponsor shall be deemed a licensee with respect to all Storage Lockers, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit or specified particular licenses for each and every storage locker.

ARTICLE 7

THE COMMON ELEMENTS

7.1 The Common Elements consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements are comprised of: (i) General Common Elements; (ii) Residential Common Elements; (iii) Non-Residential Common Elements; (iv) Residential Limited Common Elements; (v) Retail 3/Community Facility Common Elements; (vi) Retail 3/Retail 4 Common Elements; (vii) Retail 1/Retail 3/Retail 4/ Residential Common Elements, (viii) Retail 1/Retail 2/Retail 4/ Residential Common Elements; (ix) Retail 3/Retail 4/Community Facility Common Elements, and (x) Retail 3 Limited Common Elements. The Common Elements do not include the Excess Development Rights which shall be initially retained by Sponsor.

7.2 The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) The Land (including the landscaping appurtenant thereto) and any improvements thereon, together with all easements, rights and privileges appurtenant thereto, except for the Development Rights.

(ii) All foundations, columns, beams, joists, supports, piles, footings, pillars, girders, load-bearing walls, exterior walls (including glass curtain walls), interior walls, partitions, floor slabs and ceilings, window casements and frames, roofs and ceilings in, on, or under the Building, separating a Unit from a General Common Element, and that portion of all such interior walls, partitions, floors and ceilings separating a General Common Element or the Non-Residential Unit(s) from a Residential Unit and/or Residential Common Element and/or a Residential Limited Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Element or the Non-Residential Unit, as the case may be, to the extent that the

same are not expressly included as part of the Common Elements pursuant to the terms of Paragraph 7.3 through Paragraph 7.11 below or a Unit pursuant to the terms of Article 6 hereof.

(iii) All central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems, which service both the Residential Units and the Non-Residential Unit(s) and/or both the General Common Elements, the Residential Common Elements and the Residential Limited Common Elements, to the extent that the same are not expressly included as a part of the Common Elements pursuant to the terms of Paragraph 7.3 through Paragraph 7.11 below or a Unit pursuant to the terms of Article 6 hereof.

(iv) The gas meter room, two water P.O.E., mechanical equipment room, sewer ejector, storm water detention tank, fire pump room, storm tank and pump room, domestic water room, switchgear room, the ATS room, telecom room and corridor, each of which are located in the Cellar of the Building.

(v) The service and egress corridor which is located on Floor 1 of the Building.

(vi) The water heater room, boiler room, Building manager's office, Building storage, two locker rooms, and elevator lobby, each of which are located on Floor 4 of the Building.

(vii) The roof above Stair C, which is located on Floor 5 of the Building.

(viii) The ATS room which is located on the roof of the Building.

(ix) The emergency generator, which is located on the roof/bulkhead of the Building

(x) Stair A from the Cellar to the roof, Stair B from the Cellar through the roof/bulkhead, and Stair D from the Cellar to Floor 6.

(xi) All other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property.

7.3 The Residential Common Elements consist of those portions of the Building, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Residential Units or of the Residential Unit Owners only. Without intending to limit the generality of the foregoing in any respect, the Residential Common Elements include:

(i) Residential passenger elevators A1 and A2 and their respective bulkheads, shafts, pits and equipment rooms and the residential hallways, elevator lobbies, electrical closets, and refuse rooms.

(ii) Residential compactor room located in the Cellar of the Building.

(iii) Residential lobby, package room, elevator lobby and mail room, each of which are located on Floor 1.

(iv) Residential gym, two bathrooms, bicycle storage room, and storage room, each of which are located on Floor 4

(v) Residential amenity area, lobby, mechanical room and storage room, each of which are located on Floor 5.

(vi) Residential amenity terrace located on the roof above Floor 14.

(vii) Corridor, elevator machine room and mechanical room, each of which are located on the roof above Floor 14.

(viii) Masonry walls, partitions, floors and ceilings in, on or under the Building, separating a Residential Unit from another Residential Unit or a Residential Common Element and that portion of all such masonry walls, partitions, floors and ceilings separating a Residential Common Element from a General Common Element or a Non-Residential Unit, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such Residential Common Element.

(ix) All central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems which serve the Residential Units and/or the Residential Common Elements and/or the Residential Limited Common Elements only.

(x) All interior portions of the Building and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to the existence, maintenance or safety of the Property, to the extent that the same are not expressly included as part of the Common Elements pursuant to the terms of Paragraph 7.2 above or the Residential Limited Common Elements pursuant to the terms of Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof.

7.4 The Residential Limited Common Elements consist of all portions of the Land and Building (other than the Units) that are for the use of one or more specified Residential Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Residential Limited Common Elements include: the Terraces adjoining certain Residential Units more particularly set forth on Exhibit "B" to this Declaration entitled "Description of Units."

7.5 Community Facility/Retail 3 Common Elements consist of those portions of the Building as shown on the Tax Lot Drawings, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Retail Unit 3 and the Community Facility Unit, including, without limitation, the mechanical room on Floor 3.

7.6 Retail 3/Retail 4 Common Elements consist of those portions of the Building as shown on the Floor Plans, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Retail Unit 3 and Retail Unit 4, including, without limitation, Elevator D1, as such elevator is labelled on the Tax Lot Drawings and its bulkhead, shaft, bank, pit, equipment and machine room.

7.7 Non-Residential Common Elements consist of those portions of the Building as shown on the Tax Lot Drawings, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of Retail Unit 1, Retail Unit 2, Retail Unit 3, Retail Unit 4 and the Community Facility Unit and, including, without limitation, the bicycle storage room located on Floor 1.

7.8 Retail 1/Retail 3/Retail 4/Residential Common Elements consist of those portions of the Building as shown on the Tax Lot Drawings, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Retail Unit 1, Retail Unit 3, Retail Unit 4 and the Residential Units, including, without limitation, the loading berth A located on Floor 1.

7.9 Retail 1/Retail 2/ Retail 4/Residential Common Elements consist of those portions of the Building as shown on the Tax Lot Drawings, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of Retail Unit 1, Retail Unit 2, Retail Unit 4 and the Residential Units, including, without limitation, the following:

(i) The condenser water room located on the Floor 4.

(ii) Mechanical Roof level located on roof.

7.10 The Retail 3/Retail 4/Community Facility Common Elements consist of those portions of the Building as shown on the Tax Lot Drawings, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Retail Unit 3, Retail Unit 4 and the Community Facility Unit, including, without limitation, the mechanical well located on Floor 6.

7.11 The Retail 3 Limited Common Elements consist of all portions of the Land and Building (other than the Units) that are for the use of Retail Unit 3 to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Retail 3 Limited Common Elements include, without limitation, the terrace adjacent to Retail Unit 3 located on Floor 5 and as more particularly set forth on Exhibit "B" to this Declaration entitled "Description of Units."

7.12 The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-Laws.

7.13 Sponsor and each of the Non-Residential Unit Owners have the right to create additional categories of Common Elements from space located within their respective Units and to re-designate areas within their respective Common Elements as portions of Units or as portions of Limited Common Elements, subject, however, to the right of Sponsor to receive notice from the Community Facility Unit Owner of any such creation or re-designation with respect to the Community Facility Unit.

ARTICLE 8

DETERMINATION OF COMMON INTEREST AND RESIDENTIAL COMMON INTEREST

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

8.2 The percentage interest of all Residential Units in the Residential Common Elements is apportioned in the same proportion that the Residential Unit at the date of this Declaration bears to the then aggregate Common Interest of all of the Residential Units in the Condominium.

ARTICLE 9

USE OF UNITS AND STORAGE LOCKERS

9.1 As more particularly set forth in, and subject to the provisions of, the By-Laws, the Residential Units shall be used for residential purposes only (excluding "dormitory," "bed and breakfast," "Air B&B" or other transient hotel-type use). A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary or any other entity (including, but not limited to, the federal or state

government and any instrumentality thereof and foreign governments and any embassy, consulate, or other instrumentality thereof, may only be occupied (unless the Condominium Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder or employee of such corporation, or by an individual partner or employee of such partnership, or by such individual fiduciary (including directors, officers, stockholders or employees of corporate fiduciaries and partners or employees of partnership fiduciaries) or by an individual beneficiary of said fiduciary, or an individual principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing; however, the foregoing restrictions shall not apply to Unsold Residential Units. The Affordable Units shall be used only (i) for residential purposes as a primary residence and (ii) in accordance with the Affordable Housing Declaration.

Upon the prior written consent of Sponsor (with respect to Unsold Residential Units) or the Condominium Board (with respect to sold Residential Units), any Residential Unit may be used for any other lawful purposes, subject, however, to: (1) the terms and conditions of the then existing TCO or PCO for the Building and the By-Laws; (2) the Affordable Housing Declaration; and (3) applicable Law (including the provisions of RPL Section 421-a).

9.2 The Non-Residential Units may be used for any purpose permitted by Law other than the Prohibited Uses and in accordance with the Condominium Documents and the Acquisition Documents. At least 15,000 square feet of the Community Facility Unit shall be used as a community facility in perpetuity and as a cultural facility for a period of 20 years from November 25, 2015. The Non-Residential Units may not be used as a dormitory for a period of 10 years from November 25, 2015.

9.3 The Storage Lockers may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, Hazardous Substances or any flammable or explosive item, or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor shall have the right to use any unassigned Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Storage Locker, subject, however, to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

9.4 Notwithstanding the foregoing or anything contained in the By-Laws or the Residential Rules and Regulations to the contrary, Sponsor may, without the permission of the Condominium Board or the Unit Owners: (1) use or grant permission for the use of any Unsold Market Rate Unit as a professional or business office or for any other purpose, provided that the nature and manner of such use complies with Law and does not violate the then existing TCO or PCO; (2) use any Unsold Residential Units as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Residential Units or for any other purpose, subject only to compliance with Law; (3) use any Storage Locker for any purpose permitted by Law; and (4) lease any Unsold Residential Unit to third parties for either long term or short term stays (but not as a dormitory).

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of this Declaration, the By-Laws and the Residential Rules and Regulations, if applicable, Sponsor, the Unit Owners, Selling Agent, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the

reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

10.2 Subject to the terms of the By-Laws and the Residential Rules and Regulations, if applicable, Sponsor, the Residential Unit Owners, Selling Agent, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Residential Common Elements, and the Residential Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the Residential Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

10.3 Each Non-Residential Unit Owner and its Permitted Users shall have the right and easement (i) for ingress and egress through all Common Elements or elsewhere on the Property for the purpose of accessing such Non-Residential Unit or any portion of the Building servicing such Non-Residential Unit, and (ii) for the purpose of exiting the Building in the event of an emergency; and (iii) subject to the prior written approval of Sponsor, to erect, maintain, repair and replace, from time to time, one or more signs, of such size and content as the Non-Residential Unit Owner shall determine, in the storefronts (if any) and windows of such Non-Residential Unit and on the exterior façade of the Building immediately adjacent to the Non-Residential Unit for the purpose of advertising the sale or lease of all or any portion of such Non-Residential Unit and the operation of any business of a Permitted User of all or any portion of such Non-Residential Unit. Additionally, each Non-Residential Unit Owner and its Permitted Users shall each have an easement subject to the prior written approval of Sponsor, to use the sidewalks (if any) directly adjacent to such Non-Residential Unit for any purposes permitted by Law, including, without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalks (if any) directly adjacent thereto, provided the entrances to the Building are not materially impeded by such use. Each Non-Residential Unit Owner and its Permitted User, shall have the right, but not the obligation, at such Unit Owner's sole cost and expense, to alter, modify, and/or restore the exterior façade of the Building appurtenant to its Non-Residential Unit (including storefronts (if any) and windows of such Non-Residential Unit) and to install lighting on the exterior façade of the Building and to create additional means of egress and ingress, provided that such alterations, modifications, restorations, and installations are in compliance with Article 12.2 of this Declaration.

10.4 Each Residential Unit Owner whose Residential Unit has one or more appurtenant Residential Limited Common Elements shall have an exclusive easement for the use thereof. The Residential Units having the same are indicated on Exhibit B.

10.5 Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the General Common Elements and Residential Common Elements (including but not limited to, residential lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Residential Units including, without limitation, the right to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of tenant, or occupant of any Unit.

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-Laws and to the Residential Rules and Regulations, if applicable, each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property

which serve such Unit Owner's Unit, including an easement to connect to existing utilities, including without limitation, utilities for gas, electricity, steam and ventilation. Each Unit (including any Common Elements located therein) shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. All easements and rights of access described in this Section shall be exercised by the Condominium Board on behalf of all Unit Owners. The Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements contained therein and appurtenant thereto to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. Such easements and rights of access shall be exercised by the Condominium Board, the Non-Residential Unit Owners, and/or Sponsor, and each of their Permitted Users, as the case may be, to the extent practicable, in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building). Plans and specifications with respect to any such proposed work shall be submitted by the Unit Owner who has requested that the Condominium Board exercise any such easement or right of access, to the Unit Owner whose Unit is to be accessed and all work is to be prosecuted diligently to completion. Notwithstanding any other provision of this Declaration, the By-Laws or the Residential Rules and Regulations, if applicable, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.2 Sponsor, for so long as it shall own any Unsold Residential Unit, any Non-Residential Unit Owner with respect to a Non-Residential Unit and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor, the Non-Residential Unit Owner or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the Unit Owners and their Permitted Users, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business carried on within the Non-Residential Unit or with the use of the Residential Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not interfere with the normal conduct of business or with the use of the Units for their permitted purposes unless required by Law. Notwithstanding any other provision of this Declaration, the By-Laws or the Residential Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected. In addition, Sponsor reserves the right to install additional fireplace flues and mechanical equipment on the roof of the Building.

11.3 Sponsor and its Permitted Users for so long as Sponsor shall own any Unsold Residential Unit, shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Unsold Residential Units and the Common Elements.

11.4 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

11.5 Sponsor, the Non-Residential Unit Owners, and each of their Permitted Users, shall have a right and easement (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding Terraces appurtenant to Residential Units) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the exterior façade of the Building (in the area immediately adjacent to the Non-Residential Unit with respect to the Non-Residential Unit) for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit. Sponsor reserves onto itself and the Non-Residential Unit Owners and each of their Permitted Users, the right to install additional fireplace flues and mechanical equipment on the roof of the Building. The exercise of the easement and these rights do not require the consent of the Condominium Board or the other Unit Owners and shall be without charge to Sponsor, the Non-Residential Unit Owners and their Permitted Users. Any obligations of Sponsor or a Non-Residential Unit Owner under any lease, license or other right of use granted by Sponsor or a Non-Residential Unit Owner with respect to the roof and/or the façade of the Building shall be the obligation of Sponsor or the Non-Residential Unit Owner, as the case may be, and not of the Condominium, and any rights of Sponsor or the Non-Residential Unit Owner, as the case may be, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right of Sponsor or the Non-Residential Unit Owner, as the case may be, and not of the Condominium or any other Unit Owner or Permitted User. In connection with such easement and related rights, Sponsor, Non-Residential Unit Owners and each of their Permitted Users shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall each be subject to such easement.

11.6 Sponsor and any Development Rights Owner shall have an easement for ingress and egress through all of the Common Elements for any purpose in connection with Sponsor's or Development Rights Owner's utilization, sale or transfer of any Excess Development Rights, including, without limitation, (i) effecting a zoning lot merger or division; or (ii) creating a Combined Zoning Lot or any enlargement or subdivision thereof; or (iii) effecting a sale or transfer of Excess Development Rights in any manner permitted by Law.

11.7 Subject to the terms of the By-Laws, each Non-Residential Unit Owner and its Permitted Users shall have an easement to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or facilities forming a part of or relating to the Non-Residential Unit in, over, under, through or upon the Common Elements or elsewhere on the Property; provided that access to the Common Elements or other portions of the Property in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Common Elements and such other portions of the Property for their permitted purposes.

11.8 The Condominium and Building shall be designated and known as the 242 Broome Street Condominium. Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Building and any intellectual property relating thereto, including without limitation, any logos, marks, websites, trademarks, copyrights or names relating to or referring to the name of the Condominium or the Building, unless otherwise prohibited by Law. Only Sponsor shall have the right to change or assign the name of the Condominium. In addition, Sponsor shall have the right to utilize other names for the Building or portions thereof for marketing and promotional purposes without the consent of the Condominium Board or the Unit Owners. Sponsor shall have an exclusive easement for so long as the Condominium shall remain in existence to erect, maintain, repair and replace, from time to time, a plaque and/or sign ("Plaque"), without charge, on the exterior portion of the Building setting forth the name

and address of Sponsor, or such other information as Sponsor desires in its sole discretion. Only Sponsor shall the right to remove the Plaque, unless mandated by Law.

11.9 If (a) any portion of the Common Elements encroaches upon any Unit or upon any other portion of the Common Elements, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachment shall hereafter occur as a result of (i) the settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Sponsor in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

11.10 The Retail Unit 3 Owner and its Permitted Users shall have a perpetual easement in and through the Community Facility Unit as reflected on the Tax Lot Drawings.

11.11 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with the City of New York or with any utility companies or other Persons in effect prior to the recording of this Declaration.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD RESIDENTIAL UNITS AND NON-RESIDENTIAL UNITS

12.1 Except to the extent prohibited by Law and subject to the terms of the Acquisition Documents and the Affordable Housing Declaration, Sponsor shall have the right, without the vote or consent or approval of the Condominium Board, other Unit Owners, Selling Agent, the Managing Agent or the Mortgage Representatives, if any, to:

(a) make alterations, additions, improvements, or repairs, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Residential Units and their appurtenant Residential Limited Common Elements, if any;

(b) change the layout of, or number of rooms in, any Unsold Residential Units;

(c) amend the Certificate of Occupancy for the Building as it relates to the Unsold Residential Units;

(d) change the size and/or number of Unsold Residential Units by (w) subdividing one or more Unsold Residential Units into two or more separate Residential Units, (x) combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Residential Units, (y) altering the boundary walls between any Unsold Residential Units, or (z) otherwise, including incorporating Residential Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Residential Unit) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit without changing the percentage of Common Interest of such Unit; and

(e) if appropriate, reapportion among the Unsold Residential Units affected by such change in size or number pursuant to the preceding clauses their Residential Common Interest and Residential Common Interest;

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Residential Unit:

(i) no physical modifications shall be made to any other Unit and the Common Interest and Residential Common Interest (other than Unsold Residential Units), as the case may be, or interior dimensions of any other Units (other than Unsold Residential Units) shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(ii) Sponsor shall comply with Law;

(iii) Sponsor shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(iv) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Notwithstanding the foregoing, however, the aggregate amounts of both the Common Interest of all the Units and the Residential Common Interest of all Residential Units shall always remain at 100%, and no reapportionment of the Common Interest or Residential Common Interest appurtenant to any Unit, as the case may be, shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest and, if applicable, Residential Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by Sponsor or any other Person reasonably acceptable to the Condominium Board. By written permission of the Condominium Board, which permission shall not be unreasonably withheld or delayed, any other Residential Unit Owner may be given with respect to such Residential Unit the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Residential Units. Notwithstanding the other provisions of this Article, no reapportionment of the Common Interest appurtenant to any Residential Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Residential Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by the Residential Unit Owner or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written consent of Sponsor.

12.2 Except to the extent prohibited by Law and subject to the terms of the Acquisition Documents and compliance with the Declaration and By-Laws, the Non-Residential Unit Owners and their respective Permitted Users shall have the right, without the consent or approval of Sponsor, the Condominium Board, the other Unit Owners, Selling Agent, the Managing Agent, or the Mortgage Representatives, if any, to:

(a) make alterations, additions, improvements, installations, modifications, or repairs, whether structural or non-structural, ordinary or extraordinary, in or to the interior portions of the Non-Residential Units (including, without limitation, to the storefronts (if any) and windows in such Non-Residential Unit) and to the façade of the Building immediately adjacent to the Non-Residential Unit;

(b) change the use or layout of, or number of rooms in the Non-Residential Unit;

(c) amend the Certificate of Occupancy for the Building as it relates to the Non-Residential Unit;

(d) change the size of the Non-Residential Unit by (w) subdividing the Non-Residential Unit into 2 or more separate Units, (x) combining 2 or more separate Units resulting from such

subdivision into 1 or more Units, (y) altering the boundary walls of 2 or more separate Units resulting from such subdivision or combination, or (z) otherwise; and

(e) if appropriate, reapportion among the Units affected by such change in size or number pursuant to the preceding clauses their respective Common Interest.

provided, however, that, with respect to any such alteration, addition, improvement, installation, modification, or repair in, to, of, or upon the Unit:

(i) no physical modification or modification to the use shall be made to any other Unit, and the Common Interest and Residential Common Interest, as the case may be, or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(ii) the Non-Residential Unit Owner and its Permitted Users shall comply with Law;

(iii) the Non-Residential Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom;

(iv) such alteration, addition, improvement, installation, modification, or repair shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property;

(v) with respect to exterior signage and lighting installations, the installations shall comply with any and all signage restrictions and signage elevations and drawings as may be approved by the Condominium Board from time-to-time; and

(vi) with respect to the Community Facility Unit (a) the loading berth B located on the 1st Floor shall at all times remain a legally compliant loading berth; and (b) that portion of the Community Facility Unit comprising the catering facility/event space ("Event Space") shall not be structurally or physically modified without the prior consent of Sponsor and (c) the Community Facility Unit Owner shall not undertake any such alterations, additions, improvements, or repairs which will adversely affect the Event Space.

In the event of the subdivision of a Non-Residential Unit into separate Non-Residential Units, the owner of each such newly created Non-Residential Units shall have all the rights, privileges and benefits, and shall be subject to all the obligations of the original Non-Residential Unit Owner, as provided in this Declaration, the By-Laws and the Residential Rules and Regulations; provided, however, that the owners of such newly created Non-Residential Units shall collectively continue to be entitled to designate 1 Member to the Condominium Board, if applicable.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interest of all the Units and the Residential Common Interest of all Residential Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to the Non-Residential Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered, at the Non-Residential Unit Owner's election, by the Non-Residential Unit Owner, Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written consent of the Non-Residential Unit Owners.

ARTICLE 13

ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD

If (a) any Residential Unit Owner surrenders the Residential Unit, together with its Appurtenant Interest to the Condominium Board pursuant to the terms of the By-Laws or Section 339-x of the Condominium Act, or (b) the Condominium Board, pursuant to the By-Laws or otherwise, either acquires or leases a Unit, together with its Appurtenant Interest, or purchases a Unit, together with its Appurtenant Interest, at a foreclosure or other similar sale, then, in any such event, title to any such Unit and such Appurtenant Interest shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interest. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interest.

ARTICLE 14

POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD

14.1 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, Sponsor, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents; and

(b) effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in this Declaration.

14.2 Each Residential Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Residential Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Residential Unit Owners for the reduction of the assessed valuation of their Residential Units, such Residential Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Residential Unit, together with its Appurtenant Interest whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Residential Unit, together with its Appurtenant Interest that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Residential Unit so acquired or to sublease any Residential Unit so leased; and

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any

Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Residential Units.

14.3 In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Power of Attorney, substantially in the form set forth as Exhibit E to this Declaration.

ARTICLE 15

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as the Property is withdrawn from the provisions of the Condominium Act is authorized by a unanimous vote of the Non-Residential Unit Owners and 80% in number and in Residential Common Interest of all Residential Unit Owners. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld or delayed) of the Permitted Mortgagees representing at least 51% percent of the Common Interest of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. In the event the withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interest; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

16.1 Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a Member or officer of the Condominium Board or a Permitted User of either or otherwise, shall, upon prior reasonable written request at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

16.2 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, either (i) to execute, acknowledge or deliver any instrument, which the Condominium Board, Unit Owner or other Person it is required to execute, acknowledge and deliver; or (ii) pursuant to this Declaration, to take any action which it is required to take; and fails to do so or to deliver a written notice to the Person requesting such execution, acknowledgement, delivery or action stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board or other Person is hereby authorized as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or

other Person and such document or action shall be binding on such Unit Owner, Condominium Board or other Person.

16.3 If any Unit Owner, Member or officer of the Condominium Board or other Person that is subject to the terms of this Declaration fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Member or officer of the Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to this Declaration at the request of Sponsor or a Non-Residential Unit Owner, or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights as the case may be, then Sponsor, or the Non-Residential Unit Owner or a Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Member or officer of the Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in this Declaration which requires the consent or approval of the Condominium Board.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and the Residential Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Residential Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Residential Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this

Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to Section 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

EXCESS DEVELOPMENT RIGHTS

18.1 Any Excess Development Rights shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of Sponsor or other Development Rights Owner. Neither the Condominium Board nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights.

18.2 In connection with its utilization of Excess Development Rights, Sponsor or Development Rights Owner, among other rights, may cause the Property to be divided into two or more parcels which collectively are referred to as the "Combined Zoning Lot."

18.3 Each Unit Owner by accepting a deed or otherwise succeeding to title to a Unit, and the Condominium Board, shall be deemed to have consented to and agreed that, if Sponsor or a Development Rights Owner seeks to enlarge the Combined Zoning Lot by adding other parcels of real property ("Additional Parcels") so as to create an enlarged Combined Zoning Lot, or seeks to utilize or transfer Excess Development Rights for the purposes and in accordance with the provisions of the Zoning Resolution or other applicable Law, the Condominium Board and the Unit Owner have (i) waived the right to execute any declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air or other document or instrument and the right to appear in opposition before any community board or governmental or quasi-governmental authority to oppose in any manner the utilization, sale or transfer of Excess Development Rights or the establishment of the Combined Zoning Lot or any enlargement, division or proposed use thereof; and (ii) consented as a party in interest, to any declaration or other agreement utilizing the Excess Development Rights in any manner, including by effecting a transfer of Excess Development Rights or a merger or division of any of the parcels comprising the Combined Zoning Lot with any other tax lots in order to form a single zoning lot for the purpose of transferring all or any portion of the Excess Development Rights from Sponsor or a Development Rights Owner.

18.4 Notwithstanding the provisions of the immediately preceding paragraph, each Unit Owner by accepting a deed or otherwise succeeding to title to a Unit, and the Condominium Board, shall be deemed to have granted to Sponsor and any Development Rights Owner an irrevocable power of attorney coupled with an interest, to execute, acknowledge and deliver any such declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air, or other document or instrument necessary or expedient to carry out the exercise of any rights, reserved, retained or granted to Sponsor or Development Rights Owner. Alternatively, upon demand of Sponsor or a Development Rights Owner, each Unit Owner and the Condominium Board shall execute any declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air, or other document or instrument requested by Sponsor or Development

Rights Owner in order that (i) Sponsor or Development Rights Owner may effectively utilize, sell or otherwise transfer Excess Development Rights to any Person designated by Sponsor or Development Rights Owner, and (ii) such Person may effectively utilize such Excess Development Rights.

18.5 Notwithstanding the foregoing, neither Sponsor nor any Development Rights Owner may utilize Excess Development Rights to increase the size, height, bulk or density of any portion of the Property.

18.6 All rights and obligations of Sponsor set forth in this Declaration with respect to the Excess Development Rights shall apply equally to any Development Rights Owner.

ARTICLE 19

AMENDMENTS TO THIS DECLARATION

19.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or a Non-Residential Unit Owner or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, any provision of this Declaration affecting (i) the General Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners and (ii) the Residential Common Elements or all Residential Unit Owners may be added to, amended, modified or deleted by affirmative vote of at least 66 2/3% in number and Residential Common Interest of all Residential Unit Owners (including at least 66 2/3% in number and Residential Common Interest of all Affordable Units Owners), taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor, the Non-Residential Unit Owner and/or the Mortgage Representatives (as defined in the By-Laws), or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, no amendment, modification, addition or deletion of the Declaration or By-Laws shall be effective without the written consent of Sponsor, the affected Non-Residential Unit Owner, and/or the Mortgage Representatives, if any, as the case may be. No such amendment, modification, addition or deletion shall be effective until recorded in the Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor, the Non-Residential Unit Owners, and/or the Mortgage Representatives or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, any such amendment, modification, addition or deletion shall be executed by either the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, and the Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Subject to the rights of Sponsor, the Non-Residential Unit Owners and Mortgage Representatives, set forth herein, this Section 19.1 of the Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in the manner set forth above.

19.2 Sponsor and a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at Sponsor's or a Development Rights Owner's sole option, to require the Condominium Board or any other Unit Owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration, the By-Laws, the Residential Rules and Regulations and the Tax Lot Drawings of the Condominium as Sponsor or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Residential Units and/or the reapportionment of the Common Interest of the affected Unsold Residential Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a loan secured by a mortgage on any Unsold Residential Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unsold Residential Unit; or

(iii) to correct any inconsistencies or scrivener's errors in the Declaration, the By-Laws and/or Tax Lot Drawings; or

(iv) with respect to Excess Development Rights, to effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of any Excess Development Rights in any manner permitted by Law, provided that no such amendment shall enable Sponsor or Development Rights Owner to utilize Excess Development Rights to increase the size, height, bulk, configuration and/or density of the Property; or

(v) to relinquish any rights granted to Sponsor hereunder.

Provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this Section shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, or (2) require a material, physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in (1) or (2) of this Section) or the holder of such mortgage (in the event described in (3) of this Section) shall consent thereto by joining in the execution of such amendment.

19.3 Each Non-Residential Unit Owner shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record in the Register's Office or elsewhere, if required by Law, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), together with such documents, plans and maps as the Non-Residential Unit Owner deems appropriate to effectuate the same:

(i) to reflect any changes in the Non-Residential Unit and/or the reapportionment of the Common Interest of the affected Non-Residential Unit resulting therefrom made by the Non-Residential Unit Owner in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by the Non-Residential Unit Owner to make a loan secured by a mortgage on the Non-Residential Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by the Non-Residential Unit Owner to insure title to any Non-Residential Unit, as such requirements relate solely to the Non-Residential Unit; or

(iii) to correct any inconsistencies or scrivener's errors in the Declaration, By-Laws and/or Tax Lot Drawings.

(iv) to reflect any changes that solely affect the Non-Residential Unit and do not materially and adversely affect the Residential Units and/or the Residential Unit Owners; provided, however, that any such amendment shall not (1) change the Common Interest or Residential Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in subparagraph (1) or (2) of this

Section) or the holder of such mortgage (in the event described in subparagraph (3) of this Section) shall consent thereto by joining in the execution of such amendment.

19.4 Any amendment to this Declaration may be executed; (i) if on behalf of Sponsor or a Development Rights Owner pursuant to the terms of Section 19.2 hereof, by Sponsor or a Development Rights Owner, (ii) if on behalf of a Non-Residential Unit Owner pursuant to the terms of Section 19.3 hereof, by the Non-Residential Unit Owner, or (iii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

19.5 Notwithstanding anything contained in the Condominium Documents to the contrary, if any Residential Unit Owner, with the prior written approval of the Condominium Board changes the size and/or number of Residential Units owned by such Residential Unit Owner by either (i) subdividing a Residential Unit(s) into two or more separate Residential Units, (x) combining a Residential Unit into one or more Residential Units, (y) altering the boundary walls between any adjacent Residential Units owned by such Residential Unit Owner, or (z) otherwise, including incorporating Residential Common Elements (such as a portion of a hallway used exclusively by the owner of such Residential Unit) which exclusively benefit a Residential Unit into such Residential Unit, then the Condominium Board on behalf of such Residential Unit Owner and at the Residential Unit Owner's sole cost and expense, shall have the right to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration and other documents which are necessary or appropriate to reflect the changes made by the Residential Unit Owner, all without the approval of the other Unit Owners, provided, however, that any such amendment shall not (1) change the Common Interest or Residential Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender, unless the owner of such affected Unit (in the event described in (1) or (2)) or the holder of such mortgage (in the event described in (3)) shall consent thereto by joining in the execution of such amendment.

19.6 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be effective in any respect against Sponsor or a Non-Residential Unit Owner or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights if the same would: (i) unreasonably interfere with the sale, lease, or other disposition of any Unit owned by either of them, or of Excess Development Rights, as the case may be; (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor or a Non-Residential Unit Owner or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights unless Sponsor or the affected Non-Residential Unit Owner or the Development Rights Owner shall consent to such amendment in writing; (iii) adversely affect the use of a Non-Residential Unit and/or the rights of a Non-Residential Unit Owner; or (iv) impose any discriminatory charge or fee against Sponsor or a Non-Residential Unit Owner or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, unless Sponsor or the Non-Residential Unit Owner or the Development Rights Owner shall consent to such amendment in writing.

19.7 The provisions of this Article may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor and/or the Non-Residential Unit Owner if and to the extent the same relate to Sponsor or the affected Non-Residential Unit Owner.

19.8 No amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of 51% of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any. If the Permitted Mortgagees or Mortgage Representatives fail to respond within 60 days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

19.10 No amendment to the Condominium Documents which alters the rights and obligations of Affordable Unit Owners as set forth herein or in the Affordable Unit Requirements shall be effective without the prior written consent of HPD.

ARTICLE 20

CONSENTS BY SPONSOR

When the consent, approval, satisfaction, or permission of Sponsor is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when (i) Sponsor no longer owns any Units; (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan and (iii) a PCO has been issued for the Property.

ARTICLE 21

COMMERCIAL LEASES

21.1 The Non-Residential Unit Owners have the right to enter into non-residential leases for all or any portion of the Non-Residential Units (as same may be modified, amended, supplemented or restated from time to time, such leases are hereinafter referred to as the "Commercial Leases"). All Commercial Leases shall be subject and subordinate to the terms and conditions of the Condominium Documents and the Acquisition Documents. A Non-Residential Unit Owner may provide in any Commercial Lease entered into by it for all or a portion of its Non-Residential Unit, any and all of the rights the Non-Residential Unit Owner has under this Declaration and the By-Laws, provided in no event shall a tenant under a Commercial Lease be entitled to exercise any voting rights of a Non-Residential Unit Owner under the Condominium Documents or to designate any Condominium Board members or officers of the Condominium or exercise any power of attorney granted to a Non-Residential Unit Owner hereunder or to execute any applications, instruments or documents or other agreements on behalf or in lieu of a Non-Residential Unit Owner. The Non-Residential Unit Owner granting a tenant under a Commercial Lease any of its rights under this Declaration or the By-Laws shall indemnify, defend, and hold harmless the Condominium Board and the other Unit Owners from all claims arising out of the granting or exercise of such rights by any of its tenants under a Commercial Lease. The foregoing indemnification shall not affect any legal or equitable obligations the tenant under a Commercial Lease has to the indemnifying Unit Owner in regard to any such claims.

21.2 Notwithstanding anything to the contrary set forth herein: (i) with respect to the rights of tenants under Commercial Leases granted hereunder, in the event of a conflict between the rights granted to more than one such tenant, the rights of the tenant to which such conflicting rights were first granted shall govern and (ii) in the event of any inconsistency between the provisions of this Article and any other provisions of the Condominium Documents, the provisions of this Article shall govern.

21.3 The Condominium Board will provide an Estoppel Certificate and/or a Non-Disturbance Agreement to Qualified Tenants substantially in the form attached hereto as Exhibit F, upon written request of a Qualified Tenant under a Qualified Lease provided such Qualified Tenant complies with the requirements set forth in the Declaration.

ARTICLE 22

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York, is hereby designated to receive service of process in any action which may be brought against the Condominium.

ARTICLE 23

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; (vi) the Tax Lot Drawings and (vii) the Offering Plan are, by this reference, each incorporated herein and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 24

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 25

SEVERABILITY

Subject to the provisions of Section 17.2 and 17.3 of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provisions of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 26

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor and each Non-Residential Unit Owner as set forth in this Declaration and the By-Laws shall inure to the benefit of and be binding upon any successor or assignee or designee of Sponsor and of each Non-Residential Unit Owner. Sponsor and each Non-Residential Unit Owner shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their interest therein, whether by merger, consolidation, lease, assignment, or otherwise.

ARTICLE 27

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 28

CERTAIN REFERENCES

26.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

26.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

26.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 39

GENERAL

Except as required by Law, neither Sponsor nor any of its principals shall be subject to any of the restrictions and/or prohibitions with regard to the Units, the Common Elements and/or Storage Lockers set forth in this Declaration or the By-Laws annexed hereto.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of _____, _____.

* * * * *

SPONSOR:

SITE 1 DSA OWNER LLC

By: _____
Name: Charles Bendit
Title: Authorized Signatory

(ACKNOWLEDGEMENTS)

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A TO THE DECLARATION

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

EXHIBIT B

TO THE DECLARATION

DESCRIPTION OF THE UNITS

242 BROOME STREET CONDOMINIUM
242 BROOME STREET
NEW YORK, NEW YORK 10002

[To be completed prior to Recording of the Declaration.]

UNIT	NUMBER OF BEDROOMS/ BATHS	APPROXIMATE TOTAL SQ. FT. UNIT	APPROXIMATE TOTAL SQ. FT. TERRACE	BLOCK 409 TAX LOT NO.	PERCENTAGE OF COMMON INTEREST	FLOOR NO.	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS

409

EXHIBIT C

DEFINITIONS

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

"110% of AMI" shall mean 220% of the income levels as modified by Household size for the New York metropolitan statistical area for 50% of median income families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2)of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"130% of AMI" shall mean 260% of the income levels as modified by Household size for the New York metropolitan statistical area for 50% of median income families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2) of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"Acquisition Documents" shall mean those certain agreements and exhibits thereto pertaining to the acquisition of the Property including: the Contract of Sale dated September 17, 2013 as amended; a Land Disposition Agreement dated November 25, 2015 between the City of New York, acting through HPD and EDC; a Deed between EDC and Sponsor dated November 25, 2015; a Deed between the City of New York, acting through HPD, and EDC dated November 25, 2015; the Operating Agreement dated November 25, 2015 between EDC and Sponsor; and the Declaration of Large-Scale General Development made by the City of New York, acting through HPD, dated March 5, 2015.

"Administering Agent" shall mean the entity responsible for ensuring that each Affordable Unit is owned and occupied in compliance with the Affordable Housing Declaration at Initial Sale and upon each Resale thereof, in accordance with the agreement between the Administering Agent and HPD.

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

"Affordable Housing Declaration" shall mean the Declaration of Affordable Housing Restrictive Covenants by Sponsor to be entered into and recorded prior to the first sale of any Affordable Unit by Sponsor, and as amended thereafter, which requires Sponsor, the Condominium Board and the Unit Owners to abide by certain terms, restrictions and conditions and which runs with the land in perpetuity.

"Affordable Unit" shall mean any one of the eleven (11) Residential Units referenced in Exhibit B to the Declaration together with its Common Interest which are being offered to Eligible Buyers whose income is no greater than 130% of AMI, pursuant to the Affordable Unit Requirements. All such Affordable Units are, collectively, referred to as the "Affordable Units." Affordable Units shall be affordable in perpetuity and marketed and sold to Eligible Buyers.

"Affordable Unit Owner" shall mean any owner of an Affordable Unit. All such Affordable Unit Owners are, collectively, referred to as the "Affordable Unit Owners."

"Affordable Unit Requirements" shall mean the requirements with respect to affordability and owner occupancy of the Affordable Units pursuant to the Affordable Housing Declaration.

"Annual Income" shall mean the anticipated total income from all sources to be received by the Household head and spouse and by each additional member of the Household, including all net income derived from assets, for the 12 month period following the date of initial determination of income. The definition and descriptions of income set forth in HUD regulations contained in 24 CFR 5.609 or any successor regulations shall apply for purposes of determining Annual Income.

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

"Area Median Income" or "AMI" shall mean the area median income for the New York metropolitan statistical area as determined by the United States Department of Housing and Urban Development from time to time for a family of four, as adjusted for family size.

"Building" shall mean the building located at 242 Broome Street, New York, NY 10002.

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

"Bulk Sales" shall mean the transfer of 10 or more Market Rate Units or 20% of the total number of Market Rate Units in the Condominium, whichever is less.

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

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

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

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

"Common Elements" shall mean the Property, other than the Units, being comprised of General Common Elements, Residential Common Elements, Non-Residential Common Elements, Residential Limited Common Elements, Retail 3/Community Facility Common Elements, Retail 3/Retail 4 Common Elements, Retail 1/Retail 3/Retail 4/ Residential Common Elements, Retail 1/Retail 2/Retail 4/ Residential Common Elements, Retail 3/Retail 4/Community Facility Common Elements and Retail 3 Limited Common Elements.

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

Condominium. Common Expenses shall be either General Common Expenses attributable to all Unit Owners, Residential Common Expenses attributable to Residential Unit Owners only.

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

Community Facility Unit" shall mean the Community Facility Unit designated in the Declaration together with its Common Interest.

"Community Facility Unit Owner" shall mean the owner of the Community Facility Unit at the time in question.

"Condominium" shall mean the 242 Broome Street Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

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

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

"Condominium Documents" shall mean the Declaration, the By-Laws, the Residential Rules and Regulations and the Tax Lot Drawings.

"Declarant" shall mean Site 1 DSA Owner LLC and its designees, successors and assigns.

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

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

"Deposit" shall mean all deposits, advances and payments made by Purchasers prior to the Closing of a Unit.

"Development Rights Owner" shall mean Sponsor or any Person which acquires all or any portion of the Excess Development Rights from Sponsor.

"Downpayment" shall mean with respect to Affordable Units specifically, the payment in an amount of 10% of the Initial Price or Resale Price that is not secured by any form of debt, made on or before the Sale Date by the Eligible Buyer approved by the Administering Agent to purchase an Affordable Unit.

"EDC" shall mean the New York City Economic Development Corporation.

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

"Eligible Buyer" shall mean a Household that qualifies to buy a specific Affordable Unit. Such a Household shall, except in the case of Succession, (1) have at the time of application for an Initial Sale or for a Resale, an Annual Income no greater than 130% of AMI, (2) have cash or equivalent assets that are at least equal to the required Downpayment for such Affordable Unit, (3) comply with the Owner Occupancy Requirements, and (4) meet such additional eligibility required as specified in the Affordable Housing Declaration. In the case of Succession, a Household must (1) at the time of application, have an

Annual Income no greater than 130% of AMI, and (2) meet such additional eligibility requirement as are specified in the Affordable Housing Declaration.

"Enforcement Mortgage" shall mean with respect to Affordable Units, the Substitute Enforcement Mortgage securing the indebtedness of the Affordable Unit Owner to HPD, in the principal amount of $100,000, executed and delivered upon the Initial Sale and assumed by subsequent Eligible Buyers on all subsequent Resales until the maturity of the Enforcement Mortgage which shall be 60 years after the first closing of an Affordable Unit.

"Enforcement Note" shall mean with respect to Affordable Units, the Substitute Enforcement Note of the Affordable Unit Owner to HPD, in the principal amount of $100,000, executed and delivered upon the Initial Sale and assumed by subsequent Eligible Buyers on all subsequent Resales until the maturity of the Enforcement Note which shall be 60 years after the first closing of an Affordable Unit.

"Equal or Better Quality" shall mean comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

"Excess Development Rights" shall mean certain rights, as determined by the Zoning Resolution of the City of New York ("Zoning Resolution"), that are available as of the date of the Declaration or may become available thereafter by any means, and are appurtenant to a zoning lot, whereby (a) contiguous tax lots may be merged into a single zoning lot ("Combined Zoning Lot") and the Combined Zoning Lot or a portion thereof may be developed by erecting thereon one or more structures with (i) "floor area" (as such term is defined in the Zoning Resolution); (ii) any bulk and density development rights permitted under the Zoning Resolution, (iii) any so-called bonus redevelopment rights hereafter appurtenant to the Property; or (b) excess "floor area" not utilized by the Building as of the date of the Declaration may be utilized on the zoning lot or transferred to other zoning lots as permitted by the Zoning Resolution.

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

"Family Members" shall mean the spouse, domestic partner, their children, stepchildren, grandchildren, siblings, step siblings, aunts, uncles, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Residential Unit Owner who reside in such Residential Unit Owner's Residential Unit, or with respect to Affordable Units, the term shall have the meaning set forth in 9 NYCRR §2520.6.

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

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

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

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

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

"Floor Plans" shall mean the floor plans depicting the layout of the Units that are set forth in Part II of the Plan.

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

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

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

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

"HDC" shall mean the New York City Housing Development Corporation or any successive agency thereto.

"HPD" shall mean the New York City Department of Housing Preservation and Development or any successor agency thereto.

"HPD Reserve Account" shall mean the account in which the HPD Reserve Funds are deposited and maintained in accordance with the HPD Reserve Agreement.

"HPD Reserve Agreement" shall mean that certain agreement between HPD, HDC and Sponsor which governs the maintenance and operation of the HPD Reserve Funds.

"HPD Reserve Funds" shall mean the $116,800 funded by Sponsor into the HPD Reserve Account to be utilized in accordance with the terms of the HPD Reserve Agreement.

"Hazardous Substances" 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 Substances shall not include any customary cleaning solutions as long as same are stored and used as required by Law.

"Homeowner" shall mean, with respect to Affordable Units, a person (or persons) who own an Affordable Unit and occupies such Affordable Unit in accordance with the Owner Occupancy Requirements of the Affordable Housing Declaration.

"Household" shall mean, prior to Initial Occupancy, collectively, all the persons intending to occupy an Affordable Unit as a Homeowner, and upon Initial Occupancy, collectively, all the persons occupying a particular Affordable Unit as a Homeowner.

"Initial Occupancy" shall mean the first date upon which a particular Household occupies a particular Affordable Unit as a Homeowner.

"Initial Price" shall mean the price at which an Affordable Unit may be offered for sale for the first time, in compliance with the Affordable Housing Declaration and as set forth on Schedule A.

"Initial Sale" shall mean the first transfer by Sponsor of title to an Affordable Unit to an Eligible Buyer.

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

"Institutional Mortgage" shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either Sponsor or an Institutional Lender.

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

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Department of Finance of The City of New York as Block 409, Lot 56 and more particularly described in Exhibit A to the Declaration.

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

"Limited Common Elements" shall mean the Residential Limited Common Elements and the Retail 3 Limited Common Elements.

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

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

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

"Market Rate Unit" shall mean any one of the forty-four (44) Residential Units referenced in Exhibit B to the Declaration together with its Common Interest which are being offered to Purchasers. All such Market Rate Units are, collectively, referred to as the "Market Rate Units."

"Market Rate Unit Owner" shall mean any owner of a Market Rate Unit. All such Market Rate Unit Owners are, collectively, referred to as the "Market Rate Unit Owners."

"Monthly Fees" shall mean with respect to the Affordable Units, any payments, including without limitation, Common Charges, Special Assessments, charged to a Homeowner by the Condominium Board to provide for reimbursement of the applicable Affordable Unit's share of the expenses of the Condominium, taking into account increases thereof that have been approved but not yet taken effect.

"Monthly Housing Costs" shall mean with respect to the Affordable Units, the sum of the Monthly Fees, the Mortgage Payment, and the real estate taxes for which a Homeowner is liable.

"Mortgage" shall mean with respect to the Affordable Units, a mortgage loan that has been approved by the Administering Agent and that has a fixed rate of interest, an initial term of at least 30 years, and is an initial principal amount not exceeding 90% of the sale (or resale) price of such Affordable Unit.

"Mortgage Payment" shall mean any monthly repayment of principal and interest on a Mortgage.

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

"Non-Residential Common Elements" shall mean those portions of the Common Elements either existing for the common use of the Non-Residential Units or the Non-Residential Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Non-Residential Units, as more particularly described in the Declaration and the Tax Lot Drawings.

"Non-Residential Unit" shall mean Retail Unit 1, Retail Unit 2, Retail Unit 3, Retail Unit 4 or the Community Facility Unit designated as such in the Declaration together with their respective Common Interest. All such Non-Residential Units are, collectively, referred to as the "Non-Residential Units."

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

"Owner Occupancy Requirements" shall mean the requirement of each Eligible Buyer of an Affordable Unit, at Initial Sale and so long as it is the Homeowner of an Affordable Unit, that, among other things set forth in further detail in the Affordable Housing Declaration, it shall: (1) continuously occupy its Affordable Unit as the Homeowner's sole primary residence; (2) reside and sleep in such Affordable Unit not less than 270 days per year (unless on active military duty); (3) not lease the Affordable Unit except as authorized pursuant to the Affordable Housing Declaration or permit the Affordable Unit to be used for transient occupancy and/or by any person who is not an Eligible Buyer; (4) identify the Affordable Unit as the homeowner's sole address/residence on any returns, or other document or application; (5) not own, acquire or lease any other residential property in or within 100 miles of New York City and promptly dispose of any acquired through inheritance; and (6) at closing of title to an Affordable Unit and annually thereafter, annually complete and submit to the Administering Agent an Owner Occupancy Certifications as set forth as an Exhibit to the Affordable Housing Declaration.

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

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

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

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

"Permitted User" shall mean any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or a portion of the Common Elements, subject to the terms of the Condominium Documents, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

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

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

"Plans and Specifications" shall mean the plans and specifications for the construction of the Building which (to the extent required by Law) have been or will be filed with the Buildings Department and which may from time to time be amended in accordance with the provisions of the Plan.

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

"Prohibited Uses" shall mean: (A) any unlawful or illegal business, use or purpose; (B) any purpose or in any way in violation of the certificate of occupancy (temporary or permanent) issued for Unit (provided, that the Unit Owners shall not be prohibited from obtaining amendments to the certificate of occupancy (temporary or permanent) from time to time) or of any then applicable present or future applicable Law, ordinance, order, rule, regulation, code or other legal requirement; (C) the sale or use of illegal drugs; (D)

the sale, rental, offering, production or display of any pornographic, or "adult" materials or paraphernalia (including, without limitation, movies, videotapes, books or magazines), or making use of the same in any activities (provided that if the Non-Residential Unit is occupied by a high end spa and/or lingerie shop such as La Perla or Agent Provocateur, the sale of "adult" materials and/or paraphernalia shall not be considered a Prohibited Use) (materials shall be considered "adult" or "pornographic" for such purpose if the same are not available for the sale or rental to children under 18 years old because they explicitly deal with or depict human sexuality), (E) permitting or conducting the operation of a sex club or other pornographic or obscene purposes provided that such restrictions shall not apply to commercial businesses generally recognized as upstanding including, but not limited to, Hand & Stone, Massage Envy, (F) illegal gambling, (G) any so-called head shop or other similar establishment which stocks, displays, sells, rents or offers for sale or rent any drug-related merchandise or material commonly used or intended for use with or in consumption of any narcotic, dangerous drug or other controlled substance, including, without limitation, any hashish pipe, water pipe, bong, cilium, pipe screens, rolling papers, rolling devices, coke spoons or roach clips, (H) automotive parts, lube and oil or repair shop or gas station, (I) check cashing store (except as is typical in connection with the operation of a financial services institution), (J) church, mosque, temple or other place of religious worship, (K) dumping, disposing, incinerating or reducing of garbage (exclusive of dumpsters for temporary storage of garbage and any garbage compactors, in each case which are routinely emptied so as to minimize offensive odors), (L) any establishment manufacturing, assembling, displaying or selling fireworks, guns, ammunition or explosives, (M) funeral home or mortuary, (N) any so-called gentleman's club featuring topless waitresses, nude dancing or private "one-on-one" booths or rooms, (O) illicit non-therapeutic massage parlor, (P) off-track betting parlor or other gambling facility, (Q) circus, carnival, amusement park, ice skating rink, roller skating rink, (R) pawn shop, (S) shooting gallery, (T) substance abuse rehabilitation or detoxification recovery center, or treatment center, welfare or mental health facility or a "half-way" house, homeless shelter, an abortion or family planning clinic, medical clinic, hospital or similar agency, whether public or private, which provides services to clients on the premises of the Unit, (U) a so-called "flea market" or an "Odd Job" or "Odd Lot" type discount store or as a so-called "99 cent store" or "dollar store" type discount store or as a "going out of business," (V) as an office, store, reading room, headquarters, center or other facility principally devoted or opposed to the promotion, advancement, representation, purpose or benefit of: (i) any political party, political movement or political candidate or (ii) any religion, religious group or religious denomination, (W) dry cleaning plant, central laundry or laundromat (but a drop-off dry cleaning store and/or an "organic" (non-chemical) process dry cleaner shall not be considered a Prohibited Use), (X) any business practicing satanic or cult ritualistic activities including so-called "devil worship," black magic or rites of passage involving self-mutilation or degradation, (Y) use by an International Organization unless such International Organization waives its sovereign or diplomatic immunity in conformity with the Declaration, (Z) use by employment agencies (except for executive placement firms, secretarial services placement firms, legal and other professional search firms and other private employment agencies), (AA) the operation of any legal services office or legal clinic, (BB) any industrial, manufacturing or warehouse use, (CC) use by any United States government, the City or State of New York, any foreign government, the United Nations or any agency or department of any of the foregoing for any purposes that are reasonably likely to create unusually high-volume usage and unusually high traffic patterns, such as a department of motor vehicles.

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

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

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

"Qualified Lease" shall mean a lease for a Non-Residential Unit for a term of not less than five (5) years and occupancy of at least 2,000 square feet.

"Qualified Tenant" shall mean a bona fide tenant of a Non-Residential Unit Owner under a Qualified Lease who is not an affiliate of such Non-Residential Unit Owner.

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

"Refinancing Profits" shall mean the amount by which the increased debt resulting from a new loan obtained by an Affordable Unit Owner, for which the Affordable Unit Owner has given a mortgage to the lender providing such new loan, exceeds the amount paid in purchasing the Affordable Unit.

"Resale" shall mean with respect to the Affordable Unit, any transfer of title to an Affordable Unit to an Eligible Buyer after the Initial Sale.

"Resale Price" shall mean the price at which an Affordable Unit may be offered for Resale pursuant to the Affordable Housing Declaration, calculated by the Administering Agent and approved by HPD, from time to time.

"Resale Profits" shall mean the amount by which the case and noncash consideration that the Affordable Unit Owner received for the Affordable Unit, including cash, real property, and personal property, on the transfer of the Affordable Unit exceeds the original case purchase price paid, in accordance with the Affordable Housing Declaration, less the reasonable costs incurred in purchasing and selling the Affordable Unit and approved as such, in each case, including reasonable attorney's fee and disbursements, reasonable brokerage fees, title search and title policy fees, reasonable lender processing fees, transfer and state taxes, usual and reasonable fees and expenses of financing and satisfying a residential condominium unit loan, including credit report fees, legal fees and points.

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

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

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

"Residential Limited Common Elements" shall mean those portions of the Property existing for the use and enjoyment of certain Residential Unit Owners to the exclusion of all other Unit Owners, as more particularly described in the Declaration and the Tax Lot Drawings.

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

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

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

"Retail Unit" shall mean Retail Unit 1, Retail Unit 2, Retail Unit 3 or Retail Unit 4 designated as such in the Declaration together with their respective Common Interest. All such Retail Units are, collectively, referred to as the "Retail Units."

"Retail Unit 1" shall mean the Non-Residential Unit designated as Retail Unit 1 in the Declaration together with its Common Interest.

"Retail Unit 1 Owner" shall mean any Unit Owner of Retail Unit 1 at the time in question.

"Retail 1/ Retail 3/Retail 4/Residential Common Elements" shall mean those portions of the Common Elements which are available for the common use by the Retail Unit 1 Owner, Retail Unit 3 Owner, Retail Unit 4 Owner and the Residential Unit Owners, as more particularly described in the Declaration and the Tax Lot Drawings.

"Retail 1/ Retail 2/Retail 4/Residential Common Elements" shall mean those portions of the Common Elements which are available for the common use by the Retail Unit 1 Owner, the Retail Unit 2 Owner, the Retail Unit 4 Owner and the Residential Unit Owners, as more particularly described in the Declaration and the Tax Lot Drawings.

"Retail Unit 2" shall mean the Non-Residential Unit designated as Retail Unit 2 in the Declaration together with its Common Interest.

"Retail Unit 2 Owner" shall mean any Unit Owner of Retail Unit 2 at the time in question.

"Retail Unit 3" shall mean the Non-Residential Unit designated as Retail Unit 3 in the Declaration together with its Common Interest.

"Retail Unit 3 Owner" shall mean any Unit Owner of Retail Unit 3 at the time in question.

"Retail 3 Limited Common Elements" shall mean those portions of the Property existing for the use and enjoyment of the Retail 3 Unit Owner to the exclusion of all other Unit Owners, as more particularly described in the Declaration and the Tax Lot Drawings.

"Retail 3/Retail 4 Common Elements" shall mean those portions of the Common Elements which are available for the common use by the Retail Unit 3 Owner and Retail Unit 4 Owner, as more particularly described in the Declaration and the Tax Lot Drawings.

"Retail 3/Retail 4/ Community Facility Common Elements" shall mean those portions of the Common Elements which are available for the common use by the Retail Unit 3 Owner, Retail Unit 4 Owner and the Community Facility Unit Owner, as more particularly described in the Declaration and the Tax Lot Drawings.

"Retail 3/Community Facility Common Elements" shall mean those portions of the Common Elements which are available for the common use by the Community Facility Unit Owner and the Retail Unit 3 Owner, as more particularly described in the Declaration and the Tax Lot Drawings.

"Retail Unit 4" shall mean the Non-Residential Unit designated as Retail Unit 4 in the Declaration together with its Common Interest.

"Retail Unit 4 Owner" shall mean any Unit Owner of Retail Unit 4 at the time in question.

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

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

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

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

"Selling Agent" shall mean the selling agent(s) (or Administering Agent) named in the Plan for the Affordable Units or the Market Rate Units or any successor Selling Agents at the time in question.

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

"Sponsor" shall mean Site 1 DSA Owner LLC and its designees, successors and assigns as well as any Person(s) designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"Sponsor Control Period" shall mean the period ending on the earlier to occur of: (i) the fifth anniversary of the First Closing; (ii) the Closing of Title to all Units (including the Non-Residential Units); or (iii) the date on which Sponsor otherwise exercises its right to relinquish voting control of the Condominium Board.

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

"Storage Locker Area" shall mean an area located on the 4th Floor of the Building containing the Storage Lockers. The Storage Locker Area is a Residential Common Element.

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

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

"Succession" shall mean with respect to the Affordable Units, a Resale from a Homeowner to a Family Member of such Homeowner.

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

"TCO" shall mean a temporary certificate of occupancy for the Building issued by the Buildings Department.

"Terrace" shall mean any terrace, balcony or garden which is appurtenant to a Residential Unit as a Residential Limited Common Element and shall include any pavers, decking and drains, hose bibs, electrical outlets, lighting and light fixtures, enclosures and dividers installed as part of the original construction of the Building. All such residential terraces, balconies or gardens are, collectively, referred to as the "Terraces." Terrace shall not include the terrace appurtenant to Retail Unit 3 on the 5th Floor, nor the residential common terrace on the roof above the 14th Floor.

"Title Company" shall mean First American Title Insurance Company, having an office at 666 Third Avenue, New York, New York 10017. Phone: (212) 922-9700, Fax: (212) 922-0881, or any successor Title Company at the time in question.

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

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

"Unit Upgrade Funds" shall mean all amounts expended by, or reimbursable to, Sponsor for upgrades or extras requested by Purchaser and agreed to in writing by Sponsor.

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

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

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

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

"Unsold Storage Locker Licensee" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

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

BY-LAWS OF THE CONDOMINIUM

EXHIBIT D

TO THE DECLARATION

BY-LAWS

OF
242 BROOME STREET CONDOMINIUM

Prepared by:

STARR ASSOCIATES LLP
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INDEX TO BY-LAWS

ARTICLE 1 GENERAL 1
Section 1.1 Purpose 1
Section 1.2 Definitions 1
Section 1.3 Applicability of By-Laws 1
Section 1.4 Application of By-Laws 1
Section 1.5 Principal Office of the Condominium 1

ARTICLE 2 CONDOMINIUM BOARD 1
Section 2.1 General 1
Section 2.2 Status of the Condominium Board 2
Section 2.3 Principal Office of the Condominium Board 2
Section 2.4 Powers and Duties of the Condominium Board 2
Section 2.5 Certain Limitations on the Powers of the Condominium Board 5
Section 2.6 Exercise and Delegation of Powers and Duties 7
Section 2.7 Number, Election and Qualification of Members 7
Section 2.8 Term of Office of Members 8
Section 2.9 Removal and Resignation of Members 8
Section 2.10 Vacancies 8
Section 2.11 Organizational Meeting of the Condominium Board 9
Section 2.12 Regular Meetings of the Condominium Board 9
Section 2.13 Special Meetings of the Condominium Board 9
Section 2.14 Waiver of Notice of Meetings 9
Section 2.15 Quorum of the Condominium Board 9
Section 2.16 Conduct of Meetings 10
Section 2.17 Decisions by the Condominium Board 10
Section 2.18 Compensation of Members 10
Section 2.19 Common or Interested Members of the Condominium Board 10
Section 2.20 Indemnification 11
Section 2.21 Administering Agent 11

ARTICLE 3 OFFICERS 11
Section 3.1 General 11
Section 3.2 President 12
Section 3.3 Vice President 12
Section 3.4 Secretary 12
Section 3.5 Treasurer 12
Section 3.6 Election, Term of Office and Qualification of Officers 12
Section 3.7 Removal and Resignation of Officers 12
Section 3.8 Vacancies 13
Section 3.9 Compensation of Officers 13
Section 3.10 Indemnification of Officers 13
Section 3.11 Cooperation of Officers 13

ARTICLE 4 UNIT OWNERS 13
Section 4.1 Annual Meetings of the Unit Owners 13
Section 4.2 Special Meetings of the Unit Owners 13
Section 4.3 Place of Meetings 13
Section 4.4 Notice of Meetings 13
Section 4.5 Quorum of the Unit Owners 14
Section 4.6 Conduct of Meetings 14
Section 4.7 Order of Business 14

Section 4.8 Voting 14
Section 4.9 Election of Members of the Condominium Board 15
Section 4.10 *Intentionally Omitted* 16
Section 4.11 Action Without a Meeting 16
Section 4.12 Title to Residential Units 16
Section 4.13 Contractual Liability of Unit Owners 16

ARTICLE 5 OPERATION OF THE PROPERTY 17
Section 5.1 Maintenance and Repairs 17
Section 5.2 Alterations, Additions, Improvements, or Repairs in and to Units 19
Section 5.3 Alterations, Additions, or Improvements to the Common Elements 22
Section 5.4 Insurance 22
Section 5.5 Casualty or Condemnation 25
Section 5.6 Use of the Property 27
Section 5.7 Use of the Units 28
Section 5.8 Use of the Common Elements 29
Section 5.9 Use of the Storage Lockers 30
Section 5.10 Rights of Access 31
Section 5.11 Modification of the Residential Rules and Regulations 32
Section 5.12 Real Estate Taxes 32
Section 5.13 Fuel 32
Section 5.14 Water Charges and Sewer Rents 33
Section 5.15 Electricity 33
Section 5.16 Record and Audits 33

ARTICLE 6 COMMON CHARGES 34
Section 6.1 Determination of Common Expenses and Fixing of Common Charges 34
Section 6.2 Payment of Common Charges 36
Section 6.3 Statement of Common Charges 37
Section 6.4 Common Charge Deposit for Foreign Owners 37
Section 6.5 Default in Payment of Common Charges 38

ARTICLE 7 SELLING AND LEASING OF UNITS AND ASSIGNMENT OF STORAGE LOCKER LICENSES 39
Section 7.1 General 39
Section 7.2 Right of First Refusal 39
Section 7.3 Acceptance of Offer 40
Section 7.4 Failure to Accept Offer 41
Section 7.5 Termination of, and Exceptions to, the Right of First Refusal 42
Section 7.6 No Severance of Ownership 43
Section 7.7 Payment of Common Charges and fees 43
Section 7.8 Power of Attorney 43
Section 7.9 Gifts and Devises, Etc. 43
Section 7.10 Commencement of Time 43
Section 7.11 Costs and Expenses 44
Section 7.12 Sale or Lease of Non-Residential Units 44
Section 7.13 Assignment of Storage Locker Licenses 45

ARTICLE 8 MORTGAGING OF UNITS 46
Section 8.1 General 46
Section 8.2 Restrictions on Mortgaging 46
Section 8.3 Notice of Unpaid Common Charges and Default 46
Section 8.4 Performance by Permitted Mortgagees 47

Section 8.5 Examination of Books 47
Section 8.6 Consent of Mortgagees; Designation of Mortgage Representatives 47
Section 8.7 Notice to Permitted Mortgagees 47

ARTICLE 9 CERTAIN REMEDIES 48
Section 9.1 Self Help 48
Section 9.2 Abatement and Enjoinment 49
Section 9.3 Remedies Cumulative 49
Section 9.4 Costs and Expenses 49

ARTICLE 10 ARBITRATION 50
Section 10.1 Procedure 50
Section 10.2 Variation by Agreement 50
Section 10.3 Binding Effect 50
Section 10.4 Costs and Expenses 50

ARTICLE 11 NOTICES 50
Section 11.1 General 50
Section 11.2 Waiver of Service of Notice 51

ARTICLE 12 AMENDMENTS TO BY-LAWS 51
Section 12.1 General 51
Section 12.2 Special Amendments 52

ARTICLE 13 FURTHER ASSURANCES 53
Section 13.1 General 53
Section 13.2 Failure to Deliver or Act 53

ARTICLE 14 MISCELLANEOUS 53
Section 14.1 Inspection of Documents 53
Section 14.2 Waiver 54
Section 14.3 Conflict 54
Section 14.4 Severability 54
Section 14.5 Successors and Assigns 54
Section 14.6 Gender 54
Section 14.7 Captions 54

ARTICLE 15 TAX STATUS AS A HOMEOWNERS ASSOCIATION 54
Section 15.1 General 54

ADDENDUM TO THE BY-LAWS RESIDENTIAL RULES AND REGULATIONS 55

BY-LAWS

ARTICLE 1
GENERAL

Section 1.1 *Purpose.* The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is more particularly described in Exhibit A to the Declaration; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.2 *Definitions.* All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of By-Laws.* These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 *Application of By-Laws.* All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Residential Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Residential Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5 *Principal Office of the Condominium.* The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2
CONDOMINIUM BOARD

Section 2.1 *General.* As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and shall be, the Agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-Laws.

Section 2.2 *Status of the Condominium Board.* Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board.* The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith, (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel.

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium.

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-Laws.

(iv) to adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same.

(v) to approve the amount and the means and methods of payment of, and collection of, the Common Charges and Special Assessments from the Unit Owners; provided, however, that in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the General Common Elements be utilized to defray any Residential Common Expenses and in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the Residential Common Elements be utilized to defray any General Common Expenses.

(vi) to borrow money on behalf of the Condominium in accordance with Section 339-jj of the Real Property Law when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of at least 66 2/3% of the members of the Condominium Board shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the General Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Common Interest, of all Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Residential Common Elements and/or the Residential Limited Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Residential Common Interest, of all Residential Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years) and the Non-Residential Unit Owners will not be liable for the repayment of any portion of such loan; (d) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interest without the consent of the owner of such Unit; and (e) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest or Residential Common Interest, as applicable, bears to the aggregate Common Interest of all Unit Owners or Residential Common Interest of all Residential Unit Owners, as applicable, shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file against such Unit Owner's Unit.

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor which shall at no time be less than two and that each check drawn on such account shall need at least two signatures.

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements.

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof.

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners (except as otherwise provided herein); (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property.

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws.

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than $100,000, for: (a) all Members of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses.

(xiii) to accept the surrender of any Residential Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners.

(xiv) to purchase, lease, or otherwise acquire Residential Units offered for sale, lease or assignment by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners but only with the consent of a Majority of Residential Unit Owners.

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners.

(xvi) to sell, lease, license, mortgage and otherwise deal with Residential Units and Storage Lockers acquired by, and to sublease Residential Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the interest appurtenant to any such Residential Unit.

(xvii) to adopt and amend the Residential Rules and Regulations and to levy and authorize collection of fines against Unit Owners for violations of the Residential Rules and Regulations and these By-Laws (any such fines and fees shall be deemed to constitute Common Charges payable by Unit Owners of the Unit against which they are levied).

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners.

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and By-Laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and By-Laws.

(xx) to organize corporations to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium.

(xxi) to execute, acknowledge and deliver: (a) any and all declarations (including a declaration of single zoning lot) or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building, and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate, and (c) any and all declarations, consents, waivers or other instruments requested by Sponsor or a Development Rights Owner, with respect

to Sponsor's or a Development Rights Owner's utilization, sale or transfer of Excess Development Rights.

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same.

(xxiii) to prepare, execute, acknowledge and institute on behalf of all Residential Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Units and to assess any costs incurred thereby as a Common Expense.

(xxiv) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or Unit Owners, as the case may be, against an authorized guest and/or a tenant of a Unit Owner if such authorized guest and/or tenant does not conform to the Residential Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Residential Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or tenant, including attorneys' fees, shall be borne by the Unit Owner.

(xxv) to establish policies and procedures and impose fees in connection with the sale, lease or alteration of a Residential Unit.

(xxvi) to establish policies and procedures with respect to the services and facilities of the Condominium, including, without limitation, the right to impose usage fees and restrictions on hours of access and use.

(xxvii) to prepare, execute and administer Storage Locker Licenses and assignments thereof and to impose license fees and/or Special Assessments in connection therewith, which shall constitute additional Common Charges.

(xxvii) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(xxix) to acquire in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners, Storage Locker Licenses terminated or surrendered to the Condominium.

(xxx) to adjust the First Year's Budget to reduce the Common Charges if some or all of the services or facilities are not available at the First Closing.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board.*

(A) Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor shall continue to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless the same shall be required by Law;

(ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a working capital, reserve, contingency, or surplus fund;

(iii) increase or decrease the number of, or change the kind of employees from those described in the First Years Budget;

(iv) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget set forth in the Plan, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business;

(v) borrow money on behalf of the Condominium; or

(vi) exercise a right of refusal to lease or purchase a Unit.

However, Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget and Sponsor's written consent shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such function or the carrying out of such action is necessary to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

(B) Notwithstanding anything to the contrary contained in these By-Laws, all determinations of the Condominium Board which affect only:

(i) the Residential Units and do not materially and adversely affect the use or operation of the Non-Residential Units shall be made by the Residential Members; and

(ii) the Community Facility Unit and do not materially and adversely affect the use or operation of the Residential Units or the other Non-Residential Units shall be made by the member of the Condominium Board designated by the Community Facility Unit Owner;

(iii) Retail Unit 1 and do not materially and adversely affect the use or operation of the Residential Units or the other Non-Residential Units shall be made by the member of the Condominium Board designated by Retail Unit 1 Owner;

(iv) Retail Unit 3 and do not materially and adversely affect the use or operation of the Residential Units or the other Non-Residential Units shall be made by the member of the Condominium Board designated by Retail Unit 3 Owner;

(v) Retail Unit 4 and do not materially and adversely affect the use or operation of the Residential Units or the other Non-Residential Units shall be made by the member of the Condominium Board designated by Retail Unit 4 Owner;

Any dispute as to whether or not a determination materially and adversely affects any Units shall be settled by arbitration in accordance with the provisions of these By-Laws. No dispute with respect to whether a determination materially and adversely affects a Unit shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the Condominium Board within 10 business days of receipt by it of notice of such determination.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6. The Executive Committee and each other committee shall consist of 3 Members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation approved by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (xiii), (xiv), (xv), (xvi) and (xvii) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in paragraph (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 *Number, Election and Qualification of Members*. Until the First Annual Meeting held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of whom are to be designated from time to time by Sponsor. From and after the First Annual Meeting and for so long as Sponsor continues to own at least 1 Unsold Residential Unit, the Condominium Board shall consist of 9 individuals, 4 of whom shall be elected and/or designated in accordance with the terms of these By-Laws by the Market Rate Unit Owners (including Sponsor) and 1 of whom shall be elected by the Affordable Unit Owners (collectively, the "Residential Members"), and 4 members in the aggregate with 1 member each designated by each of Retail Unit 1 Owner, Retail Unit 3 Owner, Retail Unit 4 Owner and Community Facility Unit Owner, respectively (collectively the "Non-Residential Members"). For so long as Sponsor continues to be able to designate the Non-Residential Members and the 2 Residential Members, the Residential Unit Owners may never have control through the Condominium Board of matters concerning the General Common Elements. Except for Members designated by Sponsor and/or the Non-Residential Unit Owners pursuant to the terms of this Section 2.7 or of Section 2.10 or 4.9 hereof, all Members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult family members of an individual Residential Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Residential Unit Owners or Permitted Mortgagees. After the Sponsor Control Period, a majority of the Residential Members of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor or its principals. In addition, no individual may be elected to serve on the Condominium Board (nor may continue to serve on the Condominium Board) if (i) such individual has

been convicted of a felony or (ii) the Condominium Board has perfected a lien against the Unit owned or occupied by such individual and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than one individual of a designated Unit serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Section 2.8 *Term of Office of Members.* The term of office of the 3 Members of the Condominium Board designated by Sponsor prior to the First Annual Meeting shall expire when the 8 individuals to be elected and/or designated at such meeting are so elected and qualified or designated, as the case may be. The term of office of each of the 8 individuals elected and qualified or designated, as the case may be, at the First Annual Meeting pursuant to the terms of Section 4.9 hereof, shall be fixed at 1 year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each Member of the Condominium Board shall serve until a successor shall be elected and qualified or designated, as the case may be.

Section 2.9 *Removal and Resignation of Members.*

(A) Any Member of the Condominium Board who was elected thereto either by the Residential Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Residential Unit Owners. Any Member of the Condominium Board who was designated as such by Sponsor pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed, with or without cause, only by Sponsor. If any Member of the Condominium Board who was designated by Sponsor is removed, the successor shall also be designated by Sponsor. Any Member of the Condominium Board who was designated by a Non-Residential Unit Owner may be removed, with or without cause, only by such Non-Residential Unit Owner. If any Member of the Condominium Board who was designated by a Non-Residential Unit Owner, is removed, the successor shall also be designated by such Non-Residential Unit Owner. Any Residential Member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Residential Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any Member of the Condominium Board may resign such Member's membership at any time by giving written notice thereof to the Condominium Board. In addition, any Member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned such Member's membership effective as of the date upon which such qualification shall cease.

Section 2.10 *Vacancies.*

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was elected thereto by the Residential Unit Owners shall be filled by an individual who is qualified to be a Member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the members of the Condominium Board elected or designated by the Residential Unit Owners then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of Members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was designated as such or elected by Sponsor shall be filled by an individual designated by Sponsor. Any vacancy on the Condominium Board that is caused by the removal, resignation or death of a Member who was designated by a Non-Residential Unit Owner shall be filled by an individual designated by such Non-Residential Unit Owner.

(C) Each Member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a Member of the Condominium Board for the remainder of the term of the Member replaced and until a successor shall be selected and qualified at the appropriate annual meeting of the Residential Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Condominium Board.* The first meeting of the Condominium Board following each annual meeting of the Residential Unit Owners shall be held within 10 days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the members of the Condominium Board and designated by the Secretary in a written notice given to all Members thereof by personal delivery, mail, or telegram not later than five business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board.* Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the Members thereof, provided that at least 4 such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile or e-mail, at least 5 business days prior to the day named for such meeting.

Section 2.13 *Special Meetings of the Condominium Board.* The President may call a special meeting of the Condominium Board whenever the President deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of 3 or more Members of the Condominium Board. Written notice of all special meetings shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile, or e-mail at least 3 business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 *Waiver of Notice of Meetings.* Any Member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Member of the Condominium Board at any meeting thereof shall constitute a waiver by the Member of notice of the time and place thereof. If all of the members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Condominium Board.* A quorum of the Condominium Board is required to be present at a Condominium Board meeting in order to make any determination or to transact any business. To constitute a quorum of the Condominium Board, the following majority of the members of the Condominium Board shall be present at the Condominium Board meeting:

(A) Attendance of a majority of all of the members of the Condominium Board will be required for any business relating to the General Common Elements, the General Common Expenses, or, all or a portion of both the Residential Units and the Non-Residential Units.

(B) Attendance of a majority of the Residential Members of the Condominium Board will be required for any business relating solely to the Residential Common Expenses, the Residential Common Elements, or, all or a portion of the Residential Units.

In connection therewith, one or more Members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the members of the Condominium Board in attendance may

adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings*. The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act.

Section 2.17 *Decisions by the Condominium Board*. Except as otherwise provided in the Declaration or these By-Laws:

(A) The vote of a majority of the Members attending a duly constituted meeting of the Condominium Board at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the General Common Elements; the General Common Expenses, and all or a portion of both the Residential Units and the Non-Residential Units.

(B) The vote of a majority of those Residential Members attending a duly constituted meeting of the Residential Members at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the Residential Common Expenses; the Residential Common Elements; and, all or a portion of the Residential Units.

(C) The vote of a majority of the Non-Residential Members attending a duly constituted meeting of Non-Residential Members at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the Non-Residential Common Elements and two (2) or more of the Non-Residential Units.

Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 *Compensation of Members*. No Member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 *Common or Interested Members of the Condominium Board*. Each Member of the Condominium Board shall perform duties, and shall exercise powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any of its Members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such Member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such Member was counted for such purpose, provided, however, that either: (x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the Members thereof and noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such Members; or (y) the fact thereof is

disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction.

Any such Member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such Member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 *Indemnification.*

2.20-1 Indemnification of Board Members and Officers.

2.20-1.1 To the extent permitted by Law, the members of the Condominium Board shall have no personal liability with respect to any contract, act or omission of the Condominium Board or of any Managing Agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as set forth in Section 4.13 hereof. Every contract made by the Condominium Board or by the Managing Agent shall state that it is made by the Condominium Board or the Managing Agent, only as agent for all Unit Owners and that the members of the Condominium Board or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners). Any such contract may also provide that it covers the assets, if any, of the Condominium Board. To the extent permitted by Law, the members of the Condominium Board shall have no liability to Unit Owners except that a Member of the Condominium Board shall be liable for such Member's own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interest, indemnify each Member of the Condominium Board against any liability or claim except those arising out of such Member's own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Member of the Condominium Board, any Unit Owner, Sponsor or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.20-1.2 Neither the Condominium Board nor any Member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Condominium Board or any Member thereof; or

(ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or the Common Elements and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

Section 2.21 *Administering Agent.* The Condominium Board, all Members thereof and Sponsor shall cooperate with the Administering Agent pursuant to the Administering Agent Agreement and the Affordable Housing Declaration.

ARTICLE 3

OFFICERS

Section 3.1 *General.* The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable.

All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 *President.* The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as the President may decide, in the President's discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President.* The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other Member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon the Vice President from time to time by the Condominium Board or by the President.

Section 3.4 *Secretary.* The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5 *Treasurer.* The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 *Election, Term of Office and Qualification of Officers.* Each of the officers of the Condominium shall be elected annually by a majority vote of all Members of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Vice President, and the Treasurer shall be elected from amongst the members of the Condominium Board, need not be Unit Owners and need not have any interest in the Condominium if they are designated by Sponsor. Such officers must be Unit Owners if they are elected by the other Unit Owners. The other officers of the Condominium Board need not be Unit Owners and need not have any interest in the Condominium.

Section 3.7 *Removal and Resignation of Officers.* Any officer of the Condominium Board may be removed from office, with or without cause, by an affirmative vote of a majority of the members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President, Vice President, or the Treasurer of the Condominium shall cease to be or shall be suspended as a Member of the Condominium Board during their term of office, such officer shall be deemed to have resigned office effective upon the date upon which the membership shall cease.

Section 3.8 *Vacancies*. Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 *Compensation of Officers*. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers*. Each officer shall be indemnified as set forth in Paragraph 2.20.

Section 3.11 *Cooperation of Officers*. The officers of the Condominium shall cooperate with the Administering Agent pursuant to the Administering Agent Agreement and the Affordable Housing Declaration.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Unit Owners*. The First Annual Meeting shall be held approximately 30 days after the later to occur of (i) the second anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan of Residential Units representing at least 50% in number of all Residential Units offered for sale. At such meeting, an 8 Member Condominium Board shall be elected, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the anniversary date of the First Annual Meeting. At each such subsequent meeting, the Unit Owners (including Sponsor) shall elect successors to the members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 *Special Meetings of the Unit Owners*. The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than 40% of the Common Interest of all Residential Unit Owners (excluding the Common Interest appurtenant to the Non-Residential Units). Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 *Place of Meetings*. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough in which the Property is located as may be designated by the Condominium Board.

Section 4.4 *Notice of Meetings*.

(A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, or telegram addressed to the Unit Owner's address at the Property, not less than 10 nor more than 40 days prior to the day fixed for the meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than 10 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 *Quorum of the Unit Owners*. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Unit Owners owning Units to which 40% or more of the aggregate Common Interest appertain (excluding the Common Interest appurtenant to the Non-Residential Units) shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 *Conduct of Meetings*. The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 *Order of Business*. The order of business at all meetings of the Unit Owners shall be as follows:

(A) Roll call;

(B) Proof of notice of meeting;

(C) Reading of the minutes of the preceding meeting (unless waived);

(D) Reports of officers of the Condominium;

(E) Reports of Members of the Condominium Board;

(F) Reports of committees;

(G) Election of inspectors of election (when so required);

(H) Election of Members of the Condominium Board (when so required);

(I) Unfinished business; and

(J) New business.

The order of business at meetings of Unit Owners can be adjusted in the sole discretion of the Condominium Board.

Section 4.8 *Voting*.

(A) Subject to the terms of Section 4.9 hereof, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Unit) shall be entitled to cast 1 vote at all meetings of the Unit Owners for each percentage of Common Interest attributable to such Unit Owner's Unit(s).

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit

Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee. The Common Interest of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interest of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting Member with respect to a Unit owned in a fiduciary capacity. In addition, if 2 or more Persons own a Unit, they shall designate 1 Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under 1 ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner of any Unit may designate any Person to act as a proxy on such Unit Owner's behalf. The designation of any such proxy shall be made in a written notice both signed and dated by the designator and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting, except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of 6 months after the date thereof.

(E) Notwithstanding the foregoing, any vote or determination of the Unit Owners which would affect any Non-Residential Unit Owner or Owners shall not be effective without the prior written consent of all such affected Non-Residential Unit Owner or Owners.

Section 4.9 *Election of Members to the Condominium Board.*

(A) When voting for Members of the Condominium Board, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Units) shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Unit(s) per Member to be elected. However, nothing contained herein shall be deemed to permit any Unit Owner to cumulate the votes attributable to the ownership of a Unit in favor of any 1 or more Members to be elected. In addition, the terms of paragraphs (B), (C) and (D) of Section 4.8 hereof shall apply to all elections of Members of the Condominium Board.

(B) All elections of Members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Residential Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Residential Unit(s) owned by the voting Unit Owner; (iii) the percentage(s) of the Common Interest appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of Members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall not be counted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of Members of the Condominium Board shall be determined by plurality vote of Unit Owners present, in person or by proxy, at a duly convened meeting.

(D) At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interest attributable to the Unsold Residential Units as it sees fit. However, at elections of Members to the Condominium Board held during the Sponsor Control Period, Sponsor shall have the right to designate 3 of the 5 Residential Members to the Condominium Board, and Sponsor, and all other Unit Owners shall have the right to vote for the remaining Residential Members of the Condominium Board. Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Initial Control Period.

Subsequent to the Sponsor Control Period, and for so long as Sponsor continues to own at least 1 Unsold Residential Unit, Sponsor shall have the right to designate 2 Residential Members to the Condominium Board, and shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Residential Members of the Condominium Board. There is no restriction on the right of Sponsor to vote for Residential Members of the Condominium Board who are not related to or affiliated with Sponsor.

(E) Within 30 days after the expiration of the Sponsor Control Period, and assuming the First Annual Meeting has not yet occurred, 1 of the 3 Residential Members of the Condominium Board who were designated by Sponsor shall resign and their replacements shall be filled by a vote of the Residential Unit Owners (including Sponsor for so long as Sponsor shall own any Unsold Residential Unit) at a special meeting called for such purpose.

Section 4.10 *Intentionally Omitted.*

Section 4.11 *Action Without a Meeting.* Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient (both in absolute number and aggregate Common Interest whenever applicable) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.11 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.12 *Title to Residential Units.* Title to any Residential Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate. The sale of a Residential Unit to a corporation, partnership, limited partnership, trust or any other entity (including any entity or person entitled to diplomatic or sovereign immunity) shall require the delivery to the Condominium Board or its managing agent at Closing (i) any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a subjection to jurisdiction, occupancy agreement and escrow agreement; and (ii) an amount equal to the current Common Charges for such Residential Unit for a period of 2 years, to be held in escrow by the Condominium Board, as security for the faithful observance by such Residential Unit Owner of the terms, provisions and conditions contained in these By-Laws. Title to Affordable Units may only be modified with prior written approval of Administering Agent as set forth in the Affordable Housing Declaration and in any documents of record, including rules, regulations and procedures established from time to time by HPD and/or the Administering Agent.

Section 4.13 *Contractual Liability of Unit Owners.* Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officers of the Condominium pursuant to the terms of Sections 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of a Unit Owner bears to the aggregate Common Interest of all Unit Owners in the case of a contract relating to the General Common

Elements; (ii) such proportionate share of the total liability thereunder as the Residential Common Interest of a Residential Unit Owner bears to the aggregate Common Interest of all Residential Unit Owners in a case relating to the Residential Common Elements; and (iii) such proportionate share of the total liability thereunder as the Common Interest of a Non-Residential Unit Owner bears to the aggregate Common Interest of all Non-Residential Unit Owners affected thereby in the case of a contract relating to the Non-Residential Common Elements, Retail 3/Community Facility Common Element, Retail 3/Retail 4 Community Facility Common Element, Retail 1/Retail 2/Retail 3/Residential Common Element, Retail 1/Retail 2/Retail 4/Residential Common Element, Retail 3/Retail 4/Community Facility Common Element.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 *Maintenance and Repairs.*

(A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit and all portions thereof, including, but not limited to, the interior walls, partitions, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, mechanical systems located in the Unit (including HVAC filters and parts), window panes, fireplace, firebox, dampers, mantel and flue, all entrance doors and terrace doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, heating and cooling systems, air conditioning units, lighting and electrical fixtures and any Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein, shall be performed by the owner of such Unit at such Unit Owner's sole cost and expense (except for skylights, if any, located in the Unit which shall be performed by the Condominium Board at the sole cost and expense of the Unit Owner);

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a General Common Expense;

(iii) in or to the Residential Common Elements (other than any Residential Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Residential Common Expense;

(iv) in or to the Residential Limited Common Elements shall be performed (a) by the Condominium Board as a Residential Common Expense, if involving structural or extraordinary maintenance, repairs, or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Residential Unit Owner having direct and exclusive access thereto), or (b) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving painting, decorating and non-structural ordinary maintenance, repairs or replacements, (including without limitation, the removal of snow, ice and accumulation of water on any Terrace);

(v) in or to the Non-Residential Common Elements shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Non-Residential Unit Owners in proportion to each Non-Residential Unit Owner's Common Interest;

(vi) in or to the (i) Retail 3/Community Facility Common Elements; (ii) Retail 3/Retail 4 Common Elements; (iii) Retail 1/Retail 2/Retail 3/ Residential Common Elements, (iv) Retail 1/Retail 2/Retail 4/ Residential Common Elements and (v) Retail 3/Retail 4/Community Facility Common Elements shall be performed by the Condominium Board and the cost and expense thereof shall be charged to the respective Non-Residential Unit Owners to which such Common Elements are appurtenant in proportion to the Non-Residential Unit Owners Common Interest.

(vi) in or to the Retail 3 Limited Common Elements shall be performed (a) by the Condominium Board, if involving structural or extraordinary maintenance, repairs, or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Retail Unit 3 Owner) and the cost and expense thereof shall be charged to all Unit Owners as a General Common Expense; or (b) by Retail Unit 3 Owner at the Retail Unit 3 Owner's sole cost and expense, if involving painting, decorating and non-structural ordinary maintenance, repairs or replacements, (including without limitation, the removal of snow, ice and accumulation of water on any terrace.

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a General Common Expense attributable to all Unit Owners if relating to the General Common Elements, and as a Residential Common Expense attributable to all Residential Unit Owners if relating to the Residential Common Elements and/or the Residential Limited Common Elements except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace the Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any roof, Terrace, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, including, without limitation, painting, repairs and replacements that is necessary in connection therewith. The Condominium Board shall be responsible for the maintenance and repair of all sidewalks surrounding the Building (including, cleaning and snow and ice removal) as if the sidewalks were General Common Elements, except that the costs of such maintenance and repair relative to the portions of the sidewalk directly adjacent to a Non-Residential Unit, if utilized by such Non-Residential Unit Owner or its Permitted Users, shall be borne by such Non-Residential Unit Owner and/or its Permitted User. The exterior and interior glass surfaces of all windows located in any Residential Unit shall not be colored or painted by the Residential Unit Owner. All exterior and interior glass surfaces located in any Residential Unit shall be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense. The cleaning of the exterior portion of the glass surfaces of all windows must be performed by

a professional window washing company engaged by the Condominium Board, the cost and expense of which shall be borne by all Residential Unit Owners as a Residential Common Expense. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Residential Unit Owner thereof (except curtain wall glass windows which shall be made by the Condominium Board), at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Condominium Board or any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner). Notwithstanding the foregoing, prior to the replacement of any glass window the Unit Owner must obtain the prior written approval of the Condominium Board, with respect to the type of replacement windows installed. In addition, the residential public areas of the Building and those residential areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, as determined by the Condominium Board in its sole discretion, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior surfaces of windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to such Unit Owner's Unit. To promote a consistent appearance of the Building from the outside, (x) no Residential Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Unit, in such a way that will alter the conformity of the Building, without the prior written approval of the Condominium Board; and (y) all window treatments in a Residential Unit must contain white backing on the side facing the outside of the Building so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance. Additionally, the type, size, weight and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior written approval of the Condominium Board and shall be in compliance with Law. Each Non-Residential Unit Owner shall be responsible, at its sole cost and expense, for washing, cleaning the exterior and interior glass surfaces of windows located in a Non-Residential Unit and replacing broken windows due to breakage (unless the breakage is caused by the Condominium Board or any other Unit Owner, in which event the replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner)

(D) In the event that any Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Section 5.1 (or of any Common Elements for which such Unit Owner is responsible under the Declaration or these By-Laws), the Condominium Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within 5 days after receiving notice of such default by the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 5.2 *Alterations, Additions, Improvements, or Repairs in and to Units.*

(A) Subject to the terms of paragraph (B) of this Section 5.2, no Residential Unit Owner may make any structural alteration, addition, improvement or repair, in or to the Residential Unit or its appurtenant Residential Limited Common Elements without the prior written approval of the Condominium Board. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Residential Unit Owner to: (i) procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe; and (ii) execute an alteration agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and

conditions under which such alteration, addition, improvement or repair, may be made, including, without limitation, the indemnity referred to in paragraph (D) hereof and the days and hours during which any such work may be done. The Condominium Board shall have the right to approve Unit Owner's contractors and materialmen. In connection with such alterations, additions, improvements and/or repairs, each Residential Unit Owner shall employ only such laborers and other workers as shall not conflict with any other worker employed in the Building or otherwise cause disharmony with any Building service union. Residential Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor in connection with a Residential Unit Owner's alterations, additions, improvements or repairs to such Residential Unit. The Condominium may impose charges upon the Residential Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Residential Unit Owner's request for approval and in monitoring the work performed until completion and a fee payable to the Managing Agent for processing the alteration application.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2 and subject to the terms of the Acquisition Documents, however, Sponsor shall have the right, pursuant to the terms of Article 12 of the Declaration, to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Residential Unit or its appurtenant Residential Limited Common Elements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of any Unsold Residential Units, all without the approval of the Condominium Board. In addition, each Non-Residential Unit Owner (for itself and on behalf of its Permitted Users) shall have the right, pursuant to the terms of Article 12 of the Declaration, to (i) make any alterations, additions, improvements or repairs in or to a Non-Residential Unit, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of a Non-Residential Unit, all without the approval of the Condominium Board. Notwithstanding the foregoing, all Unit Owners, including Sponsor and the Non-Residential Unit Owners, prior to the making of any alteration, addition, improvement or repair in or to their respective Unit and its appurtenant Residential Limited Common Elements, if any, must (i) procure and maintain such insurance as the Condominium Board may reasonably require, (ii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work and (iii) comply with Law and the Acquisition Documents.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit provided that, with respect to all such work of a structural nature to a Residential Unit or its appurtenant Residential Limited Common Elements (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(D) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Residential Limited Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialperson, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Residential Limited Common Elements, if any, shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the

Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

(E) In addition to the requirements set forth above in this Section 5.2, until a PCO is obtained for the Building, no Residential Unit Owner shall make any alterations in or to the Residential Unit or its appurtenant Residential Limited Common Elements without first notifying Sponsor in writing and complying with Sponsor's requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

(i) such work not include any change that would result in a delay in obtaining a TCO or PCO for the Building, or any amendment to, or extension of, the TCO or PCO if theretofore issued;

(ii) the Residential Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in any amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with all governmental authorities having jurisdiction with respect to such work and the completion of the work;

(iii) such work not be commenced until the Residential Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(vi) promptly after the completion of such work, all necessary inspections and approvals of the work shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Residential Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Law and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, or the Condominium Board), such work shall be performed solely by union members.

If any Residential Unit Owner commences any such alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the alterations, Sponsor shall be entitled to cause such work by the Residential Unit Owner to be halted, including, without limitation, to cause the Managing Agent to deny access to the Building to the Residential

Unit Owner's workers and suppliers, until the Residential Unit Owner complies with the same. During the period until the Residential Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to perform any and all work in and to the Residential Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Residential Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by such Residential Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefor.

Section 5.3 *Alterations, Additions, or Improvements to the Common Elements.*

(A) Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a General Common Expense attributable to all Unit Owners, if relating to the General Common Elements, or a Residential Common Expense attributable to all Residential Unit Owners, if relating to the Residential Common Elements and/or Residential Limited Common Elements or as set forth in Section 5.3(b) of these By-Laws if relating to any other Common Elements. Notwithstanding the foregoing, however, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $500,000 with respect to the General Common Elements or the Residential Common Elements and/or the Residential Limited Common Elements, at any one time, in any fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by the Unit Owners if relating to the General Common Elements, or the Residential Unit Owners, if relating to the Residential Common Elements and/or the Residential Limited Common Elements (including Sponsor if Sponsor then owns any Unsold Residential Unit) owning 66 2/3% of the aggregate Common Interest or Residential Common Interest, as applicable, at a duly constituted meeting of the Unit Owners or the Residential Unit Owners, as applicable, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing $500,000 or less, in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor is first obtained, provided, however, that Sponsor's written consent is not necessary if such additions, alterations, or improvements to the Common Elements is required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's issuer. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) 5 years from the First Closing or (ii) until such time as Sponsor no longer owns 25% in number of all Residential Units.

(B) Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to the (i) Retail 3/Community Facility Common Elements; (ii) Retail 3/Retail 4 Common Elements; (iii) Retail 1/Retail 2/Retail 3/ Residential Common Elements, (iv) Retail 1/Retail 2/Retail 4/ Residential Common Elements and (v) Retail 3/Retail 4/Community Facility Common Elements shall be performed by the Condominium Board and the cost and expense thereof shall be charged to the respective Non-Residential Unit Owners to which such Common Elements are appurtenant in proportion to such Non-Residential Unit Owner's Common Interest.

Section 5.4 *Insurance.*

(A) If the same shall be obtainable, the Condominium Board, at or prior to the First Closing, shall obtain, and shall maintain in full force and effect, special multi-peril insurance policies including fire with extended "all risk" coverage, replacement cost coverage and agreed valuation, vandalism and malicious mischief endorsements, insuring the entire Building (excluding Units, any Residential Limited Common Elements appurtenant thereto and any Unit Owner property) together with all service machinery

contained therein and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their respective interest may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings). Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof.

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 30 days prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Duplicate originals or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of the Managing Agent. Copies thereof shall be delivered to any Unit Owner or Permitted Mortgagee on written request thereof.

(B) The Condominium Board, at or prior to the First Closing, shall also obtain and maintain, to the extent it deems practicable:

(i) commercial general liability insurance, covering all claims for personal injury or property damage arising out of occurrences on the Property and listing as co-insureds (a) the Condominium Board and each Member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within the own Unit or its Residential Limited Common Elements or Storage Locker, if any);

(ii) rent insurance;

(iii) worker's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance;

(v) water damage insurance;

(vi) officers and directors liability insurance;

(vii) fidelity insurance and bonds covering all officers, directors and employees of the Condominium and Managing Agent;

(viii) plate glass insurance;

(ix) elevator liability and collision insurance;

(x) commercial umbrella insurance; and

(xi) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance should also cover cross-liability claims of one insured against another, to the extent obtainable.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to the full replacement cost and agreed valuation, exclusive of footings and foundations, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall be written with a $1,000,000 per occurrence limit and $2,000,000 aggregate limit. In addition, umbrella liability coverage shall be purchased in an amount of no less than $75,000,000 per occurrence with an aggregate of $75,000,000; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-Laws, shall be borne by the Unit Owners as a General Common Expense or the Residential Unit Owner's as a Residential Common Expense, depending on the item to which the coverage relates.

(E) For so long as Sponsor owns at least 1 Unsold Residential Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types and coverage amounts of insurance set forth in the First Year's Budget.

(F) Unit Owners are required to carry other insurance, at their expense, in amounts determined by the Condominium Board in its sole discretion, insuring the contents of their Units, the Residential Limited Common Elements appurtenant thereto, and any Storage Lockers as well as liability insurance with respect to acts occurring therein. All such policies shall contain waivers of subrogation and provide that the liability of the carriers issuing the insurance maintained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. All insurance carried by Unit Owners shall be primary and shall not contribute to any insurance that the Condominium Board may have. All such certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional insureds. For so long as Sponsor owns at least 1 Unsold Residential Unit, any change or elimination of such requirement may only be made upon Sponsor's prior written consent.

Section 5.5 *Casualty or Condemnation.*

(A) In the event that the Building or any part thereof including without limitation, the Common Elements are either (i) damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii), or taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all affected Unit Owners and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, and any appurtenant Limited Common Elements, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that such Unit Owner may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units, and with respect to the Residential Units, all bathroom and kitchen fixtures and appliances installed therein as of the date of recording of the Declaration and all service machinery therein, but excluding improvements, decorations, belongings, betterments, equipment, furniture, furnishings, personal property, business installations and/or equipment, and all improvements made therein by a Unit Owner or its Permitted Users,) affected by such Casualty Loss, or (ii) in the event of a Taking, the portion(s) of the Common Elements or the Units affected by such Taking. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. Each Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof, shall be the subject of all or part of any Work shall have the right subject to the terms of Section 5.2 hereof, to supervise any redecorating of the Unit or of such Limited Common Elements. The foregoing notwithstanding, if the Casualty Loss and/or Taking is limited exclusively to one or more Non-Residential Units, the Non-Residential Common Elements, the Retail 3/Community Facility Common Elements, the Retail 3/Retail 4 Common Elements, the Retail 3/Retail 4/Community Facility Common Elements and/or the Retail 3 Limited Common Elements, the affected Non-Residential Unit Owners or their Permitted Users may elect to arrange for the Work.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interest, and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interest, with respect to Work, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds

remaining unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interest, with respect to Work, free of any claim of any lienor (including without limitation, any Permitted Mortgagee).

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners (including Sponsor, if Sponsor shall then own any Units, and the Non-Residential Unit Owner of the Non-Residential Unit containing the Event Space tenant, in aggregate Common Interest, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements and to all Residential Unit Owners in proportion to their respective Residential Common Interest, to the extent allocated to destroyed or damaged portions of the Residential Units or the Residential Common Elements or the Residential Limited Common Elements, and to the Non-Residential Unit Owners, to the extent allocated to destroyed or damaged portions of the Non-Residential Units, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off any Permitted Mortgage and other unpaid liens on the Unit Owner's Unit in the order of priority of such liens. Notwithstanding anything to the contrary set forth herein, any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld or delayed) of the Permitted Mortgagees representing at least 51% of the Common Interest of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. The Condominium Board shall not be required to take any action to obtain the consent of the Permitted Mortgagees or Mortgage Representatives as set forth in this Section 5.5(D) other than the requirements set forth in Section 8.7 of these By-Laws. The provisions of this Section 5.5(D) may not be amended, modified or deleted without the prior written consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Residential Unit and the Non-Residential Unit Owners.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the omission to act, or the negligence of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Condominium Board with respect to such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest and Residential Common Interest, where applicable, appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Residential Limited Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Residential Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest and new Residential Common Interest, where applicable, appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens

thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest and new Residential Common Interest, where applicable, of such Unit, and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interest and Residential Common Interest, where applicable, of the other remaining Units shall be adjusted accordingly and reflected in a duly filed amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of all of the other or remaining Units together with the holders of the Permitted Mortgages.

(G) As used in this Section 5.5, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) 60 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 90 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of paragraph (A) of this Section 5.5, 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work;. In the event there are insufficient Trust Funds to discharge the estimated cost and expense of the Work, the Condominium Board shall levy a Special Assessment for the amount of such deficiency in accordance with paragraph (C) of this Section 5.5; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 *Use of the Property.*

(A) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. In the event that the rate of insurance for the Property is increased as a direct result of a particular or unique use being made of a Non-Residential Unit, and not as a result of the typical uses for which the Non-Residential Units may be occupied or for which commercial spaces in similar buildings is normally occupied, such Non-Residential Unit Owner shall be obligated to pay the amount of such increase in the rate of insurance. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(B) No Unit Owner, tenant or occupant, shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances. "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous substances, materials, wastes, constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing

radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law. Hazardous Substances shall not include any customary cleaning solutions as long as same are stored and used as required by Law. The Condominium Board shall have all remedies available at law or equity, including, without limitation, injunctive relief, with respect to any violation of this Section. Each Unit Owner and the Condominium Board shall indemnify, defend and hold each other and the Condominium and their respective officers, directors, shareholders, members, and managers harmless from and against any and all loss, liability, claims, penalties, costs and expenses, including without limitation, attorneys' fees and disbursements, incurred by the Condominium, the Condominium Board, the other Unit Owners and/or other indemnified parties arising in connection with a violation of the terms of this Section.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7 *Use of Residential Units.*

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7.

(B) Subject to the terms of paragraphs (C), (D) and (E) of this Section 5.7, each Residential Unit shall be used for residential purposes only (excluding "dormitory," "bed and breakfast," "Air B&B," or other transient hotel-type use), including permitted "home occupation" as defined in the Zoning Resolution of the City of New York, as may be amended from time to time, and not more than one family may occupy a Residential Unit at any one time. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary, or any other entity (including, but not limited to, any federal or state agency, any foreign government and any embassy, consulate or other official representative thereof) may only be occupied (unless the Condominium Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder, or employee of such corporation, or by an individual partner or employee of such partnership, or a member of such limited liability company, or by such individual fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by an individual beneficiary of said fiduciary, or by an individual principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any such Residential Unit by such Family Members). Notwithstanding the foregoing, Sponsor (with respect to the Unsold Residential Units) or the Condominium (with respect to sold Residential Units) may, in their sole discretion, permit Persons other than those set forth above to occupy a Residential Unit. In no event, however, shall a portion of a Residential Unit (as opposed to the entire Residential Unit) be sold, conveyed, leased, or subleased.

(C) The Condominium Board may, in its sole discretion, consent to the use of a Market Rate Unit as a professional or business office or for any purpose other than that set forth in paragraph (B) hereof, provided that the nature and manner of such use is permitted by, and complies with Law (including the provisions of Real Property Law Section 421-a) and does not violate the TCO or PCO covering the Building. Any such consent shall be in writing and shall be personal to such Market Rate Unit Owner. Any lessee of, or successor in title to, such Market Rate Unit Owner shall be required to obtain the prior written consent of the Condominium Board before using such Market Rate Unit for any purpose other than that set forth in paragraph (B) hereof.

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Condominium Board or the Unit Owners:

(i) use or grant permission for the use of any Unsold Market Rate Unit as a professional or business office or for any other purpose, provided that the nature and manner of such use complies with Law and the user thereof complies with all applicable governmental regulations; and

(ii) use any one or more Unsold Residential Units as model Units and offices for the sales promotion, rental, management and operation of the Unsold Residential Units or for any other purpose, subject only to compliance with Law.

(E) Each Affordable Unit shall be used only (i) for residential purposes as a primary residence, and (ii) in accordance with the Affordable Housing Declaration.

Section 5.8 *Use of Non-Residential Units*

(A) Each Non-Residential Unit may be used for any purpose permitted by Law other than the Prohibited Uses and in accordance with the Condominium Documents and the Acquisition Documents.

(B) Nothing shall be done, suffered or permitted to be done in any Non-Residential 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) affect in any way the outside appearance of the Building or the sidewalks and public ways abutting the Building; (3) result in or materially threaten the cancellation of any insurance carried by the Condominium Board or any Non-Residential Unit Owner hereunder; (4) be in violation of any applicable Law or the insurance requirements with respect to the insurance referred to in clause (3) above; (5) be in violation of the certificate of occupancy for such Non-Residential Unit or the Building; (6) be in violation of the Declaration or these By-Laws or the Rules and Regulations of the Condominium Board promulgated thereunder; (7) materially adversely affect the Building systems; or (8) materially adversely affect the delivery of any service that the Condominium Board or any Unit Owner is permitted to receive or required or permitted to provide hereunder.

(C) 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 and 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.

(D) The uses of the Non-Residential Units may generate noise, traffic, fumes, odors vibrations or other disturbances over which the Condominium Board and the other Residential Unit Owners will have no control.

Section 5.9 *Use of the Common Elements.*

(A) Subject to the terms of paragraphs (B) and (C) of this Section 5.9, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements (except for those areas designated as Storage Locker Areas) without the prior written consent of the Condominium Board. The lobbies, vestibules, public halls,

stairways and public elevators shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesperson to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) The owner or owners of any 2 or more Residential Units, which Residential Units are the only Units serviced or benefited by any Residential Common Element adjacent or appurtenant to such Residential Units (for example, that portion at the end of any residential hallway that is directly adjacent to any such Residential Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the right to use such Residential Common Elements exclusively, as if it were a part of such Residential Units (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interest shall be made by reason thereof. In such event, however, such owner or owners shall, at such owner's or their sole cost and expense, both (i) operate, maintain and repair such Residential Common Element for so long as such owner or owners exercise such exclusive right of use and (ii) restore such Residential Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use.

(C) The terms of paragraph (A) of this Section 5.9 shall not apply to Sponsor for so long as there are any Unsold Residential Units. Sponsor shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor on or about any portion of the Common Elements chosen by Sponsor including, the area adjacent to the main entrance of the Building; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements (such as lobbies, corridors and the like), to sell, lease, manage, or operate Unsold Residential Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

(D) Sponsor, for so long as Sponsor continues to own any Unsold Unit, and the Condominium Board shall have the right, and the lease, sublease, license, sell or otherwise convey to a Unit Owner any portion of the Common Elements which either Sponsor or the Condominium Board determines is no longer needed for the furnishing of the services and facilities (including reasonable access) for which such Common Elements are reasonably intended. Any revenue received for the sale, leasing, subleasing, licensing or other conveyance of such Common Elements shall be retained solely by Sponsor or the Condominium Board, as applicable.

Section 5.10 *Use of the Storage Lockers.*

(A) A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, Hazardous Substances, or any flammable or explosive item, or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor shall have the right to use any unassigned Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Storage Locker, subject, however, to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

(B) The Condominium Board has the authority to promulgate additional rules regarding the use of, insurance coverage for, and access to the Storage Lockers and Storage Locker Areas and the procedures for assigning such Storage Lockers including restrictions on the hours of access and use. A Residential Unit Owner may transfer or surrender a Storage Locker License to the Condominium Board which shall be authorized to reissue such Storage Locker License to another Residential Unit Owner for such consideration as the Condominium Board shall deem appropriate.

(C) Sponsor may, without the consent of either the Condominium or the Unit Owners, use any Unsold Storage Locker for any purpose, provided such use is permitted by Law.

Section 5.11 *Rights of Access.*

(A) Each Unit Owner and its Permitted Users shall grant to the Condominium Board, to the Managing Agent or to any other Person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to the Unit and its appurtenant Common Elements, if any, and any Storage Locker and Storage Locker Area for the purposes of:

(i) examining and making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults (in the case of the cure of a default in a Non-Residential Unit subject to a Qualified Lease, in a non-emergency situation, only after due notice to the Non-Residential Unit Owner and the Qualified Tenant and with such right to cure only being exercised after the expiration of any greater cure periods set forth in the Qualified Lease as approved by the Condominium Board, except in the case of emergency) hereunder or under the Declaration or, with respect to a Residential Unit and Residential Unit only, violations of the Residential Rules and Regulations committed by such Residential Unit Owner or correcting any conditions originating in the Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the structural elements, mechanical or electrical services, or other portions of the Common Elements located within the Unit, Storage Locker or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to the Unit, or to any other Unit;

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit; or

(vi) verifying compliance by an Affordable Unit Owner with the Affordable Housing Declaration.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised at reasonable times and only upon reasonable advance notice (deemed for purposes hereof with respect to a Residential Unit, to mean not less than 1 day's advance notice and with respect to a Non-Residential Unit, not less than 3 business days' advance written notice) and only in such a manner as will not interfere with the normal conduct of business of the Non-Residential Unit Owners or their Permitted Users, or with the use of the Residential Units and their appurtenant Residential Limited Common Elements for their permitted purposes. If so desired, Non-Residential Unit Owners or their Permitted Users shall have the right to have a representative of either supervise such access provided such representative is available at the predetermined and agreed to times and unavailability does not impose additional burden or delay on the access sought and that the costs and expense of such representative is paid for by the Non-Residential Unit Owner or its Permitted User. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner, the

Permitted User or its representative is present. Access rights shall include the right to take all materials into and upon the Premises that may be required to exercise or affect any of the objectives provided for herein. Except where necessitated by casualty, condemnation or Requirement of Law, access rights shall not preclude the reasonable access of the Non-Residential Unit Owner or its Permitted User to the Unit or the operation of the Building as a first-class mixed use development and are to be exercised and scheduled in a manner to minimize interference with the use of the Non-Residential Unit.

(B) Each Unit Owner shall grant a right of access to the Unit and its appurtenant Common Elements, if any, and the Condominium Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Common Elements, if any, in such a manner as will unreasonably interfere with the use of such Unit and its appurtenant Common Elements, if any, for their permitted purposes and shall be exercised promptly and diligently.

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

Section 5.12 *Modification of the Residential Rules and Regulations.* The Condominium Board shall have the right to amend, modify, add to, or delete any of the Residential Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of at least 66 2/3% of all Residential Unit Owners, in number and Common Interest. Copies of the text of any amendments, modifications, additions, or deletions to the Residential Rules and Regulations shall be furnished to all Unit Owners not less than 30 days prior to the effective date thereof. Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Residential Rules and Regulations if the same would adversely affect Sponsor any Non-Residential Unit Owner or any user of a Non-Residential Unit, without the prior written consent of Sponsor or the affected Non-Residential Unit Owner as applicable.

Section 5.13 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes as a Common Expense. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit, or to such purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Owner's Unit to the date of the Closing of Title to such Unit.

Section 5.14 *Fuel.* Unless and until fuel is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and cooling) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements, (b) the Non-Residential Unit Owners as a General Common Expense for such portion attributable to the Non-Residential Units, and (c) the Residential Unit Owners as a Residential Common Expense for such portion attributable to the Residential Units and/or the Residential Common Elements and/or the Residential Limited Common Elements. In the event there is a

particular or unique use being made of a Unit and/or Common Element, the Condominium Board shall cause a new survey to be made the cost of which shall be borne by the Unit Owners as a General Common Expense.

Section 5.15 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Unit and water charges and sewer rents are billed directly to a Unit Owner by the City Collector, in accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting a Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Residential Unit Owners as a Residential Common Expense for such portion attributable to the Residential Units and/or Residential Common Elements and/or Residential Limited Common Elements, and (b) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements. In addition, the cost of submetering shall be a Residential Common Expense if pertaining to Residential Units and a General Common Expense if pertaining to all Units.

Section 5.16 *Electricity.*

(A) Electricity for each Residential Unit and the Non-Residential Units (including tenants occupying portions of the Non-Residential Units) shall be either individually direct metered or submetered for each Unit (or portion thereof).

(B) If individually direct metered, each Unit Owner shall be required to pay the billing utility directly for electricity consumed in such Unit Owner's Unit (or portion thereof) and in the Residential Limited Common Elements to which such Residential Unit has exclusive access.

(C) If the Residential Units or the Non-Residential Units are submetered, each Unit Owner shall be required to pay bills for electricity consumed in such Unit Owner's Unit either to the Condominium Board or to the utility company or to the servicing company engaged by the Condominium Board to perform such services all at the direction of the Condominium Board. The Common Expenses shall include fees for administering and servicing the submeters. In the event that a Unit Owner fails to pay for its submetered electricity, the Condominium Board shall be responsible to pay such expense on the Unit Owner's behalf and such electricity charges shall be deemed Common Charges allocable to the defaulting Unit Owner and the Condominium Board shall have a lien for non-payment of the expense as provided in Article 6.5 of these By-Laws.

(D) Electricity for the Residential Common Elements shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Condominium Board and will be borne by the Residential Unit Owners as Common Charges. In addition, the cost of submetering shall be Residential Common Expense if pertaining to Residential Units and a General Common Expense if pertaining to all Units.

(E) In addition, the cost of submetering shall be a Residential Common Expense if pertaining to Residential Units and a General Common Expense if pertaining to all Units.

(F) Any disputes with respect to submetering rates and billing must be submitted to Arbitration pursuant to Article 10 of these By-Laws."

Section 5.17 *Record and Audits.*

(A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a

separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgages having an interest in such Unit.

(B) Within 4 months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, the Administering Agent and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a General Common Expense. The fiscal year of the Condominium shall be a calendar year.

(C) With respect to Non-Residential Units, provided Non-Residential Unit Owners authorize such access, the Managing Agent shall provide Qualified Tenants, upon not less than 15 days' prior written request, with access to the records and books of account with respect to the financial affairs of the Condominium limited to those actual, documented costs and changes in respect of maintaining, operations, management, insurance, security, repairs, replacements, landscaping, and enhancement of and to the General Common Elements, the Non-Residential Common Elements, all other Common Elements appurtenant solely to a Non-Residential Unit and/or the Non-Residential Unit, for purposes of review, inspection and audit to determine and confirm allowable elements of common area maintenance charges as reflected and provided for in the Qualified Lease. The audit shall be reasonable in scope and implementation and any audit or review of records and books are limited to those pertaining to bills for common area maintenance charges under the Qualified Lease rendered no more than 2 years prior to the audit.

ARTICLE 6

COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges.*

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners in accordance with allocations set forth in the First Year's Budget. The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them, not later than 10 days prior to the date upon which the first installment of newly-determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees whenever requested in writing by such Permitted Mortgagees. The Condominium Board may, subject to paragraph (E) of this Section 6.1, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. Notwithstanding the foregoing, however, the Condominium Board shall not reduce the Common Charges payable during any fiscal year occurring within the Sponsor Control Period solely as a result of either reducing the number of employees of the Condominium below the number employed (or anticipated in the First Year's Budget) for the Property on the date of recording the Declaration except with Sponsor's prior written consent, or eliminate or reduce the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the members of the Condominium Board elected by Unit Owners other than Sponsor. All Unit

Owners will be given a copy of the proposed annual budget of the Condominium at least 10 days prior to the date set for adoption thereof by the Condominium Board. Notwithstanding the foregoing, even if Sponsor no longer owns any Units, the Condominium Board shall provide Sponsor with a copy of the budget adopted by the Condominium Board.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments relative to the General Common Elements shall be levied against all Unit Owners in proportion to their respective Common Interest and all Special Assessments relative to the Residential Common Elements and/or the Residential Limited Common Elements shall be levied against all Residential Unit Owners in proportion to their Residential Common Interest, except Special Assessments relating to the Storage Lockers, which shall be levied solely against all Unit Owners owning such Storage Lockers. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Unit Owner not less than 15 days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.5 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners or the Residential Unit Owners, as applicable and shall be collected on behalf of the Unit Owners or Residential Unit Owners, as applicable by the Condominium Board and applied against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expenses attributable to the Residential Common Elements, or the Residential Limited Common Elements, as appropriate for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expense attributable to the Residential Common Elements or the Residential Limited Common Elements depending on whether the excess relates to the General Common Elements or the Residential Common Elements or the Residential Limited Common Elements for the next succeeding year(s) of operation. No Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interest, or Residential Common Interest, as appropriate and any such distributions must be made out of the Common Charges collected from Unit Owners.

(E) Common Expenses have been allocated amongst the Residential Units (in the aggregate) and the Non-Residential Units, on the basis of usage rather than Common Interest. The First Year's Budget sets forth the percentage for each line item, if any, to be paid for by the Residential Units and the Non-Residential Units, which percentages are deemed presumptive evidence of reasonableness. The Condominium Board may not modify these allocations without the unanimous consent of the affected Non-

Residential Unit Owners. Any new line items which may be added to the budget by the Condominium Board in the future shall be paid for on the same basis.

(F) Pursuant to the Affordable Unit Requirements, the initial offering prices for Affordable Units were established so that the sum of Monthly Housing Costs do not exceed 33% of 110% of AMI.

(G) In accordance with Section 339-m of the Real Property Law and these By-Laws, for as long as the Affordable Housing Declaration remains in effect, General Common Expenses and Residential Common Expenses that are allocated and assessed to the Unit Owners may be charged to such Unit Owners in a manner that is (i) not proportional to the respective Common Interests of such Units, (ii) limits the amount charged to the Affordable Unit Owners, as prescribed by Law, or (iii) limits the rate at which the amount charged to the Affordable Unit Owners may increase, as prescribed by Law.

Section 6.2 *Payment of Common Charges*

(A) All Unit Owners (including Sponsor with respect to Unsold Residential Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a Permitted Mortgage recorded against the Unit.

(B) Notwithstanding anything to the contrary contained in paragraph (A) above, during the Sponsor Control Period, the Condominium Board, in its sole discretion, shall have the right to waive all Unit Owners' obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided during such period, all expenses of the Condominium (inclusive of insurance premiums and reserves required by lenders) are paid by Sponsor. Upon commencement of the collection of Common Charges from all Unit Owners, no assessment will be imposed for any item set forth in the approved budget for the Condominium. The Condominium Board shall remain obligated to update the budget in accordance with Law.

(C) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against the Unit subsequent to a sale, transfer, or other conveyance by Unit Owner of such Unit, together with its Appurtenant Interest, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to such purchaser's acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by the Permitted Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all unpaid Common Charges and Special Assessments. In the case of a Residential Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Residential Unit Owner shall be deemed a Residential Common Expense, collectible from all those who are Residential

Unit Owners at the time the same is levied. In the case of the Non-Residential Units, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure or sale or from the defaulting Non-Residential Unit Owners shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(D) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey the Unit, together with its Appurtenant Interest, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Residential Unit have been paid; (ii) such Residential Unit is free and clear of all liens and encumbrances other than a Permitted Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Residential Unit. However, in no event shall Sponsor be permitted to convey any Unsold Residential Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Residential Unit thereafter accruing unless the aggregate Residential Common Interest then appertaining to the Unsold Residential Units constitute 15% or less of the total Residential Common Interest then appertaining to all Residential Units, at least five years shall have elapsed from the date of the First Closing and, at the time of conveyance, Sponsor shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unsold Residential Unit(s) being conveyed multiplied by 24.

(E) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning the Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof). Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 *Statement of Common Charges.* The Condominium Board shall promptly provide a written statement of unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner or, with respect to the Community Facility Unit, from Sponsor.

Section 6.4 *Common Charge Deposit for Foreign Owners.* Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall deposit with the Condominium Board an amount equal to two (2) times the then current annual Common Charges for such Unit, subject to increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Unit Owner is in default. If the Condominium Board applies or retains any part of said security, the Unit Owner in question, within ten (10) days after notice from the Condominium Board, shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

Section 6.5 *Default in Payment of Common Charges.*

(A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than 10 days after the due date for the payment thereof, including, but not limited to the imposition of late charges, notice fees and the institution of such actions for the recovery of interest and expenses as provided in this Article 6. All costs and expenses incurred by the Condominium Board (including attorneys' fees) as a result of its attempt to collect unpaid Common Charges and/or Special Assessments shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges. Notwithstanding the foregoing, in the event of a default in the payment of Common Charges and/or Special Assessment by the Community Facility Unit Owner, the Condominium Board shall provide Sponsor with a copy of any such default notice or notice of lien for non-payment of Common Charges and shall provide with the option to cure such default within 30 business days.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, attorneys' fees and disbursements and court costs; (ii) a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, plus all expenses of collection including but not limited to attorneys' fees, in such amount as may be determined by the Condominium Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of the Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, in the event of a foreclosure action concerning the Community Facility Unit Owner, the Condominium Board shall provide Sponsor with a copy of any such foreclosure documents and shall provide with the option to cure any default within 30 business days.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) If the Unit Owner shall at any time lease the Unit and shall default in the payment of any Common Charges or additional Common Charges, the Condominium Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such

tenant to the Unit Owner, and apply the amount to pay sums due and to become due from the Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the obligation of such tenant to the Unit Owner, to the extent of the amount so paid. The acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Unit Owner, or a release or discharge of any of the obligations of the Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings in the name of or on behalf of the Unit Owner, against the tenant. All costs and expenses incurred by the Condominium Board (including attorneys' fees) in connection therewith, shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 7

SELLING AND LEASING OF UNITS AND ASSIGNMENT OF STORAGE LOCKER LICENSES

Section 7.1 *General.*

Subject to the terms of Section 7.5 hereof, each Residential Unit Owner may (i) sell the Residential Unit and (ii) lease the Residential Unit for periods of not less nor more than 1 year, provided however, no Residential Unit Owner may sell or lease the Residential Unit except in compliance with the applicable provisions of this Article 7 and the policies and procedures established by the Condominium Board. Any purported sale or rental consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or renting Residential Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Residential Unit Owner. Such Residential Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, attorneys' fees and disbursements and court costs. Notwithstanding anything to the contrary contained herein, each Affordable Unit Owner may sell or lease its Affordable Unit only as permitted by and in accordance with the Affordable Housing Declaration.

Section 7.2 *Right of First Refusal.*

(A) Subject to the terms of Sections 7.5 and 7.9 hereof, any contract to sell a Residential Unit together with its Appurtenant Interest and any lease of a Residential Unit ("Sale Agreement" or "Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE CONDOMINIUM BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 AND 7.3 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Residential Unit Owner executing the same ("Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell the Residential Unit, together with its Appurtenant Interest, or to lease the Residential Unit, as the case may be, to the Condominium Board or to its designee,

corporate or otherwise, on behalf of all Residential Unit Owners, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than 30 days (in the event of a proposed sale) and 30 days (in the event of a proposed lease) after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Residential Unit together with its Appurtenant 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 were contained in the Sale Agreement or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this Section 7.2 to purchase or lease any Residential Unit without the prior approval of a Majority of all Unit Owners.

(D) The Condominium Board may not discriminate against any person on the basis of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law in connection with its exercise of its right of first refusal with respect to the sale or rental of a Unit.

(E) The Right of First Refusal is subject to the Affordable Housing Declaration with respect to the Affordable Units.

Section 7.3 *Acceptance of Offer*

(A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Residential Unit together with its Appurtenant Interest, to lease such Residential Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease Agreement, at the office of the attorneys for the Condominium Board within 45 days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

(B) If such Residential Unit and its Appurtenant Interest are to be purchased by the Condominium Board or its designee on behalf of all Residential Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Residential Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Appurtenant Interest. In addition, if the Outside Offeror was to assume or to take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, the Condominium Board may purchase the Residential Unit and assume or take title thereto subject to such mortgage or mortgages as the case may be. At the Closing of Title, the Offeree Unit Owner shall convey the Residential Unit, together with its Appurtenant Interest, to the Condominium Board or to its designee, on behalf of all Residential Unit Owners, by deed in the form required by Section 399-o of

the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale (including, if applicable, all New York State and New York City Transfer Taxes) notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the Closing date, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, such Residential Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Residential Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Residential Unit and the entire Property, as herein provided.

(C) In the event that such Residential Unit is to be leased by the Condominium Board or its designee on behalf of all Residential Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Residential Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 *Failure to Accept Offer.*

(A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 hereof within the respective times set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within 60 days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such 60 day period, then, should the Offeree Unit Owner thereafter elect to sell such Residential Unit together with its Appurtenant Interest or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Section 7.2, 7.3 and 7.4 hereof, but not more often than once in any 12 month period, except the Condominium Board shall have the right to waive this for good cause shown, in its sole discretion.

(B) Any deed of a Residential Unit and its Appurtenant Interest to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included herein.

(C) Each lease of a Residential Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board or such other form approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified, or extended without the prior written consent of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign the tenant's interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance; and

(iii) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Section 7.5 *Termination of, and Exceptions to, the Right of First Refusal.*

(A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Residential Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Residential Unit to which the same shall relate, together with its Appurtenant Interest, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish without charge, such certificate upon written request to any Residential Unit Owner in respect to whom the provisions of Sections 7.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 7.2, 7.3 and 7.4 hereof) in the absence of the certificate that has been duly executed, acknowledged and issued by the Secretary of the Condominium or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of a Residential Unit, together with its Appurtenant Interest, by:

(i) the Market Rate Unit Owner thereof to any adult Family Members, to any combination of the same, or to a trust for the benefit of any of them (in which case the Condominium Board shall have the right to review the trust documents and provide for such terms and restrictions on such transfer as the Condominium Board deems advisable), provided, however, that if the succeeding Market Rate Unit Owner is an infant or a person judicially declared incompetent of managing affairs, then such Market Rate Unit shall be held by the personal representative of such infant or incompetent, or in the case of a Market Rate Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial interests of such Market Rate Unit Owner or to any entity with respect to which such Market Rate Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof:

(ii) Sponsor;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or its nominee, who has acquired title to any Residential Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction;

(vi) Non-Residential Unit Owner(s);

(C) provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, all of the terms and conditions of this Article 7.

(D) The terms and conditions contained in Section 7.2, 7.3, 7.4 and 7.7 hereof shall not apply with respect to any sale, lease or conveyance of a Non-Residential Unit, together with its Appurtenant Interest.

Section 7.6 *No Severance of Ownership.* No Unit Owner shall execute any deed or other instrument conveying title to the Unit without including therein its Appurtenant Interest, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interest of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interest of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interest.

Section 7.7 *Payment of Common Charges and Fees.* No Unit Owner shall be permitted to convey or lease the Unit unless (i) the Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit, and (ii) paid in full all fees charged by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Residential Units, including, without limitation, any working capital fund contribution imposed by the Condominium Board. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale, a sale may take place notwithstanding the foregoing. Notwithstanding the foregoing, the imposition of any fees by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Residential Units shall not apply to the sale lease, sublease, license or conveyance of a Residential Unit by the reasons set forth in subsections 7.5(B) (ii), (iii), (iv), (v) and (vi) of this Article 7.

Section 7.8 *Power of Attorney.* At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

Section 7.9 *Gifts and Devises, Etc.* Any Unit Owner shall be free to convey or transfer the Unit, together with its Appurtenant Interest, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and the Unit shall be subject to, the provisions of this Article 7. The foregoing notwithstanding, title to Affordable Units may only be modified with prior written approval of Administering Agent as set forth in the Affordable Housing Declaration and in any documents of record, including rules, regulations and procedures established from time to time by HPD and/or the Administering Agent.

Section 7.10 *Commencement of Time.* The period of time set forth in Section 7.2 for which the Condominium Board has to waive its right of first refusal shall not commence until such time as the Condominium Board or its managing agent has received a completed sales or lease package, including all fees set forth therein, as the case may be, from a Residential Unit Owner. If the information provided by the Unit Owner or prospective purchaser or tenant, as the case may be, is incomplete, the Condominium Board shall have the right to request additional information and the 30 day period will commence on receipt by the Condominium Board of the additional information.

Section 7.11 *Costs and Expenses.* All costs and expenses incurred by the Condominium Board, including, without limitation, attorneys' fees and disbursements paid or incurred by the Condominium Board or by its Managing Agent in connection with any action taken by the Condominium Board with regard a violation of this Article 7, shall be borne by the Unit Owner as additional Common Charges.

Section 7.12 *Sale or Lease of Non-Residential Units.*

(A) The Non-Residential Unit Owners may sell, lease or convey their respective Units without the consent of the Condominium Board, the Managing Agent, the other Unit Owners or any other Person, but subject to the terms of the Acquisition Documents. Notwithstanding the foregoing, in the event the Condominium Board receives notice of the sale or lease of any of the Non-Residential Units or a request for any documentation in connection therewith, the Condominium Board shall provide Sponsor with a copy of any such notice or request.

(B) Any proper officer conducting the sale of a Non-Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or any Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof in a bona fide transaction shall have the same rights as the Non-Residential Unit Owners to sell or lease such Unit as provided in paragraph (A) above.

(C) Upon the written request of a Non-Residential Unit Owner, the Condominium Board shall deliver to such Non-Residential Unit Owner or any designee, a statement ("Estoppel Certificate") indicating that such Non-Residential Unit Owner is current in its payment of all amounts due under the Declaration and the By-Laws, that no written notice of default has been sent to such requesting party and to the knowledge of the Condominium Board, no such default exists. Any such statement may be relied upon by any mortgagee or purchaser of the Non-Residential Unit. In addition, upon the written request of a Non-Residential Unit Owner accompanied by such documentation as is reasonably sufficient to allow the Condominium Board to proceed as hereinafter described, the Condominium Board will enter into a non-disturbance and attornment agreement ("Non-Disturbance Agreement") substantially in the form annexed hereto as Exhibit F with such commercially reasonable changes as may be mutually agreed to by the Qualified Tenant (or such other similar form as the Condominium Board may adopt from time to time) with a Qualified Tenant under a Qualified Lease on the following terms and conditions:

1. Such Qualified Lease is an "arms-length" lease which expressly states it is subject and subordinate to the Declaration and By-Laws and does not otherwise violate the terms of the Declaration and these By-Laws;

2. The Qualified Tenant is not in default after notice in the payment of rent or additional rent or in the performance or observance of any of the other terms, covenants, provisions or conditions of its Lease, both at the time of the request and at the time of execution by the Board of the Condominium Recognition and Non-Disturbance Agreement;

3. No default after notice under the terms of the Declaration or these By-Laws by the requesting Unit Owner shall exist both at the time of the request and at the time of execution by the Board of the Condominium Recognition and Non-Disturbance Agreement; and

4. The Unit Owner requesting such Condominium Recognition and Non-Disturbance Agreement shall pay all reasonable costs and expenses of the Board in connection therewith.

The Non-Disturbance Agreement shall be executed by the Condominium Board within 10 business days after the initial request and shall be at the expense of the Non-Residential Unit Owner

requesting the Non-Disturbance Agreement, which expense shall be limited to reasonable actual out-of-pocket expenses incurred by the Condominium Board, including attorneys' fees and disbursements.

Notwithstanding the foregoing, if it would be procedurally disadvantageous for the Condominium Board not to name or join the Qualified Tenant in a foreclosure proceeding with respect to the Non-Residential Unit, the Condominium Board may name or join the Qualified Tenant without in any way diminishing or otherwise affecting the rights and privileges granted to, or inuring to the benefit of, the Qualified Tenant under the Non-Disturbance Agreement.

Section 7.13 *Assignment of Storage Locker Licenses.*

(A) Except for Sponsor, no Residential Unit Owner shall be permitted to assign, convey or lease any Storage Locker to anyone other than a Residential Unit Owner. A Storage Locker License may be assigned by a Residential Unit Owner at any time (and not subject to any right of first refusal by the Condominium Board) provided (i) the assignee is another Residential Unit Owner at the Condominium; (ii) the assignee assumes the obligations under the Storage Locker License; (iii) notification of the assignment is promptly delivered to the Condominium Board in compliance with its requirements; and (iv) all unpaid Common Charges and Special Assessments and other obligations due to the Condominium have been paid in full.

(B) If the Condominium Board terminates a Storage Locker License or a Residential Unit Owner surrenders a Storage Locker License without assigning the Storage Locker License to another Residential Unit Owner, the Condominium Board shall have the right to issue a new Storage Locker License for the Storage Locker to another Residential Unit Owner, in its sole discretion and the surrendering Unit Owner shall not be entitled to any compensation.

Section 7.14 *Affordable Units*

(A) An Affordable Unit may only be resold to an Eligible Buyer at a Resale Price restricted by an established appreciation rate and otherwise in compliance with the Affordable Housing Declaration.

(B) The Affordable Units may not be leased for more than a cumulative total of 18 months in any 5 year period subject to any specific stated terms in the Affordable Housing Declaration regarding maximum rent and qualifying tenant income. Transient occupancy and/or occupancy of the Affordable Unit by a Household not independently eligible to purchase the Affordable Unit are prohibited.

(C) Although Sponsor shall make a good faith effort to sell the Affordable Units, it reserves the right to rent such Units to persons whose annual Household income is no greater than 130% of the AMI. The rents shall be determined by HPD as a percentage of prescribed income.

(D) At Initial Sales, Affordable Unit Owners are obligated to execute and deliver an Enforcement Note and Enforcement Mortgage. The principal amount due under the Enforcement Note shall not accrue interest and no installments or payments shall be required until 60 years from the First Closing ("Maturity Date"), or upon an earlier default in Owner Occupancy Requirements. On the Maturity Date, the Enforcement Note shall be deemed paid in full, if throughout the term of the Note and on the Maturity Date, there has been no default. The Enforcement Note and Enforcement Mortgage may be accelerated to the extent of any Applicable Percentage of Resale Profits or Refinancing Profits from the resale or refinancing of the Affordable Unit and may be called on the occurrence of a default that remains beyond any applicable cure period, including a failure to comply with Owner Occupancy Requirements, the Affordable Housing Declaration, and the obligations of the Enforcement Note and Enforcement Mortgage.

Prior to the Maturity Date, all transferees shall assume the obligations of the Enforcement Note and Enforcement Mortgage, subject to reduction in the amount of Indebtedness to the extent of any Resale Profits or Refinancing Profits, in connection with the transaction.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 *General.* Each Unit Owner shall have the right to mortgage the Unit, subject only to the restrictions on mortgaging contained in Section 8.2 hereof and in the case of Affordable Unit Owners, the restriction set forth in the Affordable Housing Declaration, as disclosed in Schedule 8.8 hereof. Any Unit Owner who mortgages the Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering the Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units." The restrictions on mortgaging contained in Section 8.2, however, shall not apply to Sponsor or the Non-Residential Unit Owners.

Section 8.2 *Restrictions on Mortgaging*

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate the Unit unless and until the Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit. Notwithstanding the foregoing, in the event the Condominium Board receives notice of a mortgage or other financing transaction with respect to the Community Facility Unit or a request for any documentation in connection therewith, the Condominium Board shall provide Sponsor with a copy of any such notice or request.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to the Unit without including therein its Appurtenant Interest, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Unit shall be made by an Institutional Lender, Sponsor, or by a Unit Owner providing purchase money financing in connection with the sale of the Unit.

Section 8.3 *Notice of Unpaid Common Charges and Default.* The Condominium Board shall promptly report to Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the payment of Common Charges or Special Assessments for more than 60 days or whenever requested in writing by a Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to the Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by the mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering

such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit Pursuant to the terms of Section 6.5 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4 *Performance by Permitted Mortgagees.* Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by the Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 *Consent of Mortgagees; Designation of Mortgage Representatives.*

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against Unit Owner's mortgagor. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-Laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than 3 Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

Section 8.7 *Notice to Permitted Mortgagees* .

(A) Whenever requested by a Permitted Mortgagee, the Condominium Board shall provide timely written notice to such Permitted Mortgagee of (i) any condemnation or casualty loss that affects either (x) a material portion of the Condominium or (y) a material portion of a Unit, (ii) a lapse, cancellation or material modification of any insurance policy maintained by the Condominium, and (iii) any proposed action by the Condominium Board that requires the consent of a specified percentage of Permitted Mortgagees or the approval of the majority of the Mortgage Representatives.

(B) In no event, however, shall the Condominium Board (including its members, officers, agents, attorneys and employees) and Unit Owners be liable for any claims or liabilities and expenses for any failure, through oversight or negligence, in giving a Permitted Mortgagee any notice required under (A) above. Nonetheless, the Condominium Board shall give such missed notice with reasonable promptness after discovering such failure.

(C) Where the consent of the Permitted Mortgagees or Mortgage Representatives is required pursuant to the terms of the Declaration or By-Laws, if the Permitted Mortgagees or Mortgage Representatives fail to respond within 60 days after written receipt of the required consent, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

Section 8.8 *Mortgaging of Affordable Units.*

(A) In all cases subject to compliance with all documents of record, all procedures and rules and regulations established by HPD and its Administering Agent (including without limitation, the Affordable Housing Declaration and the Enforcement Mortgage) Affordable Units may be financed provided the new loan: (i) does not exceed 90% of the Resale Price; (ii) is a fixed interest loan; (iii) is with an HPD approved institutional lender; and (iv) conforms to the Affordable Housing Declaration and all other HPD homeownership requirements then in effect.

(B) A percentage of Refinancing Profits will be utilized to reduce the outstanding obligation of the Enforcement Note.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on a Unit Owner's part to be observed or performed, including, without limitation, any breach of a Unit Owner's obligation to paint, decorate, maintain, repair, or replace the Unit or its appurtenant Common or Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such 5 day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Common or Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. The foregoing notwithstanding, with respect to a Non-Residential Unit which is the subject of a Qualified Lease, the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such 5 day period and, thereafter, to prosecute such cure with due diligence to completion), shall have the right to enter such Non-Residential Unit Owner's Unit and/or its appurtenant Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass, only 5 days after delivery of written notice of the same, following the expiration of the applicable notice and cure periods set forth in the Qualified Lease. 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 said Non-Residential Unit Owner (or Qualified Tenant, as the case may be) any period of time within which to cure or to commence to cure such violation or breach. Notwithstanding the foregoing, in the event of a breach of the Condominium Documents by the Community Facility Unit Owner, the Condominium Board shall provide Sponsor with a copy of any such default notice and shall provide Sponsor with the option to cure such default within 30 days.

Section 9.2 *Abatement and Enjoinment.*

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges. The foregoing notwithstanding, with respect to any Non-Residential Unit which is the subject of a Qualified Lease, the Condominium Board's rights hereunder are subject to the terms and provisions of the Qualified Lease and may only be exercised after due notice to the Non-Residential Unit Owner and the Qualified Tenant and are tolled to cure dates to the extent any greater cure periods are provided to the Qualified Tenant under the Qualified Lease for the same violation or breach, and thereafter remain uncured by the Non-Residential Unit Owner and/or the Qualified Tenant.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges, or licenses granted to Sponsor or the Non-Residential Unit Owners shall give to Sponsor or the Non-Residential Unit Owners the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 *Remedies Cumulative.* The remedies specifically granted to the Condominium Board or to Sponsor or the Non-Residential Unit Owners in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Sponsor or the Non-Residential Unit Owners, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof or (ii) Sponsor or the Non-Residential Unit Owners in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Sponsor or the Non-Residential Unit Owners, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of 2% per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10
ARBITRATION

Section 10.1 *Procedure.* Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before 1 arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within 10 days after selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least 5 Members whose principal office is located in the City of New York.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes."

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of Section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of disputant's counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute General Common Expenses, to be borne by all Unit Owners, if such arbitration relates to the Units, generally, or to the General Common Elements, and shall constitute Residential Common Expenses, to be borne by all Residential Unit Owners if such arbitration relates solely to the Residential Units or the Residential Common Elements or the Residential Limited Common Elements.

ARTICLE 11
NOTICES

Section 11.1 *General.* All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Residential Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor, to such Unit Owner at Unit Owner's address at the Property;

(iii) if to Sponsor, to Sponsor at its principal office as set forth in the Plan;

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board;

(v) if to a Qualified Tenant, to the last address for such Qualified Tenant as provided by the Non-Residential Unit Owner or the Qualified Tenant to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when mailed in the State of New York, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 *Waiver of Service of Notice.* Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 *General.*

(A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments ("Special Amendments") affecting or in favor of Sponsor, the Non-Residential Unit Owners, the Non-Residential Units and/or any Permitted Mortgagee ("Special Amendments"), any provision of these By-Laws affecting the (i) General Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66 2/3% in number and Common Interest of all Unit Owners; and (ii) Residential Common Elements or all Residential Unit Owners may be added to, amended, modified or deleted by affirmative vote of at least 66 2/3% in number and Residential Common Interest of all Residential Unit Owners including at least 66 2/3 % in number and Residential Common Interest of all Affordable Unit Owners, either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage (where applicable) of Residential Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Residential Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage (where applicable) of Residential Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-Laws with respect to Special Amendments:

(i) the Common Interest and Residential Common Interest, if any, appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.5 hereof; and

(ii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted unless not less than 80% in number and aggregate Common Interest of all Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 *Special Amendments.*

(A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-Laws that, pursuant to the terms of the Declaration or these By-Laws, may be effected by Sponsor or the Non-Residential Unit Owners, without the consent of the Condominium Board or the Unit Owners, shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor or the Non-Residential Unit Owners, as the case may be, as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor or the Non-Residential Unit Owners certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor or the Non-Residential Unit Owners pursuant to the terms of the Declaration and/or these By-Laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or these By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-Laws shall be effective in any respect against Sponsor or any Non-Residential Unit Owner, unless and until Sponsor and/or such affected Non-Residential Unit Owner (as the case may be) shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) or paragraph (C) of Section 6.2, subparagraph (iv) or (v) of paragraph (B) of Section 7.5 or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto. In addition, no amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of 51% of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any. If the Permitted Mortgagees or Mortgage Representatives fail to respond within 60 days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

(D) Amendments, modifications, additions or deletions of or to the Declaration, these By-Laws and the Residential Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of a Non-Residential Unit or the subdivision of or combination of, or altering of, or improvement to a Non-Residential Unit and it is contemplated that in connection therewith a Non-Residential Unit Owner will cause the Declaration, these By-Laws and the Residential Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provisions thereof may be similar or dissimilar to those affecting the Residential Units and the Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not materially and adversely affect the Residential Units or the Residential Unit Owners, a Non-Residential Unit Owner shall be the attorney-in-fact for the Residential Unit Owners (including Sponsor so long as Sponsor owns any Unsold Residential Units), coupled

with an interest, for the purpose of approving, executing and recording any instrument effecting such amendment, modification, addition or deletion.

Section 12.3 No amendment to the Condominium Documents which alters the rights and obligations of Affordable Unit Owners as set forth herein or in the Affordable Unit Requirements shall be effective without the prior written consent of HPD.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 *General.* Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a Member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 *Failure to Deliver or Act.*

(A) If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If any Unit Owner, the Condominium Board or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to these By-Laws at the request of Sponsor or a Non-Residential Unit Owner, or a Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, then Sponsor, or a Non-Residential Unit Owner or a Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these By-Laws which requires the consent or approval of the Condominium Board.

ARTICLE 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents.* Copies of the Declaration, these By-Laws, the Residential Rules and Regulations and the Tax Lot Drawings, as the same may be amended from time to

time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours. Each Unit Owner shall be permitted to examine the books of account of the Condominium during reasonable business hours, but not more frequently than once a month.

Section 14.2 *Waiver.* No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 *Conflict.* In the event that any provision of these By-Laws or of the Residential Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 *Severability.* If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 *Successors and Assigns.* The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor. The rights and/or obligations of the Non-Residential Unit Owners as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of the Non-Residential Unit Owners.

Section 14.6 *Gender.* A reference in these By-Laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision hereof.

Section 14.8 *Affordable Housing Declaration.* The Regulatiory Agreement (if any) is incorporated herein by reference. Any conflict between the Affordable Housing Declaration and these By-Laws shall be resolved in favor of the Affordable Housing Declaration.

ARTICLE 15

TAX STATUS AS A HOMEOWNERS ASSOCIATION

Section 15.1 *General.* As of the date of the recording of this Declaration, the Condominium Board will not be eligible to elect tax-exempt status.

* * * * *

ADDENDUM TO THE BY-LAWS

RESIDENTIAL RULES AND REGULATIONS

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Residential Units.

2. No bicycles, rollerblades, scooters, skateboards or similar vehicle shall be taken into or from the Building through the main entrance or shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose or ridden in the Building or the courtyard. No baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the service entrances or such other entrances of the Building designated by the Condominium Board or the Managing Agent. In addition, all domestic employees, messengers and tradespeople visiting the Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use any of the other elevators for any purpose, provided, however, that care-givers in the employ of Residential Unit Owners or their Family Members, guests, tenants, subtenants, licensees, or invitees may use any of the other elevators when accompanying said Unit Owners, Family Members, guests, subtenants, licensees, or invitees.

4. Trunks and heavy baggage shall be taken in or out of the Building only by the elevator designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrance consisting of loading berth A.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. No Residential Unit may be used for the storage of any flammable materials or any other materials the storage of which may constitute a Building code violation or which will increase the insurance requirements for the Building.

7. No refuse from the Residential Units shall be sent to the service area of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, or placed upon the window sills, of the Building, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

8. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, stairways, or fire towers of the Building.

9. Smoking is prohibited on the common roof deck/terrace for Residential Unit Owners.

10. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage or service purposes in the Building.

11. Nothing shall be done or kept in any Residential Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof. No Residential Unit Owner shall permit anything to be done or kept in the Residential Unit or in the Common Elements that will

result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Residential Unit Owner or any Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in the Residential Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of the Residential Unit.

12. There shall be no barbecuing in the Residential Units, in their appurtenant Residential Limited Common Elements, if any, or in the Common Elements.

13. No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from the Residential Unit or its appurtenant Residential Limited Common Elements, if any, or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit or its appurtenant Residential Limited Common Elements, if any, between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice of suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

14. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Residential Unit without the consent of the Condominium Board. Each Residential Unit Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Condominium, the Condominium Board, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Residential Rules and Regulations adopted by the Condominium Board with respect thereto, including without limitation, the number of such pets. Notwithstanding the foregoing, the Condominium Board shall have the right to adopt a no-pet policy for the Building or policies with respect to size or number of pets per Unit. In no event shall any pet permitted in any public elevator of the Building, other than the elevator designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

15. No group tour, open house or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the consent of the Condominium Board or the Managing Agent in each instance. In the event that any Residential Unit shall be used for home occupation purposes in conformance with the Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

16. Each Unit Owner must carpet the Unit with at least 80% of the floor space of each room of the Unit covered, except in the kitchen, pantry, and bathrooms. If wall to wall carpeting is installed, the tacking strip must be glued and not nailed to the floor. Any wall to wall carpeting shall only be installed with water soluble glue adhesive or no adhesive or other products used shall damage the underlying flooring in any way. Each Unit Owner shall be responsible for any damage to the flooring caused by any carpet installation.

17. No window decorations shall be used in or about any Residential Unit, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval

shall not be unreasonably withheld or delayed. In no event, however, shall any windows of any Residential Unit be colored or painted.

18. No ventilator or air conditioning device shall be installed in any Residential Unit or its appurtenant Residential Limited Common Elements, if any, without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

19. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

20. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

21. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of the Residential Unit.

22. Each Residential Unit Owner shall keep the Residential Unit and its appurtenant Residential Limited Common Elements, if any, in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

23. The access doors located in various portions of the ceiling of the Residential Units shall not be obstructed in any manner which would prevent access to the ceiling hung units located within such ceilings.

24. The agents of the Condominium Board or the Managing Agent, and any contractor or workperson authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least 1 day's prior notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

25. The Condominium Board or the Managing Agent may retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to the Residential Unit at any time when an entry therein is necessary or permissible under these Residential Rules and Regulations or under the By-Laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's property).

26. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by an agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for the Residential Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Residential Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in Rule 22 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

27. Residential Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon, the roof of the Building unless such roof is part of a lawful terrace.

28. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

29. Any consent or approval given under these Residential Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

30. No Residential Unit Owner shall install any plantings on any Terrace or roof without the prior written approval of the Condominium Board. Plantings shall be placed in containers impervious to dampness and standing on supports at least two inches from the Terrace or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the containers to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in containers which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such Terrace or roof but shall stand on supports at least two inches above such surface. No planting shall be permanently affixed to a Terrace or roof surface but shall be able to be easily moved. It shall be the responsibility of the Residential Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings. The Condominium Board shall have an easement and a right of access to the Terrace appurtenant to the a Unit to inspect the same and to remove violations therefrom and to install, operate, maintain, repair, alter, build, restore, and replace any of the Common Elements located in, over, under through, adjacent to, or upon the same.

31. No Residential Unit Owner shall enclose, erect a greenhouse and/or alter the Terrace appurtenant to a Residential Unit in any way, without the prior written consent of the Condominium Board.

32. No Residential Unit Owner may install or place speakers on a Terrace appurtenant to a Residential Unit.

33. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board and the Managing Agent.

34. When leaving the Residential Unit for extended periods of time, Residential Unit Owners and their respective Family Members, guests, domestic employees, agents, visitors, or licensees shall keep the Residential Unit at a maximum of 80 degrees Fahrenheit from May 15 to October 15 and shall keep the Residential Unit at a minimum of 60 degrees Fahrenheit from October 15 to May 15. Any damage resulting from a Residential Unit Owner's or their respective Family Member, guests, domestic

employees, agents, visitors or licensees failure to abide by the provisions of this paragraph shall be borne solely by the owner of such Residential Unit causing the damage.

35. No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to Residential Unit Owners or occupants or interferes with the peaceful possession or proper use of the Property by Residential Unit Owners or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the sole cost and expense of the respective Residential Unit Owners or the Condominium, whoever shall have the obligation to maintain or repair such part of the Property.

36. Residential Unit Owners and their respective Family Members, guests, domestic employees, employees, agents, visitors, or licensees shall abide by any additional rules and regulations adopted by the Condominium Board.

EXHIBIT E

TO THE DECLARATION

UNIT POWER OF ATTORNEY

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration ("Declaration") establishing a plan for condominium ownership of the premises known as the 242 Broome Street Condominium ("Condominium") and by the street number 242 Broome Street, New York, New York 10002 under Article 9-B of the Real Property Law of the State of New York, dated _____, and recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on _____, as CRFN# _____ ("Declaration"), or (b) in the By-Laws of _____ ("By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

[Applicable to Unit Owners of Residential Units only]: The undersigned, _____, (having an office) (residing at) _____, the owner of a Unit _____ ("Unit") in the Condominium which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ in Block 409 of the Borough of Manhattan on the Tax Map of the Department of Finance of The City of New York and on the Tax Lot Drawings, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as Members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Residential Unit Owners for the reduction of the assessed valuation of their Residential Units, such Residential Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Residential Unit, together with its Appurtenant Interest whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Residential Unit, together with its Appurtenant Interest that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Residential Unit so acquired or to sublease any Residential Unit so leased;

(d) Intentionally Omitted

(e) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Residential Units.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

[Applicable to Unit Owners of Residential Units and Non-Residential Units]: The undersigned, _____, (having an office) (residing at) _____, the owner of a Unit _____ ("Unit") in the Condominium which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ in Block 409 of the Borough of Manhattan on the Tax Map of the Department of Finance of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint Site 1 DSA Owner LLC ("Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents, including without limitation, when such amendment (1) shall be required to reflect any changes in Unsold Residential Units and/or the reapportionment of the Common Interest of the affected Unsold Residential Units resulting therefrom made by Sponsor in accordance with the Declaration, or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Residential Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Residential Unit; or (3) shall be required to correct any inconsistencies or scriveners' errors in the Declaration, the By-Laws and/or the Tax Lot Drawings; or (4) relinquish Sponsor's rights under the Condominium Documents, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as (i) Sponsor shall cease to own any Unit in the Condominium; (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan; and (iii) a PCO has been issued for the Property; and

(b) to effectuate Sponsor's and/or Development Rights Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in the Declaration.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, ____.

_____

(ACKNOWLEDGEMENT)

EXHIBIT F

CONDOMINIUM RECOGNITION AND NON-DISTURBANCE AGREEMENT

AGREEMENT, dated as of _____, 20__, between The Board of Managers of the 242 Broome Street Condominium, (the "Condominium Board"), acting as agent for the owners of all Units (as such terms are defined in the Declaration hereinafter referred to) and _____ ("Tenant").

WITNESSETH

WHEREAS, _____ ("Landlord"), and the Tenant have entered into a lease dated as of _____ ("Lease") demising to the Tenant certain portions ("Premises") of the Unit (hereinafter, "Unit") in the condominium known as 242 Broome Street Condominium ("Condominium") created by that certain declaration dated _____ recorded on _____ in the City Register of the City of New York for the County of New York at CRFN _____ (as same may be amended, the "Declaration") subjecting the land described on Exhibit A hereto and the improvements thereon to the provisions of Article 9-B of the Real Property Law of the State of New York; such Unit __ being designated as Tax Lot No. _____ in Block ____ on the Tax Map of the City of New York for the Borough of Manhattan; and

WHEREAS, Landlord is the owner of the Unit; and

WHEREAS, the Tenant has requested the Condominium Board to enter into this Agreement pursuant to Section 7.12 of the By-Laws.

NOW, THEREFORE, the Condominium Board and the Tenant hereby agree as follows:

1. Definitions. Capitalized terms not defined herein shall have the meanings ascribed to them in the Declaration.

2. Representations. The Tenant represents that:

(a) Tenant is the sole tenant under the Lease and no other Person has any right, title or interest in the Tenant's interest in the Lease.

(b) The copy of the Lease delivered by the Landlord or the Tenant to the Condominium Board is true, complete and correct in all respects and there are no modifications, amendments or other changes.

(c) The Lease is in full force and effect and there presently exists no event of default under the Lease, to Tenant's knowledge, by the Landlord, and there are presently no offsets or credits against rentals except as expressly set forth in the Lease.

(d) Tenant has full right, power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement in accordance with and subject to the terms, conditions and provisions of this Agreement.

(e) The Lease is the result of an arms-length transaction between Tenant and Landlord and Tenant is not an Affiliate of Landlord.

3. Subordination. The Tenant hereby agrees that the Lease and Tenant's interest in the Lease is subject to the terms of this Agreement and is subject and subordinate to the Declaration, and that notwithstanding that a memorandum of lease with respect to the Lease may be recorded prior to the recording of the Declaration, the Declaration shall be deemed to have been recorded prior to such memorandum of lease. Without limiting the generality of the foregoing and subject to the terms of this Agreement, the Lease is subordinate to the Declaration and the Condominium Board's lien on the Unit for common charges, special assessments or other charges and interest thereon under the Condominium Documents (as defined in the Declaration) (the " Condominium Board's Lien").

4. Nondisturbance. So long as no default under the Lease has continued for such period as would entitle the Landlord under the Lease to terminate the Lease or dispossess the Tenant and the representations of Tenant in Section 2 of this Agreement are true and correct in all material respects, the Lease shall not be terminated, nor shall the Tenant's use, possession, or enjoyment of the Premises be interfered with, nor shall the leasehold estate granted by the Lease be affected in any manner, nor shall any of the rights of the Tenant granted under the Lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien, or in the exercise of any rights of the Board, or any party acquiring the interest of the Landlord by reason of foreclosure of such lien and such Party's successors and assigns (the Condominium Board and each such Party being referred to herein as the "Purchaser") or in case the Purchaser takes possession of the Premises or the Unit pursuant to any provisions of the Declaration or the By-Laws of the Condominium, or otherwise. Nothing contained in this Agreement shall prevent the Condominium Board from naming or joining Tenant in any foreclosure or other action or proceeding initiated by the Condominium Board to the extent necessary under Law in order for the Condominium Board to avail itself of and complete the foreclosure or other remedy, to enforce the Condominium Board's Lien, but such naming or joinder shall not be in derogation of the rights of Tenant as set forth in this Agreement.

5. Attornment. In the event that the Purchaser succeeds to the interest of the Landlord under the Lease by reason of foreclosure of such lien or otherwise:

A. Tenant shall be bound to the Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the term of the lease ("Lease Term"), including any renewal periods provided for in the Lease (each a "Renewal Period"), with the same force and effect as if the Purchaser were the landlord under the Lease, and the Tenant does hereby attorn to the Purchaser, as its landlord, said attornment to be effective and self-operative without the execution of any further instruments upon the Purchaser succeeding to the interest of the Landlord under the Lease, provided that the Tenant shall not be obligated to pay any rent to the Purchaser until the Tenant has received notice from Purchaser that it has succeeded to such interest.

B. Purchaser shall be bound to Tenant under, and shall perform all of the terms, covenants and provisions of, the Lease to be performed by the landlord thereunder for the remainder of the Lease Term, including any Renewal Periods, to the extent that Tenant shall elect or has elected to exercise any or all of its options to extend the Lease Term), and Tenant shall, from and after the date Purchaser succeeds to the interest of the landlord under the Lease, have the same remedies against Purchaser for the breach of any provision of the Lease that Tenant might have had under the Lease against Landlord if Purchaser had not succeeded to the interest of Landlord, except that Purchaser shall not be (i) bound by any fixed annual rent or additional rent which Tenant may have paid for more than one (1) month in advance to any prior landlord (including Landlord); or (ii) bound by any amendment or modification of the Lease made without Purchaser's consent that does not satisfy the criteria set forth in Section 7.12 of the By-Laws; or (iii) bound by any amendment or modification of the Lease not made in connection with an "arms-length" negotiation between any prior landlord and Tenant; or (iv) liable for any action or omission of any prior landlord (including Landlord) under the Lease; or (v)

liable for any offsets, claims or defenses which tenant may have against any prior landlord (including Landlord) other than as specifically set forth herein; or (vi) bound by any obligation to make any alterations, additions, installations or improvements to the Premises or to make any payment to the Tenant on account of the same, subject to the ongoing obligations of Landlord of maintenance, repair and restoration contained in the Lease; (vii) obligated to repair, replace, rebuild or restore the Premises (or any portion thereof) in the event of a casualty or condemnation, except to the extent required by the Landlord under the Lease, and then, only to the extent that the same can be accomplished from the net proceeds of insurance or condemnation awards actually received by or made available to Purchaser as the owner of the Unit or to the Condominium Board, to the extent of any restoration obligations it has under the Condominium Documents with respect to the Unit; or (viii) liable for the return of any deposit, rental security or any other sums deposited with any prior landlord (including Landlord) under the Lease, except to the extent such sums have actually been paid over to the Purchaser. The foregoing subdivisions (iii) and (iv) shall not be construed to relieve Purchaser from the obligation to perform the covenants of the landlord under the Lease after such succession, including the obligation to cure nonmonetary defaults of Landlord that continue after such succession, if such default is curable by Purchaser and if tenant gives Purchaser written notice of such default and at least the same time given by the Lease to Landlord to cure such default after Purchaser becomes the owner of the Premises.

6. No Liability. Upon acquisition of Landlord's interest in the Premises, Purchaser shall have no obligation, nor incur any liability, beyond Purchaser's then equity interest, if any, in the Premises and the Tenant shall not be able to enforce any such liability against any other assets of the Purchaser, including, without limitation, the Common Elements. Furthermore, in the event of the assignment or transfer of the interest of a Purchaser under this Agreement, upon the assumption of such Purchaser's obligations and liabilities hereunder by the assignee or transferee, all obligations and liabilities of such Purchaser under this Agreement shall terminate and, thereupon, all such obligations and liabilities shall be the sole responsibility of the party to whom such Purchaser's interest is assigned or transferred.

7. Covenants. The Tenant hereby covenants and agrees that: (a) the Tenant shall not pay any rent or additional rent under the Lease more than one month in advance; (b) the Tenant shall have no right to appear in any foreclosure action brought by the Condominium Board to foreclose the Condominium Board's Lien; (c) this Agreement satisfies any requirement in the Lease relating to the granting of a Non-Disturbance Agreement by the Condominium Board; and (d) the Tenant shall deliver to the Condominium Board, from time to time and within fifteen (15) days from the date of request, an estoppel certificate in form and substance satisfactory to the Condominium Board certifying to such matters relating to the Lease as the Condominium Board may reasonably request.

8. Notices. All notices, consent, approvals or other communications given under or pursuant to this Agreement (each, a "notice") shall be in writing and shall be given by registered or certified mail, return receipt requested, postage prepaid, or by a recognized overnight courier service that provides proof of receipt (a) if to the Condominium Board, at the address of the Condominium Board set forth above or at such other address as the Board may designate by notice to Landlord and Tenant, or (b) if to Tenant, at the address of Tenant set forth above or at such other address as Tenant may designate by notice to the Condominium Board and Tenant. Each notice shall be deemed to have been given, rendered or made on the date received by the party to whom addressed (or the date such receipt is refused, if applicable). Each party may designate a change of address (or substitute parties for notice) by notice to the other, given at least fifteen (15) days before such change of address or entitlement to notice on behalf of such notice party is to become effective.

9. Binding Effect. This Agreement shall run with the land and bind all future Condominium Boards and Unit Owners. No amendment hereafter made to the Declaration or to the By-Laws of the Condominium and no other act of the Condominium Board shall be valid or effective to

diminish any of the Tenant's rights hereunder, unless the Tenant shall give its written consent thereto, regardless of whether or not the Landlord shall consent thereto or join therein.

10. Miscellaneous.

(a) This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors in interest. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, representatives, successors and assigns.

(b) The provisions of this Agreement shall be governed by and construed in accordance with the 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.

(c) This Agreement may be executed in one or more counterparts, and by the different parties in separate counterparts, each of which when executed shall be deemed to be an original, but all of which shall constitute one and the same agreement. This Agreement may be executed and delivered by facsimile or other electronic or portable document format (pdf) transmission.

* * * * *

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

THE BOARD OF MANAGERS OF THE 242 BROOME STREET CONDOMINIUM

By: _____
Name:
Title:

TENANT:

By: _____
Name:
Title:

UNIT OWNER'S SPECIMEN TITLE POLICY

PRO FORMA

Form No. 1402.06
ALTA Owner's Policy (6-17-06)
1100302P050600

Policy Number: Y 3020-739245
SPECIMEN

OWNER'S POLICY OF TITLE INSURANCE

ISSUED BY

First American Title Insurance Company

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a Nebraska corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
   (a) A defect in the Title caused by
      (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
      (ii) failure of any person or Entity to have authorized a transfer or conveyance;
      (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
      (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
      (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
      (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
      (vii) a defective judicial or administrative proceeding.
   (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
   (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (a) the occupancy, use, or enjoyment of the Land;
   (b) the character, dimensions, or location of any improvement erected on the Land;
   (c) the subdivision of land; or
   (d) environmental protection
   if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
   (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
   (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
      (i) to be timely, or
      (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this policy, but only to the extent provided in the Conditions.

First American Title Insurance Company

Dennis J. Gilmore
President

Jeffrey S. Robinson
Secretary

PRO FORMA

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;
   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risks 9 and 10); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
   (a) a fraudulent conveyance or fraudulent transfer; or
   (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
(b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
(c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
(d) "Insured": The Insured named in Schedule A.
   (i) The term "Insured" also includes
      (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
      (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
      (C) successors to an Insured by its conversion to another kind of Entity;
      (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
         (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
         (2) if the grantee wholly owns the named Insured,
         (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
         (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
   (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
(e) "Insured Claimant": An Insured claiming loss or damage.
(f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
(g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
(h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
(i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
(j) "Title": The estate or interest described in Schedule A.
(k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
(b) The Company shall have the right, in addition to the options contained in

Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.
To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.
Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.
(i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
(ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of
(i) the Amount of Insurance; or
(ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,
(i) the Amount of Insurance shall be increased by 10%, and
(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

(a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

(a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.
If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefore in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located. Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at 1 First American Way, Santa Ana, CA 92707, Attn: Claims Department.

POLICY OF TITLE INSURANCE



SCHEDULE A

First American Title Insurance Company

Name and Address of the issuing Title Insurance Company:
First American Title Insurance Company
666 Third Avenue, 5th Floor
New York, NY 10017

Policy No.: **Y 3020-739245 SPECIMEN**
Address Reference: 242 Broome Street, _____ Condominium, New York, NY 10002 **(For Information Only)**
Amount of Insurance: $_____
Date of Policy: ___/___/_____

1. Name of Insured:

   _____

2. The estate or interest in the Land that is insured by this policy is:

   Fee Simple

3. Title is vested in:

   _____ by means of a deed made by SITE 1 DSA OWNER LLC, recited as being a Delaware limited liability company dated ___/___/_____ and being duly recorded in the Office of the City Register, New York County.

4. The Land referred to in this policy is described as follows:

   Real property in the City of New York, County of New York, State of New York, described as follows:

   THE CONDOMINIUM UNIT (THE "UNIT") KNOWN AS UNIT NO. ____ IN THE BUILDING DESIGNATED AS THE _____CONDOMINIUM IN THE 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 "NEW YORK CONDOMINIUM ACT"), DATED _____AND RECORDED IN THE OFFICE OF THE REGISTER OF NEW YORK COUNTY (THE "REGISTER'S OFFICE") ON _____ IN _____, ALSO DESIGNATED AS TAX LOT _____, IN BLOCK 409 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 _____, REGISTERED ARCHITECT, ON _____AND FILED WITH THE REAL PROPERTY ASSESSMENT DEPARTMENT OF THE CITY OF NEW YORK ON _____AS CONDOMINIUM PLAN NO. _____, AND ALSO FILED IN THE CITY REGISTER'S OFFICE ON _____AS MAP NO. _____.

   TOGETHER WITH A TOTAL UNDIVIDED _____% INTEREST, IN THE COMMON ELEMENTS (AS SUCH TERM IS DEFINED IN THE DECLARATION).

   THE PREMISES WITHIN WHICH THE UNIT IS LOCATED ARE MORE PARTICULARLY DESCRIBED AS FOLLOWS:

   ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, SITUATE, LYING AND BEING IN THE CITY, COUNTY AND STATE OF NEW YORK, SHOWN AND DESIGNATED AS BLOCK 409, LOT 56

ON THE TAX MAP OF THE CITY OF NEW YORK FOR THE BOROUGH OF MANHATTAN AS THE SAME EXISTED ON 09/17/2015, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE CORNER FORMED BY THE INTERSECTION OF THE EASTERLY SIDE OF LUDLOW STREET AND THE NORTHERLY SIDE OF BROOME STREET;

RUNNING THENCE NORTHERLY ALONG EASTERLY SIDE OF LUDLOW STREET A DISTANCE OF 150.19 FEET (SURVEY) 151.33 FEET (TAX MAP) TO A POINT;

THENCE EASTERLY ALONG A LINE FORMING AN INTERIOR ANGLE OF 90° 14' 09" WITH THE EASTERLY SIDE OF LUDLOW STREET A DISTANCE OF 87.84 FEET (SURVEY) 87.79 FEET (TAX MAP) TO A POINT;

THENCE NORTHERLY FORMING AN EXTERIOR ANGLE OF 90° 26' 40" WITH THE PREVIOUS COURSE A DISTANCE OF 3.00 FEET TO A POINT;

THENCE EASTERLY FORMING AN INTERIOR ANGLE OF 89° 37' 18" WITH THE PREVIOUS COURSE A DISTANCE OF 87.85 FEET (SURVEY) 87.79 FEET (TAX MAP) TO THE WESTERLY SIDE OF ESSEX STREET;

THENCE SOUTHERLY ALONG THE WESTERLY SIDE OF ESSEX STREET FORMING AN INTERIOR ANGLE OF 90° 22' 42" WITH THE PREVIOUS COURSE A DISTANCE OF 58.88 FEET (SURVEY) 58.87 FEET (TAX MAP) TO A POINT;

THENCE WESTERLY FORMING AN INTERIOR ANGLE OF 89° 47' 13" WITH THE WESTERLY SIDE OF ESSEX STREET A DISTANCE OF 50.40 FEET (SURVEY) 50.44 FEET (TAX MAP) TO A POINT;

THENCE SOUTHERLY FORMING AN EXTERIOR ANGLE OF 89° 52' 10" WITH THE PREVIOUS COURSE A DISTANCE OF 95.46 FEET TO A POINT ON THE NORTHERLY SIDE OF BROOME STREET;

THENCE WESTERLY ALONG THE NORTHERLY SIDE OF BROOME STREET FORMING AN INTERIOR ANGLE OF 89° 41' 10" WITH THE PREVIOUS COURSE DISTANCE OF 124.60 FEET (SURVEY) 124.37 FEET (TAX MAP) TO THE POINT AND PLACE OF BEGINNING.

SCHEDULE B

Policy No.: **Y 3020-739245 SPECIMEN**

EXCEPTIONS FROM COVERAGE

This Policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. AS TO THE BUILDING: Any state of facts which a guaranteed survey of current date would disclose.

   AS TO THE UNIT: With respect to Condominium Unit No. _____, the title to which is to be insured herein, policy excepts any state of facts which an accurate survey would disclose. Policy insures, however, that any encroachment of the Unit onto other Units or onto any part of the common elements may remain undisturbed as long as the Unit insured hereunder exists.

2. Terms, Restrictions and Conditions set forth in the Declaration of Condominium and By - Laws of the _____ Condominium dated _____, recorded _____ in(as) _____; but the Policy insures against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9-B of the Real Property Law, as amended.

3. Power of Attorney to the Board of Managers of the _____ Condominium, and their successors in office dated ___/___/20___ and to be recorded in the office of the Register, New York County, as provided in the Declaration and By - Laws of the _____ Condominium.

4. Terms, covenants, and conditions contained in Land Disposition Agreement dated 11/25/2015 from The City of New York, acting by and through its Department of Housing Preservation and Development to New York City Economic Development Corporation dated as of 11/25/2015 and recorded 12/04/2015 in CRFN 2015000430234.

   WITH REGARD THERETO:

   (a) Assignment and Assumption Agreement made by New York City Economic Development Corporation, as assignor, and Site 1 DSA Owner LLC, as assignee, dated as of 11/25/2015 and recorded 12/04/2015 in CRFN 2015000430235.

   (b) Subordination Agreement (Reverter) made by and between The City of New York, acting by and through its Department of Housing Preservation and Development, and Goldman Sachs Bank USA dated as of 11/25/2015 and recorded 12/04/2015 in CRFN 2015000430241.

5. Terms, covenants, conditions and provisions for the revesting of title as set forth in deed made by The City of New York, acting by and through its Department of Housing Preservation and Development, and New York City Economic Development Corporation dated as of 11/25/2015 and recorded 12/04/2015 in CRFN 2014000430236.

6. Terms, covenants, conditions and agreements as set forth in an unrecorded Operating Agreement made between Site 1 DSA Owner LLC and New York City Economic Development Corporation dated as of 11/25/2015 as referred to in the Deed recorded in CRFN 2015000430236.

7. Covenants, agreements, obligations, right of re-entry and forefeiture as set forth in deed made by New York City Economic Development Corporation to Site 1 DSA Owner LLC dated as of 11/25/2015 and recorded 12/04/2015 in CRFN 2015000430237.

8. Assignment of Surplus Money made from New York City Economic Development Corporation and Site 1 DSA Owner LLC, Assignor to The City of New York, Assignee, dated as of 11/25/2015 and recorded on 12/04/2015 in(as) CRFN 2015000430243.

9. Covenants and restrictions contained in Declaration of Large-Scale General Development recorded on 03/19/2015 in (as) CRFN 2015000094319 and as modified in First Modification to Restrictive Declaration recorded 04/14/2015 in CRFN 2015000124879. Policy insures that any violations thereof will not result in a forfeiture or reversion of title.

10. Real Estate Taxes to be allocated to each condominium unit.

First American

STANDARD NEW YORK ENDORSEMENT
(OWNER'S POLICY)

Issued by

First American Title Insurance Company

Attached to and made part of Policy No.: Y 3020-739245 SPECIMEN

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated: ___/___/____

First American Title Insurance Company

Dennis J. Gilmore
President

Jeffrey S. Robinson
Secretary

By:
Authorized Countersignature

ATTORNEY'S INCOME TAX OPINION

O L S H A N

1325 AVENUE OF THE AMERICAS • NEW YORK, NEW YORK 10019
TELEPHONE: 212.451.2300 • FACSIMILE: 212.451.2222

EMAIL: WGLEICHER@OLSHANLAW.COM
DIRECT DIAL: 212.451.2231

July 25, 2016

Site 1 DSA Owner LLC
c/o Taconic Investment Partners LLC
111 Eighth Avenue, Suite 1500
New York, NY 10011

Re: **242 Broome Street Condominium**

Gentlemen:

In connection with the offering of condominium units under a plan entitled 242 Broome Street Condominium (the "Plan"), you have requested our opinion as special tax counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for federal and New York State income tax purposes of payments of mortgage interest and real estate taxes by individual Residential Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

All capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

We understand that under the Plan each Unit Owner will hold title to his Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes. Each Unit Owner may place a separate mortgage on his Residential Unit and, by doing so, incur direct liability for the interest payable on such mortgage.

In our opinion under present law, subject to the limitations discussed in the following paragraph and subject to limitations imposed on the deduction of itemized deductions, interest on a mortgage secured by a Residential Unit paid or accrued by owner of such Residential Unit who is liable for the interest payment on such mortgage and who uses the Residential Unit exclusively as his personal residence will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. In rendering this opinion we assume that such interest is not prepaid, that the mortgage proceeds were used by the Residential Unit Owner to purchase the Residential Unit, that the Residential Unit is the owner's principal residence and that the Residential Unit Owner is an individual.

Except as provided below, residential interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer's principal residence, as defined for purposes of exclusion of gain on sale under Internal Revenue Code ("Code") Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of indebtedness which may be taken into account for purposes of this deduction. In general, with respect to indebtedness incurred in purchasing a Residential Unit, this ceiling is $1,000,000, or

$500,000 in the case of a married individual filing a separate return. In addition, an individual may deduct interest on an additional $100,000 of indebtedness in excess of the $1,000,000 limit mentioned above as interest on home equity indebtedness. However, special limitations may apply to the deductibility of points and prepaid interest if any.

It is also our opinion under present law that real estate taxes assessed against a Unit Owner's Residential Unit which are paid or accrued by such owner will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions.

We note that in some cases the amount of mortgage interest deductible by an individual Residential Unit Owner subject to the alternative minimum tax may be less than the amount deductible by a Residential Unit Owner subject to the regular income tax and that no deduction is allowed for real estate taxes paid by a taxpayer subject to the alternative minimum tax.

The mortgage interest and real estate taxes described above will also be allowable as deductions for New York State income tax purposes to a resident individual. We express no opinion with respect to these items under the New York State personal income tax on nonresidents. We also express no opinion as to the taxation of Residential Unit Owners who are not individuals.

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of 242 Broome Street Condominium (the "Association"), including the Declaration of Condominium and By-Laws of the Condominium (which are the instruments which will create the Association).

Our opinion has been requested as to whether the Association will be eligible to qualify as a tax-exempt organization for federal income tax purposes. In order for the Association to qualify as an exempt organization for federal income tax purposes under Code Section 528, it must meet the following six conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of residential units.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance, and care of the Association's property and other than by a rebate of excess membership dues, fees, or assessments.

(5) The Association must qualify as a "condominium management association," which is an organization meeting the requirements of condition (1), above, with respect to a condominium project substantially all the units of which are used by individuals for residences.

(6) The Association must properly elect to have Code Section 528 apply for the taxable year.

"Substantially all the units" of a condominium management association will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all Units within the project is used by individuals for residential purposes. Units that are used for purposes auxiliary to residential use are considered as used for residential purposes. These auxiliary purposes include laundry areas, storage rooms, and areas used by maintenance personnel. A special limitation is established for transient use. No building or Unit will be considered as used for residential purposes if, for more than one half the days in the Association's taxable year, such Unit or building is occupied by a person or series of persons each of whom occupies the Unit or building for less than thirty days.

You have advised us that less than 85% of the total square footage of the Premises will be used by individuals for residential purposes. Accordingly, the "substantially all" test will not be met. As a result, it is our opinion that the Association will not be eligible to elect tax-exempt status under Code Sec. 528.[1]

Since the Association will not initially qualify as a tax exempt organization pursuant to Code § 528, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. Tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of its income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification.[2]

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[1] If in the future the Association does meet the substantially all test and elects tax treatment under Code Sec. 528, all amounts received by the Association as exempt function income will be exempt from federal income tax. This consists of amounts received as membership dues, fees, or assessments from owners of Residential Units. However, the Association would be subject to tax on income which is not exempt function income to the extent such income exceeds expenses properly allocable to such income. Examples of income which is not exempt function income are interest earned on reserve funds, amounts received from persons who are not members of the Association or from Commercial Unit Owners, amounts received for work done on privately owned property which is not Association property, and amounts received from members for special use of the Association's facilities, the use of which is not available to all members as a result of having paid the dues, fees, or assessments required to be paid by all members.

[2] To remove doubt in the area, the Association may be able to elect to be treated as a corporation for federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation.

This opinion deals only with the specific tax matters discussed above, which do not necessarily comprise all tax matters which may be significant to purchasers of Units. We express no views as to any federal, New York State or New York City tax consequences other than as explicitly discussed in this opinion or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction. Accordingly, it is recommended that each prospective purchaser of a Unit consult with his own tax advisor concerning the federal, New York State, and New York City tax consequences of the purchase and ownership of a Unit.

This opinion is based solely on the facts and documents referred to above. No warranties are made that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, counsel to Sponsor, special tax counsel to the Sponsor, the Association, or any other person be liable if, by reason of future changes in fact or applicable law, regulations, decisional law, or Internal Revenue Service rulings, the tax consequences described previously should change.

ALL UNIT OWNERS, POTENTIAL UNIT OWNERS AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THIS OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Sincerely yours,



OLSHAN FROME WOLOSKY LLP

REAL ESTATE TAX PROJECTION OPINION

MARCUS & POLLACK LLP

ATTORNEYS AT LAW

INCLUDING PROFESSIONAL CORPORATIONS

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EMILY N. BLATT
ZACHARY L. NATHANSON

June 17, 2016

Site 1 DSA Owner LLC
111 Eighth Avenue Ste 1500
New York, NY 10011

Re: Estimated Real Estate Taxes
Essex Crossing: Site 1
242 Broome Street
Block 409, Lot 56, Manhattan

Ladies and Gentlemen:

Pursuant to your request, we have reviewed the information furnished by your office regarding the above-referenced new construction project as a mixed-use condominium apartment project. The newly constructed 14-story multiple dwelling will contain 55 residential condominium units of which 11 will be offered for sale to persons or households of low and moderate income ("Affordable Units"). You have asked us to estimate the real estate tax liability applicable to the residential and commercial portions of the new mixed-use development project consisting of 55 separately assessed residential and 4 commercial condominium units upon Completion of Construction and for the first year of condominium operation, both with and without any Section 421-a partial tax exemption benefits that may apply.

Real property tax assessments are subjective determinations made by individual assessors within the New York City Department of Finance ("DOF"). Accordingly, it is impossible to predict what the assessed value of the above-referenced property will be. However, it is possible to estimate an approximate assessed value of a property based upon an analysis of the factors that influence market value, such as time, location, construction cost, neighborhood quality and economic trends.

Real Property Tax Law Section § 581 requires that DOF 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 estimating the assessed valuations herein, we therefore examined comparable rents from other newly constructed apartment buildings in the area of the project. In addition, we have also studied the assessed valuations of newly constructed residential buildings throughout Manhattan. These comparable assessment studies have enabled us to ascertain the current assessing policies of the City of New York with regard to newly constructed residential buildings. However, there are no assurances that these policies will remain unchanged, or that the indicators of market value will not be adjusted prior to the completion of the referenced project, resulting in an assessment differing from the estimate contained herein.

In deriving our projected valuations, we considered the capitalization of income based upon comparable rents method, but relied primarily on the assessed valuation studies. All prospective purchasers are advised that although our estimate of the property's assessed valuation upon completion is a good faith estimate; the assessment when actually made may be less or greater than as estimated herein.

You have advised us of the following facts regarding the project:

1. The property is to be developed as a new 14-story multiple dwelling containing approximately 55 separately assessed residential condominium dwelling units (including 11 Affordable Units) with a total of approximately 92,000 square feet of residential space. There will also be 4 separately assessed commercial condominium units used for retail and community facility purposes with a combined total of approximately 69,539 square feet; various tenant amenities; and a separately assessed condominium tax lot consisting of approximately 18,461 square feet which will serve as a museum. While there will be a total of 180,000 square feet in the new mixed-use condominium building, you have advised us that the museum condominium unit will be sold to a not-for-profit exempt organization and will likely apply for real estate tax exemption under Section 420-a of the Real Property Tax Law. Moreover, you have assured us that the museum condominium unit will not be included as part of the application for 421-a real estate tax exemption. Thus, the 421-a application will seek benefits for only the residential and commercial units comprising approximately 161,539 square feet.

2. An Application for a Preliminary Certificate of Eligibility for a 20 year partial tax exemption under the §421-a program will be made by the owner to the New York City Housing Preservation and Development Agency ("HPD").

3. You have advised us that construction commenced via excavation and the pouring of initial footings and foundations in May 2015 and that it is anticipated that construction will be completed in February 2018.

Discussion

You have advised us that the first year of condominium operation is anticipated to run from July 1, 2018 through June 30, 2019 and will therefore fall within the twelve months of the 2018/2019 tax year. The real estate taxes for the residential and commercial portions of the condominium for the first year of condominium operation will therefore consist of real estate taxes based on the assessed valuation of the project for the 2018/19 tax year.

Estimated Residential Real Estate Taxes for Tax Year 2018/2019 without §421-a Benefits

As construction will be completed by February 2018, prior to the January 5, 2019 taxable status date governing assessments for the 2019/20 tax year, the 2019/20 assessed valuation will be the first assessment roll to reflect a completed building. We have estimated that the tax assessors from the New York City Department of Finance will assess the completed building consisting of 55 residential condominium units with 92,000 square feet of space at $13,800,000 upon Completion of Construction for the 2019/20 tax year. This actual assessed value was based upon an estimated market value of $150 per square foot upon completion.

As the scheduled completion date is merely several weeks after the January 5, 2018 tax status date governing assessments for the 2018/19 tax year, for the purposes of this analysis, we have assumed that the City's tax assessors will view the building as substantially completed by January 5, 2018 and have therefore assumed that the actual assessed value for the residential units for tax year 2018/19 will also be $13,800,000.

Applying the current overall Class 2 residential tax rate for tax year 2015/16, 12.883%, to the estimated assessed value of $13,800,000 upon completion, we estimate that the annual 2018/19 real estate taxes for the residential portion of the condominium project, exclusive of 421-a exemption benefits, will be approximately $1,777,854.

Estimated Commercial Real Estate Taxes Tax Year 2018/2019 without §421-a Benefits

Once again, for the purposes of this analysis, we have assumed that the tax assessors from the New York City Department of Finance will assess the building as substantially completed by January 5, 2018. After consideration of all relevant factors, we have estimated an actual assessed valuation for the 4 commercial condominium units consisting of a total of 69,539 square feet of retail and commercial facility purposes of $10,430,850. The actual assessed value was based upon an estimated market value of $150 per square foot upon completion.

Applying the current overall Class 4 commercial tax rate for tax year 2015/16, 10.656%, to the estimated actual assessed value of $10,430,850 upon completion, we estimate that the annual 2018/19 real estate taxes for the commercial portion of the condominium project, exclusive of 421-a exemption benefits, will be approximately $1,111,511.

Estimated Residential Real Estate Taxes for Tax Year 2018/2019 with §421-a Benefits

Section 421-a (2)(b)(i) of the Real Property Tax Law requires that taxes shall be paid in each tax year during which 421-a benefits are received in an amount equal to the billable assessed value of the land and any improvements thereon during the tax year preceding the Commencement of Construction, this amount being referred to as the mini-tax assessed value, payable at the then current tax rate. The billable assessed value is equal to the lesser of the Actual and Transitional Assessed Values for each tax lot. Based upon the May 2015 date for Commencement of Construction during the 2014/15 tax year, the mini-tax would be based upon the tax year 2013/14 billable assessed value for tax lot 56. The records of the New York City Department of Finance reflect that for tax year 2013/14 the billable assessed value of lot 56 was $6,463,263.

As stated above, upon Completion of Construction, the new mixed-use condominium development will consist of approximately 92,000 square feet of residential space; 69,539 square feet of retail and community facility commercial space contained within 4 separately assessed condominium units; and a not-for-profit museum consisting of approximately 18,461 square feet. While the museum will not be part of any 421-a application, we have allocated the portion of the project's 2013/14 billable assessed value as follows:

Residential Gross Floor Area	92,000 (51.11%)
Retail & Community Facility	69,539 (38.63%)
Museum	18,461 (10.26%)

We have therefore allocated approximately 51.11% of the 2013/14 billable assessed value of lot 56 to the residential units and have estimated that the mini-tax assessed value of the residential units would be $3,303,374. The residential mini-tax assessed value will be multiplied annually by the current Class 2 residential tax rate for residential properties. For purposes of this analysis, we have applied the current overall residential Class 2 tax rate for 2015/16 of 12.883%. Thus, during the construction period and for the twenty years thereafter the minimum annual tax liability for the residential portion of the mixed-use project would be approximately $425,574. We have allocated approximately 38.63% of the 2013/14 billable assessed value of lot 56 to the 4 retail units and have estimated that the mini-tax assessed value of the retail units would be $2,496,758. The mini-tax assessed value of the retail units will be multiplied annually by the current Class 4 commercial tax rate for commercial properties. For purposes of this analysis, we have applied the current overall commercial Class 4 tax rate for 2015/16 of 10.656%. Thus, during the construction period and for the twenty years thereafter the minimum annual tax liability for the retail and community facility commercial portions of the mixed-use project would be approximately $266,055.

Estimated Commercial Real Estate Taxes Tax Year 2018/2019 with §421-a Benefits

Section 6-06(b) of the Rules provides that Section 421-a tax exemption benefits will be reduced if the project's floor area of commercial, community facilities and accessory use space ("Commercial Space") exceeds 12% of the project's aggregate floor area.

Pursuant to RPTL 421-a 2(d), whenever a building containing two or more separately assessed parcels of real property has commercial, community facility and accessory use space in excess of twelve percent of the building's aggregate floor area, the tax arising out of the reduction in exemption for such excess space shall not be apportioned pro rata among all of the separately assessed parcels in the building but shall be applied first to those separately assessed parcels which are unrelated to the residential use of the building; and only after such unrelated parcels are fully taxable shall the remainder of such tax be apportioned pro rata among the remaining separately assessed parcels. Thus, should HPD determine that there is more than 12% Commercial Space in the building, the reduction in exempt assessed value must first be applied to the commercial units and not to the residential units. Please note that the percentage of Commercial space for the proposed 421-a project will be determined by HPD based upon review of the approved building plans and architect's affidavits filed with the Preliminary Application for Certificate of Eligibility. For the purposes of this analysis, we have estimated that the percentage of Commercial Space will be 43.05%.

The 4 retail units contain approximately 43.05% of the aggregate floor area of the total of 161,539 square feet which will be the subject of the application for partial real estate tax exemption benefits under the 421-a program. We have therefore estimated that the Commercial Space will exceed the 12% limit by approximately 31.05% and that the exempt assessed value of the commercial retail and community facility units will be reduced by approximately 31.05%.

As we have previously estimated that the actual assessed value for tax year 2018/19 will be $10,430,850 and that the mini-tax assessed value of the retail and community facility units will be $2,496,758, we estimate that the real estate taxes in 2018/19 for the 4 commercial units with the 421-a benefits will be approximately will be as follows:

$10,430,850-$2,496,758= $7,934,092(100% Exemption)
$7,934,092 x 31.05% = $2,463,535(Reduced Exemption due to Excess)
$7,934,092-$2,463,535= $5,470,557 (Exemption after Reduction)
$10,430,850-$5,470,557= $4,960,293(Taxable Assessed Value with Reduction)
$4,960,293 @ 10.656%= $528,568 (Taxes with 421-a exemption)

The 421-a calculation applied above for the commercial units is consistent with the methodology currently employed by the New York City Department of Finance ("DOF") in the instance where there is Commercial Space in excess of 12% of the aggregate floor area in a condominium building. The DOF's approach results in a diminution of the exemption for the commercial units which is based upon the commercial unit's exempt amount only. No assurances are given that DOF will continue to utilize this methodology in calculating the diminution of the exempt amount due to excess commercial space. In our opinion, the correct approach would be to diminish the exemption for the excess commercial space based upon the aggregate exempt amount for the entire building (commercial and residential). This methodology would result in a significantly higher taxable assessed value for the commercial space.

Estimated Residential Real Estate Taxes, Exclusive of §421-a Benefits, for the First Year of Condominium Operation

For the first year of condominium operation, covering the period from July 1, 2018 through June 30, 2019 we have projected the real estate taxes for the residential portion of the condominium project based upon the estimated assessment of $13,800,000 for the 2018/19 tax year. We therefore estimate that the real estate taxes for the residential portion of the condominium project, exclusive of any 421-a partial tax exemption benefits, will be approximately $1,777,854.

For the first year of condominium operation, covering the period from July 1, 2018 through June 30, 2019, we have projected the real estate taxes for the commercial retail portion of the condominium project based upon the estimated actual assessed value for the 2018/19 tax year. We therefore estimate that the real estate taxes for the commercial retail and community facility portions of the condominium project, exclusive of any 421-a partial tax exemption benefits, will be approximately $1,111,511-based on an actual assessed value of $10,430,850 at the current overall Class 4 tax rate for commercial buildings of 10.656%

Estimated Residential taxes for the First Year of Condominium Operation with §421-a Benefits

For the first year of condominium operation the estimated total taxes for the residential portion of the mixed-use condominium building consisting of 55 separately assessed residential condominium tax lots and 92,000 square feet of residential space, with §421-benefits, would be $425,574.

Estimated Commercial taxes for the First Year of Condominium Operation with §421-a Benefits

For the first year of condominium operation the estimated total taxes for the commercial retail portion of the mixed-use condominium building consisting of 4 retail and community facility condominium tax lots and 69,539 square feet of residential space, with §421-benefits, would be $528,568.

The opinions expressed above are based on our interpretations of the Real Property Tax Law, the Administrative Code of the City of New York, the applicable HPD regulations in effect as of the date hereof, FAQ's issued by HPD and conversations with employees of HPD and DOF. You should be aware that the laws, regulations, practices and positions of the Department of Buildings, Department of Finance and HPD upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, or Courts of competent jurisdiction. We shall not be liable if, because of any change of laws and/or regulations, adverse determination on any unsettled law, or a changed interpretation by one or more agencies or courts of competent jurisdiction regarding said laws and/or regulations, the project fails to obtain, in whole or in part, §421-a benefits. Moreover, we offer no guarantee and shall not be liable should the DOF change its policy regarding the current methodology for determining the diminution of the exemption for the commercial units which is based upon the commercial unit's exempt amount to a policy which would diminish the exemption for the excess commercial space based upon the aggregate exempt amount for the entire building (commercial and residential). Should such a change in methodology occur, it would result in a significantly higher taxable assessed value for the commercial space than under the current policy. Furthermore, we cannot guarantee that the percentage of Commercial space that we have used to estimate taxes for the commercial condominium units will be the same percentage that is ultimately determined by HPD.

MARCUS & POLLACK LLP

The projections appearing in this analysis are merely estimates and do not take into account any future increases in the real estate tax rate for Tax Class 2 and 4 properties. The above opinion is based upon our understanding of the policies and procedures and practices of the New York City Department of Finance and is not intended to be a guarantee or assurance that the tax assessments; taxes or tax savings herein discussed will be attained or that HPD will grant the 421-a Certificate of Eligibility. Furthermore, we do not warrant or represent that the City assessors will apportion the mini-tax assessed value based on the relative allocation of residential and nonresidential floor area or by any other method or that HPD will determine that the percentage of excess Commercial space is 31.05%. We shall not be liable if, because of any change of laws and/or regulations, adverse determination on any unsettled law, or a changed interpretation by one or more agencies or courts of competent jurisdiction regarding said laws and/or regulations, the project fails to obtain, in whole or in part, §421-a benefits.

This letter was prepared at the sponsor's request. The figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation. No government agency has passed upon these figures or estimates contained in the Offering Plan, and we offer no warranties on real estate taxes for any period.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

Marcus & Pollack LLP

Marcus & Pollack LLP

MP:md

421-a REAL ESTATE TAX EXEMPTION BENEFITS OPINION

MARCUS & POLLACK LLP

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June 17, 2016

Site 1 DSA Owner LLC
111 Eighth Avenue Ste 1500
New York, NY 10011

Re: §421-a Eligibility
242 Broome Street
Block 409, Lot 56, Manhattan

Ladies and Gentlemen:

You have requested that we render our opinion as to the eligibility of a proposed new residential development to receive partial real estate tax exemption benefits pursuant to Section 421-a of the Real Property Tax Law, Section 11-245 of the New York City Administrative Code and the Rules and Regulations governing the 421-a program (collectively, the "§421-a program") and the procedures for obtaining such benefits. Unless specifically stated otherwise, the analyses and conclusions set forth herein are based on facts that you have given to us for review.

The project would result in the construction of a new 14-story multiple dwelling containing approximately 55 residential condominium units and approximately 92,000square feet of residential space. Eleven (11) of the residential condominium units will be offered for sale to persons or households of low and moderate income ("Affordable Units"). There will also be 4 separately assessed commercial condominium units used for retail purposes with a combined total of approximately 69,539square feet; various tenant amenities; and a separately condominium tax lot consisting of approximately 18,461square feet which will serve as a museum. You have advised us that the museum condominium unit will be sold to a not-for-profit exempt organization and will likely apply for real estate tax exemption under Section 420-a of the Real property Tax Law. Moreover, you have advised us that the museum condominium unit will not be included as part of the application for 421-a real estate tax exemption.

You have informed us that the new multiple dwelling will be constructed on Lot 56 and that construction commenced on June 9, 2015 during the 2014/15 tax year, and that it will be completed by February 2018 during the 2017/18 tax year. In addition, you have advised that construction of the project will be privately financed and will not involve any governmental assistance.

Eligibility Requirements

To be eligible for §421-a tax benefits, a project must comply with each of the eligibility requirements set forth in §421-a and the Rules.

A. LOCATION REQUIREMENTS

1. Geographic Exclusion Area Limitation:

Section 11-245 of the Administrative Code of the City of New York provides that 421-a tax exemption benefits shall not be available for construction commenced after November 29, 1985 if the property is located in the therein described Geographic Exclusion Area. However, Section 11-245 provides that, under certain circumstances, 421-a benefits shall be available in the Geographic Exclusion Area. Those circumstances are;

a. construction carried out with substantial governmental assistance;

b. projects where HPD certifies that twenty percent (20%) of the units in that building are affordable to households of low and moderate income ("Affordable Units"); or

c. construction is carried out via the purchase of negotiable certificates

Under the current law governing new multiple dwellings on which construction commences between July 1, 2008 and June 15, 2015, this project is located within the GEA for Manhattan. The New York State legislature recently extended the deadline for Commencement to December 31, 2015. As the owner has advised us that at least 20% of the total residential condominium units within the new multiple dwelling will be Affordable Units, the project should satisfy the requirement for 421-a eligibility in the Manhattan GEA.

B. SITE REQUIREMENTS

Section 6-02(f) of the Rules states that the land on which the building is to be constructed must have been vacant, predominantly vacant, under-utilized, or improved with a non-conforming use on the "Operative Date." The Rules define Operative Date to mean thirty-six months prior to the Commencement of Construction.

Pursuant to Section 6-09(a)(1) of the Rules, Commencement of Construction is considered to be the later of the date a building permit is issued based upon architectural and structural plans approved by the Department of Buildings, and the date of installation of a metal or concrete load bearing structure, footing or caisson. You have informed us that physical construction began in May 2015 and the first New Building Permit was issued on June 9, 2015 during the 2014/15 tax year. Therefore, the Commencement Date is June 9, 2015 and the Operative Date is June 9, 2012 during the 2011/12 tax year.

Section 66(n) of the recent legislation states "notwithstanding any other provision of law, rule or regulation, any rental or homeownership project whose commencement date has occurred or that has submitted an application for benefits under section 421-a of the real property tax law, prior to the effective date of the rent act of 2015 shall be governed by the provision of law in effect at the time of such application." The subject property is neither a rental nor a homeownership property as defined in the Statute. While HPD has not yet promulgated Rules and Regulations, based upon our understanding of HPD's position, this project will nonetheless be governed by the Laws and Rules in place for projects commencing construction prior to June 15, 2015.

1. 15.0 Floor Area Ratio:

Section 11-245c of the Administrative Code of the City of New York states as follows:

> (c) No benefits under section four hundred twenty-one-a of the real property tax law shall be conferred for any construction commenced on or after November twenty-ninth, nineteen hundred eighty-five of any multiple dwelling, or portion thereof, which is located within any district in the county of New York where a maximum base floor area ratio, as that term is defined in the zoning resolution, of fifteen or greater was permitted as of right by provisions of such resolution in effect on April fourteenth, nineteen hundred eighty-two; provided, however, that this limitation on benefits shall not apply to any such construction commenced on or after October first, nineteen hundred ninety-three and before December thirty-first, two thousand seven.

The restriction applies to a site if the as-of-right FAR of 15 was in effect on April 14, 1982. §11-245c was recently amended to exclude projects constructed on the following parcels in Manhattan where construction begins between January 1, 2007 and June 21, 2017 and at least 20% of the units are Affordable Units or negotiable certificates are used to qualify the project for §421-a benefits in the Geographical Exclusion Area of Manhattan:

Block 51, Lots 13 and 14;
Block 1010, Lots 7,8,10, 11, 57, 111
Block 1259, Lots 33, 34 and 35.

As the subject property's tax lots are not expressly enumerated in the recent legislation, the FAR restriction would still apply to this proposed project site. You have advised that you have consulted zoning counsel to review the zoning status of this site on April 14, 1982 and determined it is not affected by the 15.0 FAR exclusion. We have relied upon this representation.

2. Vacant or Predominantly Vacant:

On the Operative Date in June 2012, the project site consisted of tax lot 56. According to the assessment records of the New York City Department of Finance, during the 2011/12 tax year, tax lot 56 was vacant land, and you have confirmed same. Therefore, the site would be eligible under the 421-a program as vacant land.

C. PUBLIC AND PRIVATE PARK LIMITATION

As this site is neither situated on land mapped as a public park nor was it utilized for ten or more consecutive years prior to October 1, 1971 as a private park, this requirement should be satisfied.

D. PROJECT REQUIREMENTS

1. New Multiple Dwelling:

Section 6-02(b) of the Rules provides that a project is eligible for 421-a benefits only if it is a "new multiple dwelling" containing not less than four dwelling units. Section 6-02(c)(2) states that multiple dwellings resulting from the conversion or rehabilitation of a building or structure are ineligible for benefits. The project consisting of approximately 55 newly constructed residential condominium units would constitute a new multiple dwelling for §421-a purposes.

2. Not Used as a Hotel or for Single Room Occupancy:

Section 6-02(c)(3) and (c)(4) of the Rules deems any building or portion thereof which is used as a Hotel or for Single Room Occupancy ineligible for §421-a benefits. We have been advised that no portion of the floor area of the project will be used as a Hotel or for Single Room Occupancy, in accordance with the Rules.

E. CONSTRUCTION REQUIREMENTS

1. Unit Size:

Section 6-02(e)(2) of the Rules provides that in new buildings containing more than 100 dwelling units, not less than 15 percent of such units must contain at least 3.5 rooms and, in addition, not less than 10 percent of such units must contain at least 4.5 rooms. As the project will only contain 55 residential condominium units, the bedroom requirements contained in Section 6-02(e)(2) are not applicable to this project.

2. Unit Distribution Requirement for Affordable Units:

Pursuant to RPTL §421-a(7)(f), all affordable units must be situated onsite. This defines the term "onsite" to mean that affordable units shall be situated within the building or buildings for which benefits pursuant to this section are being granted. The 11 affordable units will be located within the project.

Section 421-a(6)(c) of the Real Property Tax Law ("RPTL") and Section 6-08(1)(ii)of the Rules require that (A) all Affordable Units in the GEA must have a comparable number of bedrooms as market rate units and a unit mix proportional to the market rate units contained in the new multiple dwelling; or (B) at least 50% of the Affordable Units must have two or more bedrooms and not more than 50% of the remaining Affordable Units can be smaller than one bedroom; or (C) the floor area of Affordable Units must be no less than 20% of the total floor area of all dwelling units in the new multiple dwelling. The statute and Rule merely require that any 1 of the 3 unit distribution criteria above be satisfied in relation to the 55 unit Project.

As previously stated above, the project will contain 55 residential condominium units of which 11 will be Affordable Units. You have advised us that the 11 Affordable Units will consist of 6 units with two or more bedrooms and 5 one bedroom units. Accordingly, more than 50% of the Affordable Units will have two or more bedrooms and more than 50% of the remaining 5 units will have at least one bedroom which would satisfy test B above.

Chapter 20 of the Laws of 2015 revised §421-a of the Real Property Tax Law to include a requirement that "affordable units shall share the same common entrances and common areas as market rate units, and shall not be isolated to a specific floor or area of a building." We have relied upon statements from HPD that this provision is not applicable to this §421-a Project, as construction commenced prior to June 15, 2015.

3. Class A Unit Replacement:

Section 6-02(e)(3) of the Rules requires that a project with more than twenty (20) dwelling units contain at least five (5) dwelling units for each Class A dwelling unit in existence immediately prior to Commencement of Construction. The Rules define Immediately Prior to Commencement of Construction as the date one month prior to Commencement of Construction. You have advised us that there were no residential units existing on this site prior to construction.

F. TIMING REQUIREMENTS

1. Project Commencement:

Sections 421-a(2)(a)(iv)(a) and 421-a(2)(c)(ii) of the RPTL require that for all projects that are seeking §421-a benefits, Commencement of Construction shall occur prior to June 15, 2015. As previously discussed above, the June 15, 2015 deadline has now been extended to December 31, 2015.You have informed us that construction of the new multiple dwelling commenced on June 9, 2015 during the 2014/15 tax year.

2. Completion of Construction:

Completion of Construction is defined in §6-01(c) of the Rules as the date on which either a Temporary Certificate of Occupancy is issued for all residential areas of the new multiple dwelling or a Permanent Certificate of Occupancy is issued for the entire building.

Section 63-a of the legislation taking effect on June 15, 2015 states that projects which are located south of 110th street in Manhattan and were commenced between July 1, 1992 and December 31, 2015 must be completed by December 31, 2019.

This section has been clarified by HPD in their most recently published "421-a Changes" which indicates that any project that commences after June 15, 2015 and on or before December 31, 2015 must be completed on or before December 31, 2019.

This project commenced construction on June 9, 2015. Therefore, the December 31, 2019 completion deadline would not apply to this project.

G. RENT REGULATION REQUIREMENT

Section 6-02(g)(2) of the Rules requires that residential units contained within a building receiving 421-a benefits be subject to rent stabilization for the 421-a benefit period, unless exempt from rent regulation by reason of the cooperative or condominium status of the units. Inasmuch as all 55 residential units in the project will be for-sale condominiums, the residential units will not be required to be subject to rent regulation. The Affordable condominium units will be subject to restrictions pursuant to a regulatory agreement. However, in the event that a prospectus for condominium formation has been submitted to the Attorney General at the time of the Final Application for 421-a benefits, an affidavit will be required stating that the sponsor will register the units as rent stabilized with the New York State Division of Housing and Community Renewal within 15 months of the issuance of the Final Certificate of Eligibility if a cooperative or condominium has not been declared effective within such 15 month time period.

H. FILING APPLICATION FOR PRELIMINARY CERTIFICATE OF ELIGIBILITY

Pursuant to Section 6-05(b) of the Rules, applications for the Preliminary Certificate of Eligibility must be filed with HPD after the Commencement of Construction but prior to Completion of Construction. As the project will be owned as a condominium, the Application for a Final Certificate of Eligibility must be filed with HPD prior to the first taxable status date (January 5th) following the issuance of either a Temporary Certificate of Occupancy for all residential units in the project, or a Permanent Certificate of Occupancy for the entire building, whichever occurs first. The Final Application must be completed within 90 days of the issuance of a Permanent Certificate of Occupancy or a Temporary Certificate of Occupancy covering all residential space in the building. Both the Preliminary and Final Certificates of Eligibility must be filed with the Real Property Assessment Bureau of the New York City Department of Finance. The Owner has advised that this requirement will be satisfied.

I. COMMUNITY BOARD NOTICE REQUIREMENT

Section 6-03 of the Rules requires that a §421-a application for a project containing more than 20 dwelling units be submitted to the Community Board in the area in which the project is located. As the project will contain approximately 55 dwelling units upon completion, a copy of the 421-a application must be submitted to Manhattan Community Board #3 after the application is filed with HPD.

J. REDUCTION OF BENEFIT FOR EXCESS COMMERCIAL, COMMUNITY FACILITY AND ACCESSORY USE SPACE

Section 6-06(b) of the Rules provides that Section 421-a tax exemption benefits will be reduced if the project's floor area of commercial, community facilities and accessory use space ("Commercial Space") exceeds 12% of the project's aggregate floor area.

For the purposes of determining whether the 12% threshold for Commercial Space has been exceeded, residential floor area includes all space (including the dwelling units and residential areas such as the lobby, circulation, egress and janitor's closet) located on floors above the cellar that is required in order to secure a Permanent Certificate of Occupancy for a Class A multiple dwelling. Residential accessory parking garage space located at grade or above to a height not more than 23 feet above curb level, is also included as residential floor area.

Non-residential floor area includes all floor space used for commercial or public assembly including, but not limited to, retail/storage space, medical offices, management offices, day care centers, and public parking garages.

Residential floor area located on floors above the cellar that are treated as Commercial Space for purposes of determining whether the 12% threshold has been exceeded includes "tenant only" amenities such as laundry rooms, recreation rooms, exercise rooms swimming pools, tenant locker rooms and storage rooms and theaters.

While there appears to be substantial nonresidential floor area in the proposed project, the actual percentage of Commercial Space for this project will be determined by HPD based upon review of the approved building plans and architect's affidavits filed with the Preliminary Application for Certificate of Eligibility. Pursuant to RPTL 421-a 2(d), whenever a building containing two or more separately assessed parcels of real property has commercial, community facility and accessory use space in excess of such twelve percent, the tax arising out of the reduction in exemption for such excess space shall not be apportioned pro rata among all of the separately assessed parcels in the building but shall be applied first to those separately assessed parcels which are unrelated to the residential use of the building; and only after such unrelated parcels are fully taxable shall the remainder of such tax be apportioned pro rata among the remaining separately assessed parcels. Thus, should HPD determine that there is more than 12% Commercial Space in the building, the reduction in exempt will be applied to the commercial units and will not be applied to the residential units.

K. LIMITATION OF OTHER REAL ESTATE TAX BENEFITS

Section 421-a(2)(c)(i) provides that a multiple dwelling shall be eligible for tax benefits pursuant to that section only if "exemption from taxes is not availed of concurrently under any other law."

Section 6-01(c) of the Rules provides that construction shall not commence prior to issuance by the Department of Buildings of either a building permit for the construction of an entirely new multiple dwelling, the footprint of which consisted entirely of vacant and unimproved land upon such date or an alteration permit for the construction of a new multiple dwelling above, and on an entirely separate tax lot from, one or more existing structures which are to be retained, provided that only the floor area attributable to the new multiple dwelling, and any eligible commercial, community facility or accessory use space within such new structure shall be eligible for 421-a benefits.

L. DURATION OF TAX BENEFIT PERIOD

The project should qualify for a partial exemption under §421-a for the construction period, not to exceed three years, and for twenty (20) years following the taxable status date immediately following the end of the construction period. Under the twenty (20) year exemption benefit, that portion of the project's total assessed value that exceeds the project's mini-tax assessed value would be partially exempt in the following percentages:

Year Following Construction Period	Exemption %
1-12	100%
13	80%
14	80%
15	60%
16	60%
17	40%
18	40%
19	20%
20	20%
21	0

Based on the construction start date of June 9, 2015 and completion date of February 2018, the project would qualify for a three year construction period for tax years 2016/17-2018/19 and the 20-year post-construction benefit period should begin on July 1, 2019. Please note, the exemption will likely be reduced as a result of excess commercial space, community facility and Accessory use space as stated above in Section J.

M. MINI-TAX

In addition to the foregoing taxes, Section 421-a (2)(b)(i) of the Real Property Tax Law requires that taxes shall be paid in each tax year during which 421-a benefits are received in an amount equal to the billable assessed value of the land and any improvements thereon during the tax year preceding the commencement of construction, this amount being referred to as the mini-tax assessed value, payable at the then current tax rate. The billable assessed value is equal to the lesser of the actual and transitional assessed values for each tax lot. Based upon the June 2015 date for Commencement of Construction, the mini-tax would be based upon the tax year 2013/14 billable assessed value for tax lot 56. The records of the New York City Department of Finance reflect that for tax year 2013/14 the billable assessed value of lot 56 was $6,463,261.

The mini-tax assessed value will be multiplied annually by the current Class 2 tax rate for residential properties. For purposes of this analysis, we have applied the current overall Class 2 tax rate for 2015/16 of 12.883%. Thus, during the construction period and for the twenty years thereafter the minimum annual tax liability for the project should be approximately $832,662.

N. ENERGY STAR REQUIREMENT.

Sections 11-245.8 of the Administrative Code and §6-05(d)(1)(viii) of the Rules provide that, for any building for which §421-a benefits are conferred, certain household appliances that are newly installed or replaced must be certified as Energy Star, unless an appropriately-sized Energy Star appliance is not manufactured.

O. MULTIPLE DWELLING REGISTRATION

Section 6-05(d)(1)(viii) of the Rules provides that, any building for which §421-a benefits are conferred must be registered with HPD in accordance with the provisions of article two of subchapter four of the Housing Maintenance Code.

P. PREVAILING WAGE REQUIREMENT

Section 421-a(8) provides that where Commencement of Construction of a multiple dwelling, as defined in the Rules, occurs on or after December 28, 2007, such multiple dwelling shall be eligible for tax benefits pursuant to that section only if "all building services employees regularly employed at the building, whether employed directly by the applicant or its successors, or through a property management company or a contractor, shall receive the applicable prevailing wage for the duration of the building's tax exemption." To be covered by this provision, such building service employees must perform work in connection with the care or maintenance of such building and be regularly scheduled to work for at least eight hours per week.

Pursuant to Section 421-A(8)(c) (i and ii), these requirements shall not apply to projects containing less than fifty (50) dwelling units or to buildings where HPD certifies that at initial occupancy at least fifty percent (50%) of the dwelling units are affordable to individuals or families with a gross household income at or below one hundred twenty-five percent (125%) of the area median income. As construction will commence after December 28, 2007 and the new multiple dwelling will contain more than 50 dwelling units, the project would be required to comply with the prevailing wage requirement.

According to Subdivision (8), the applicable prevailing wage is the wage determined by the New York City Comptroller "to be prevailing for the various classes of building service employees in the locality pursuant to section two hundred thirty of the labor law." This project would be subject to the prevailing wage requirements outlined above.

Q. MARKETING GUIDELINES FOR AFFORDABLE UNITS

Pursuant to §6-09(b)3 of the Rules, when filing the Application for a Final Certificate of Eligibility with regard to a project located in the GEA, the owner must submit an affidavit to certify that the Affordable Units will be marketed pursuant to a fair and open process in accordance with the marketing guidelines of HPD or of another federal, state or local agency. Unless preempted by federal requirements, residents of Community District in which the new multiple dwelling will be located shall, upon initial occupancy, would have priority for the purchase or rental of 50% of the Affordable Units. It also requires that Affordable Units in the Project be subject to an executed and recorded 421-a Restrictive Declaration, the form of which would be issued by HPD when required.

If the foregoing information and assumptions are accurate and valid, and all of the 421-a requirements discussed herein are met, the Project should receive a partial exemption from taxation for local purposes, other than assessments for local improvements, for the construction period, not to exceed three years, and for twenty years after the taxable status date immediately following the completion of construction, or the three year maximum construction period, whichever is less.

The opinions expressed above are based on our interpretations of the Real Property Tax Law, the Administrative Code of the City of New York, FAQ's issued by HPD, conversations with employees of HPD and DOF and the applicable HPD regulations in effect as of the date hereof.

We note that HPD has not yet promulgated rules and regulations regarding recently enacted legislation amending the 421-a program. You should be aware that the laws, regulations, practices and positions of the Building Department, Department of Finance and HPD upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, or Courts of competent jurisdiction. We shall not be liable if, because of any change of laws and/or regulations, adverse determination on any unsettled law, or a changed interpretation by one or more agencies or Courts of competent jurisdiction regarding said laws and/or regulations, the project fails to obtain, in whole or in part, Section 421-a benefits.

No warranties are made herein nor are any assurances or representations given that HPD, the New York City Department of Finance or any other agency with jurisdiction will approve the Section 421-a application, nor is any warranty made or assurance or representation given that a court of competent jurisdiction will determine that the project is entitled to, in whole or in part, Section 421-a benefits. In addition, no warranty is made nor any assurance or representation given that the laws, rules, regulations, policies, positions and practices upon which this opinion is based will not be changed after the date of this opinion. In addition, we do not warrant or represent the amount of tax savings if the Project receives partial real estate tax exemption benefits.

Very truly yours,

Marcus & Pollack LLP

Marcus & Pollack LLP

MP:md

FORM W-8
(CERTIFICATION OF FOREIGN STATUS)

Form **W-8BEN**

(Rev. February 2014)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

► For use by individuals. Entities must use Form W-8BEN-E.
► Information about Form W-8BEN and its separate instructions is at *www.irs.gov/formw8ben.*
► Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• A person acting as an intermediary	W-8IMY

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner

2 Country of citizenship

3 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country

4 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)

6 Foreign tax identifying number (see instructions)

7 Reference number(s) (see instructions)

8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income): _____

_____.

Explain the reasons the beneficial owner meets the terms of the treaty article: _____

_____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself as an individual that is an owner or account holder of a foreign financial institution,
- The person named on line 1 of this form is not a U.S. person,
- The income to which this form relates is:
  (a) not effectively connected with the conduct of a trade or business in the United States,
  (b) effectively connected but is not subject to tax under an applicable income tax treaty, or
  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ▶ _____ _____

Signature of beneficial owner (or individual authorized to sign for beneficial owner) — Date (MM-DD-YYYY)

_____ _____

Print name of signer — Capacity in which acting (if form is not signed by beneficial owner)

FORM W-9
(REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

Form **W-9**
(Rev. 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.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note. ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note. You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.ssa.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor[2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
5. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity[4]
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: *spam@uce.gov* or contact them at *www.ftc.gov/idtheft* or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

ESCROW AGREEMENT

ESCROW: AGREEMENT FOR OFFERING PLAN

AGREEMENT made as of the filing date of the Offering Plan (defined below), between SITE 1 DSA OWNER LLC ("SPONSOR") as SPONSOR of the Offering Plan and Starr Associates LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the SPONSOR of an offering plan for premises known as 242 Broome Street Condominium and located at 242 Broome Street, New York, New York 10002 ("Offering Plan"); and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b) and 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement and the Offering Plan, and in accordance with the provisions contained in the Escrow Rider to the Purchase Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT will establish a master escrow account for the purpose of holding deposits, down payments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at a commercial or savings bank authorized to do business in the State of New York entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account").

1.2. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. If ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8 (Certificate of Foreign Status), as applicable, from a Purchaser at the time the Deposit is delivered to ESCROW AGENT, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

1.3. ESCROW AGENT has designated the following attorneys to serve as signatories for the Master Escrow Account: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq. and Adam Kriegstein, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. ESCROW AGENT and all Authorized Signatories have an address of 220 East 42 Street, Suite 3302, New York, New York 10017, and a telephone number of (212) 620-2680.

1.4. Neither ESCROW AGENT nor any Authorized Signatories on the Master Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Offering Plan), or any principal thereof, or have any beneficial interest in any of the foregoing.

1.5. ESCROW AGENT and all signatories designated herein hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.6. The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

1.7. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event there is a consummation of the Offering Plan (i.e., the Offering Plan is declared effective) and Purchaser defaults.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1. All Deposits received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Starr Associates LLP, Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of Deposits, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2. Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Purchase Agreement"), ESCROW AGENT shall notify the Purchaser of the placement of the Deposit into the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive such notification within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Purchase Agreement and rescind within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York, 10271 ("Department of Law"). Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1. Under no circumstances shall Sponsor seek the release of the Deposits of a defaulting Purchaser until after consummation of the Offering Plan (i.e., the Effective Date). Consummation of the Offering Plan shall not relieve SPONSOR of its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and GBL Section 352-h.

3.2. ESCROW AGENT shall release the Deposit if so directed:

3.2.1. pursuant to terms and conditions set forth in the Offering Plan and Escrow Rider to the Purchase Agreement, upon closing of title to the Unit; or

3.2.2. in a subsequent writing signed by both SPONSOR and the Purchaser; or

3.2.3. by a final, non-appealable order or judgment of a court.

3.3. If the Deposits are not released pursuant to paragraph 3.2 and ESCROW AGENT receives a request by SPONSOR or Purchaser to release the Deposits, ESCROW AGENT shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If ESCROW AGENT has not received notice of objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and ESCROW AGENT shall provide further written notice to both parties informing them of the release of the Deposits. If ESCROW AGENT receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, ESCROW AGENT shall continue to hold the Deposits until otherwise directed pursuant to paragraph 3.2. However, ESCROW AGENT shall also have the right at any time to deposit the Deposits with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

3.4. SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to:

3.4.1. a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or

3.4.2. all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.5. In the event SPONSOR and a Purchaser close title under the Purchase Agreement, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

4. RECORDKEEPING.

4.1. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

4.2. Upon the dissolution of ESCROW AGENT, the former partners of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or

members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3. ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1. ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

5.2. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary and statutory obligations under GBL §§ 352(e)(2-b) and 352(h).

5.3. ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Purchase Agreement, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

5.4. ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

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

5.6. ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

5.7. The provisions of paragraphs 5.5 and 5.6 shall apply only to SPONSOR and nothing contained therein shall be in derogation of the rights of a Purchaser under Article 23-A of the GBL.

6. RESPONSIBILITIES OF SPONSOR.

6.1. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a partner of, or attorney or legal assistant employed by, ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

6.2. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary and statutory obligations set forth in GBL §§ 352(e)(2-b) and 352(h) and the Department of Law's regulations promulgated thereto.

6.3. SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1. This Agreement shall remain in effect unless and until it is cancelled by either:

7.1.1. Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent. Purchaser shall be deemed to have consented to such cancellation; or

7.1.2. The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation. Such amendment shall disclose the identity of the successor escrow agent, the bank in the State of New York where the Deposit is being held, and the account number in which the Deposits will be held, and shall be served on all Purchasers by SPONSOR; or

7.1.3. All units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

7.2. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all Purchase Agreements or documents maintained by ESCROW AGENT relating to such funds to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. Prior to release of the Deposits, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from t

he Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION

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

13. ALTERNATE SECURITY

In the event SPONSOR is authorized by the Department of Law to post a Letter of Credit or Surety Bond as alternate security to secure all or a portion of the Deposits, ESCROW AGENT agrees to be the beneficiary of the Letter of Credit or Surety Bond and to act as fiduciary with respect to such Letter of Credit or Surety Bond for the benefit of Purchasers under the Offering Plan whose Deposits were released from escrow in accordance with the "Escrow and Trust Fund" section of the Offering Plan or an amendment to the Offering Plan.

14. ENTIRE AGREEMENT.

This Agreement, read together with GBL Sections 352-e(2-b) and 352-h, the Department of Law regulations, and the Escrow Rider to the Purchase Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof.

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

ESCROW AGENT:

STARR ASSOCIATES LLP

By: _____
Name: Samantha Sheeber
Title: Partner

SPONSOR:

SITE 1 DSA OWNER LLC

By: _____
Name: Charles Bendit
Title: Authorized Signatory

RESERVE FUND STUDY

STRATEGIC INSPECTIONS, LLC

RESERVE FUND STUDY

242 Broome Street Condominium
242 Broome Street
New York, New York 10002

Prepared by:
Strategic Inspections
777 Westchester Avenue, Suite 101
White Plains, New York 10604

March 11, 2016

STRATEGIC INSPECTIONS, LLC

TABLE OF CONTENTS

1.0 EXECUTIVE SUMMARY 3
2.0 PURPOSE AND SCOPE 4
3.0 DEFINITIONS AND METHODS 5
4.0 PROVIDED INFORMATION AND DOCUMENTS 6
5.0 BUILDING EVALUATION 6
Structure 6
Exterior and Roof 7
Mechanical, Electrical and Plumbing 7
Interior 9
Amenities 9
6.0 ASSUMPTIONS 11
7.0 SUMMARY OF RESULTS 11
8.0 FUNDING PLAN 11
9.0 LIMITATIONS 11

Appendix A: RESERVE FUND ANALYSIS 14
Property - Definition 15
Financial - Analysis Summary 16
Item Parameters - Summary 17
Item Parameters - Detail 20
Expenditures - Items 30
Cash Flow - Annual 39
Cash Flow - Chart 40
Item Parameter - Category - Chart 41

Appendix B: PROFESSIONAL QUALIFICATIONS 42
DAVID A. PERTUIT, JR., P.E. 43



STRATEGIC INSPECTIONS, LLC

1.0 EXECUTIVE SUMMARY

Strategic Inspections, LLC (SI) performed a reserve study for the planned 242 Broome Street Condominium (hereinafter "property") located at 242 Broome Street, New York, New York 10002. The property will have 55 residential units and multiple model types. The reserve study is for the fiscal year starting July 1, 2018 and ending June 30, 2019.

The planned mixed-use property will have two structures, a fourteen (14) story tower plus cellar level and bulkhead levels and a four (4) story building. When completed, the planned mixed-use property will consist of a total of 55 residential units, 11 Affordable Units, and 44 Market Rate Units; and five (5) non-residential units, (4) Retail Units and one (1) Community Facility. The Residential and Retail Units 1 and 2 will be located in the tower and the Community Facility and Retail Units 3 and 4 will be located in the 4 story building. The residential units will be located on Floors 5 through 14. The scope of this report is limited to assessing the common elements for the condominium. This report does not include cost for reserve items exclusive to the Residential Units, Retail Units or Community Facility such as exclusive use elevators or HVAC equipment. It will, however, include cost for items that are shared between the units, such as the condenser water system, domestic water system, fire protection system, shared elevators, boiler system, and exterior. It is reported that construction of the building is expected to be substantially completed by the July 1, 2018.

Amenities exclusive to the condominium include, but are not limited to, a fitness center, a lounge, kitchen area, children's playroom/gameroom, public and private terraces, one passenger elevator, one passenger/service elevator, mailboxes, and bike and tenant storage rooms.

There are currently no ASTM, Fannie Mae, or FHA reserve study standards. The closest standards to review are: ASTM E 2018-08 property condition assessment (PCA), and property condition report (PCR) standards, or Fannie Mae Physical Needs Assessment Guidance to the Property Evaluator. Additionally, currently there are two national organizations with a set of reserve study guidelines, the Association of Professional Reserve Analysts (APRA) and the Community Association Institute (CAI). All of these sources, along with the experience and knowledge of industry experts and professional engineers, were used to create SI's guidelines for reserve studies.

SI guidelines require that a Reserve Study include a component inventory, a condition assessment, life valuation estimates, fund status, and a funding plan. The guideline also requires that a reserve study include recommended reserve contributions for a minimum of thirty years, projected expenses for a minimum of thirty years, and projected ending reserve fund expenses for a minimum of thirty years.

This report will project the capital repair and replacement reserve for thirty years, as required by SI guidelines. As such, some items with an estimated useful life greater than thirty years are not included in this report at this time. Updating of the reserve study should be performed every two years to ensure proper funding is provided as the longer life items move within the 30-year evaluation period as the property ages.



The annual contribution for the initial year of this reserve study is $118,795, or $9,899 on a monthly basis, with an annual increase of 5.0% per year over the 30-year term. This equates to an average of $179 per month, per unit.

As of July 1, 2018, the current replacement cost of the reserve items is $3,496,491. With an annual compounded inflation rate of 2.43%, the future replacement cost is $5,959,524.

The operating budget should include a line item to cover the 1st year's recommended reserve amount of $118,795 or $2,159 per unit.

A Community Association typically has two major budgetary requirements: the general operating reserve and the capital repair and replacement reserve. The scope of this report is limited to the capital repair and replacement reserve criteria. It is assumed that the general operating reserve is accounted for in the general maintenance budget. This report will project the capital repair and replacement reserve for thirty years. It should be noted that the projection for the first ten years is the most reliable and it is recommended that this study be updated every two years.

The calculations, projections and reports in this reserve study were generated using the Property Reserve Analysis System (hereinafter "PRA"). PRA has received a Quality Assurance Evaluation from a Certified Public Accounting firm verifying the system for accuracy and compliance with the AICPA's Audit and Accounting Guide for Common Interest Realty Associations, cash flow projections, and tax calculations consistent with IRS guidelines for 1120c and 1120h corporations. PRA provides for complete, flexible reserve study assumptions while allowing for either current cost or future cost projections in calculating interest and projecting cash flows on a monthly and annual basis.

This report is intended to be used as a tool to determine reserve fund allocation requirements for the community, to manage future Association obligations, and to inform the community of future financial needs. The reserve plan, based on all the assumptions, assures that funds for major repairs and replacements will be available when needed. It also provides an equitable method for charging current owners, rather than future owners, the cost of current use.

2.0 PURPOSE AND SCOPE

The purpose of this reserve study is to produce a reserve funding plan that will project future contributions and expenditures to assure that reserve funds are available as needed. A reserve study helps Community Associations anticipate large expenditures over an extended period of time. By using this structured process and analysis, the Association is able to meet financial requirements without increasing service fees above permitted maximums, borrowing funds, and/or levying special financial assessments to the property owners.



The scope of this report is limited to the following:

- Developing component inventories based upon partial drawings and mutually agreed assumptions
- Developing life and valuation estimates
- Providing a current funding status evaluation
- Providing a model for a funding plan

This report forecasts Community obligations for thirty (30) years into the future. Due to this forecast, it should be noted that events might occur that affect the cost and useful life assumptions used in this study. Specifically, inevitable market fluctuations and unexpected wear on materials can occur. Therefore, this study should be updated every one to two years in order to accurately reflect the needs and obligations of the community.

No items that have an estimated useful life of less than two years or a total cost less than $1,000.00 have been reserved.

3.0 DEFINITIONS AND METHODS

Relevant definitions include:

Reserve Study - The art and science of anticipating and preparing for major common area repair and replacement expenses. It is a budgetary planning tool that identifies the current status of the reserve fund and recommends a stable, equitable funding plan to offset the major anticipated common area expenditures.

Repair/Replacement Reserves - Non-annual maintenance items that will require significant expenditure over the life of the building. Included are items that will reach the end of their estimated useful life during the course of this forecast, or, in the opinion of the investigator, will require attention during that time.

Remaining Life - The expected useful life of a system or component as per Fannie Mae guidance or industry experience.

Funding Plan - An association's plan to provide income to a reserve fund to offset anticipated expenditures from that fund.

Life and Valuation Estimates - The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components.

The cash flow method was utilized in preparing the reserve plan with the intention that reserve funds would be available as needed. The following describes how the cash flow was produced:

- Reserve Fund Balance – projected from the date of the reserve study to the beginning of the fiscal year above;
- Reserve Item Data - for each reserve item the following was determined: description, category, basis cost, cost, quantity, estimated useful life and estimated remaining life;
- Expenditures - the reserve item data above was used to project when the initial and recurring expenditures will be incurred over the next 30 years (the projection excludes taxes on interest earned);
- Interest – calculated on the available funds;
- Contribution – determined based on the following: annual contribution increases, interest earned with related taxes and inflation on reserve items.

4.0 PROVIDED INFORMATION AND DOCUMENTS

This study has been performed according to the scope as generally defined and agreed upon by Strategic Inspections, LLC and the 242 Broome Street Condominium Development.

The following documents were made available and were reviewed during the course of our study:

- Essex Crossing Site 1 - 242 Broome Street - Draft GMP Set of Architectural Drawings, dated March 1, 2016, prepared by SLCE Architects, LLP
- Essex Crossing Site 1 - 242 Broome Street - 95% Construction Drawings - MEP, dated October 19, 2015 and Revisions dated February 17, 2016, prepared by SLCE Architects, LLC
- Draft Condominium Offering Plan for 242 Broome Street Condominium, undated
- Architects Report for 242 Broome Street Condominium, New York, NY, dated February 11, 2016, prepared by SLCE Architects, LLP
- Schedule B - 242 Broome Street - Projected Budget for First Full Year of Condominium Operation - July 1, 2018 - June 30, 2019

5.0 BUILDING EVALUATION

A complete review and analysis of all available construction drawings and specifications for the subject property was performed. The following was observed and noted during this review. A site inspection was not performed on this site. However, it is recommended that an inspection be performed prior to completing an update on this report.

Structure

The description of the structural and foundation systems is based on the review and analysis of the construction drawings and our experience with similar buildings.



The tower will be a multi-story poured reinforced flat slab supported on reinforced concrete columns and reinforced concrete shear walls. The Community Facility building will be concrete over composite metal deck as floor slab supported by steel beams with steel shear walls. The structures will be founded on reinforced concrete mat foundations.

Since this will be a new development, it is assumed that there are no issues of concern regarding capital expenditures for the structural or foundation systems for the buildings.

Exterior and Roof

The tower will have an aluminum and glass window wall system with operable casement windows and fixed windows and glass curtainwall system. The first floor will have storefront window wall system. The Community Facility building will have a combination of iron spot brick, metal rainscreen and steel frame curtainwall system. The bulkhead will have a metal mesh barrier panel over CMU block wall. The entrance doors will be metal-framed doors with glass panels. Based on expected useful life, replacement of the windows and doors is anticipated during the reserve period. The exterior of the building will be new and in good/excellent condition, however, we have included an allowance for periodic caulking, sealing, painting, and repairs of the exterior of the building. In addition, New York Local Law requires facade inspections on five year intervals on all buildings with more than six stories. We have included cost to perform future facade repairs in the reserve study.

The main roof on the building will be a modified bitumen roofing system with cap sheet. The parapet walls will be concrete masonry and reinforced concrete walls with metal coping. This type of roofing typically has an expected useful life of 20 years. Therefore, replacement of the roof surface is anticipated during the reserve period. An allowance for repairs/replacement of concrete pavers has also been included in the reserve study.

There will be a common rooftop terrace at the 15th floor of the tower and a rooftop terrace at the 4th floor of the Community Facility. There will also be private rooftop terraces located on the 6th and 15th floors. The terraces will be waterproofed with a reinforced fluid-applied membrane assembly and covered with concrete pavers on pedestals with glass panel railings with aluminum framing. There will be 6' wood trellis screens separating the common terrace from the private terraces. Based on expected useful life, replacement of the wood trellis screens and pavers, waterproof membrane, and repairs to the railings are anticipated during the reserve period.

Mechanical, Electrical and Plumbing

Heating and air conditioning for the building will be provided by a two-pipe closed loop condenser water system. The residential units and common areas will be heated and cooled by individual water source heat pumps. Dedicated split systems will be provided for the remainder of the support spaces serving the residential building. The condenser



water loop temperatures are maintained by a 500-ton cooling tower located on the roof bulkhead, three (3) 3500 MBH gas fired hot water condensing boilers, and plate and frame heat exchangers. Cooling tower pumps, condenser water pumps, hot water circulation pumps, and expansion tanks will be located in the 4th floor MER. All heating and cooling equipment will be new and assumed to be in good/excellent condition. The cooling tower has an estimated useful life (EUL) of 25 years. The circulating pumps have EULs of 15 to 20 years. The heat pumps and air cooled units have EULs of 20 years. The boilers have an EUL of 25 years. Based on expected useful life, replacement of the cooling towers, boilers, pumps, split systems, heat exchangers, and heat pumps is anticipated during the reserve period. The residential heat pump units are owned and maintained by the individual condominium owner. Therefore, no costs for replacement of these units have been included in this study.

The community facility/Museum will be cooled by multiple air handling units via a central chiller plant. Since this equipment is exclusive to the community facility, we have not included cost in this reserve study.

The residential corridors will be cooled by an air cooled rooftop air conditioning unit and energy recovery unit for make-up air for the residential units. The systems will be new and assumed to be in good/excellent condition. Based on estimated useful life of 20 years, replacement of these units is anticipated during the reserve period.

Supplemental heating will be provided by small capacity hydronic unit and cabinet heaters. This equipment will be new and assumed to be in good/excellent condition. The electric heaters will have EULs of 20 to 25 years. Based on expected useful life, replacement of the heaters is anticipated during the reserve period.

Building ventilation is provided via rooftop and inline exhaust fans ranging in size. The fans will be new and assumed to be in good/excellent condition with an EUL of 15 years. Based on expected useful life, replacement of the fans is anticipated during the reserve period.

The domestic water for the building will be supplied by the municipal water supply and will be maintained by two pressure water zones served by one quadruplex centrifugal booster pumps located in the cellar of the building. The pumps will be new and assumed to be in good/excellent condition with a EUL of 15 years. Based on expected useful life, replacement of the pumps is anticipated during the reserve period.

Domestic hot water for the condominium buildings will be provided by three (3) indirect, PVI 215-gallon capacity water heaters, which are heated by the gas fired hot water boilers mentioned above and two hot water circulation pumps. The distribution system has an indeterminately long useful life; therefore, only routine maintenance is anticipated during the reserve period. The water heaters and pumps have a useful life of 15 to 25 years. Replacement of the water heaters and pumps is anticipated during the reserve period.

The electrical and gas service to the building will be provided by Consolidated Edison. The building will have 4000 amp, three-phase, four-wire service at 120/208 volts. Based on

expected useful life, replacement of the switchgears is not anticipated during the reserve period.

The building will have a number of sump pumps, ejector pumps, and elevator sump pumps. The pumps will be new and assumed to be in good condition. Based on expected useful life, replacement is anticipated during the reserve period.

A 200kW gas-fired back-up generator will be located on the bulkhead tower to provide emergency power to critical building systems. Based on an expected useful life of 25 years, replacement of the generator is anticipated during the reserve period.

The common area lighting on the interior of the building will be new and in good condition. Based on expected useful life, replacement of the corridor lighting is not anticipated during the reserve period.

Interior

According to the finish schedule, the entrance lobby will have polished sealed concrete flooring, blackened steel panels and painted walls, and painted ceiling. Based on an expected useful life, upgrades to the lobby are anticipated during the reserve period.

The common corridors above the lobby floor will have carpeted floors, painted and wall covering on the walls, and painted ceilings. The common interior finishes will be new and in good condition. Based on the expected useful life, replacement of the carpet and wall coverings and repainting of the walls and ceilings is anticipated during the reserve period. Therefore, an allowance to replace all of these finishes is included in this reserve study.

The stairs in the building will be poured-in-place, reinforced concrete with painted steel hand railings. The walls in the stairways will be painted. The stairways will be new and assumed to be in good condition. Based on the expected useful life, repainting of the hand railings, walls and ceilings is anticipated during the reserve period. Therefore, an allowance to replace these finishes is included in this reserve study.

There will be a building manager's office, staff locker rooms and building security room located on the fourth floor of the tower. The floors will be vinyl composite tile, painted walls and the acoustical ceiling tile. Based on expected useful life, replacement of the finishes is anticipated during the reserve period.

Amenities

There will have a total of six (6) elevators, consisting of three (3) passenger elevator and three (3) passenger/service elevators. C1 will serve the Community Facility and Retail Unit 3; B1 will serve Retail Unit 2; E1 will serve Retail Unit 4; A1 will be a residential elevator/service elevator; A2 will be a residential elevator; and D1 will service Retail Units 3 and 4. A1, A2 and D1 will be machine room-less elevators. C1, B1 and E1 will be



hydraulic elevators will have front and rear opening doors. The elevators and elevator machinery will be new and assumed to be in good condition. Based on expected useful life, replacement of the elevator controllers, machinery, and elevator cabs is anticipated during the reserve period. Since elevators B1 and E1 are exclusive to Retail Units 2 and 4, respectively, we have not included cost to repair/replace the elevators in this reserve study.

There will be a mailroom with wall-mounted recessed mailboxes, located in the lobby. There will be a doorman/concierge desk and sitting area in the lobby. There will also be a package room provided adjacent to the concierge desk. The lobby furnishings will be new and in good condition. Based on expected useful life, replacement of the lobby furnishings and mailboxes is anticipated during the reserve period.

There will be a fitness gym and common restrooms located on the fourth floor of the tower. The fitness gym will be equipped with multiple pieces of cardio equipment and weights. The fitness gym will have resilient rubber flooring, smoke mirrored glass and wood paneled walls and the ceiling will be painted. The restrooms will have tile floors and painted walls and ceiling. Based on expected useful life, we anticipate upgrading the fitness gym and restrooms during the reserve period. Therefore, an allowance to replace all of these finishes and furnishings is included in this reserve study.

There will be a residential amenity space which will act as a multipurpose space on the 5th floor of the tower. It will consist of a lounge area, kitchen, children's playroom/game room, and two restrooms. The lounge and kitchen area will have a combination of polished concrete and carpet flooring, wood paneled, painted and glass walls and painted ceiling and will be furnished with typical lounge furnishings. The playroom will have carpeted floors and the walls and ceilings will be painted. It is assumed that the playroom will be furnished with typical playroom furnishings. The furnishings will be new and in good condition. The restrooms will have polished concrete flooring, the walls will have wall covering and tiles, and the ceilings will be painted. Based on expected useful life, we anticipate replacement of the finishes and furnishings, and repainting of the walls and ceilings during the reserve period.

There will be a residential rooftop terrace located on the 15th floor of the tower. The terrace will be finished with concrete pavers previously discussed under the Exterior and Roofing heading and associated costs for repair and replacement have been discussed in that section. The terrace will be furnished with typical outdoor furniture, an outdoor kitchen and landscaping. Based on expected useful life, replacement of these furnishings and upgrades to the landscaping is anticipated during the reserve period.

There will be a residential storage room and bicycle storage room located on the fourth floor of the tower The storage and bicycle rooms will have painted concrete flooring and painted walls. Based on expected useful life, replacement of these finishes is anticipated during the reserve period.

There will be an intercom system installed. Based on an expected useful life of 15 years, replacement of this system is anticipated during the reserve period.

There will be a security camera system in the building that will be new and in good to excellent condition. Based on the expected useful life, replacement of the security camera system is anticipated during the reserve period.

There will be a trash compactor located in the cellar. The trash compactor will be new and in good condition. Replacement of the trash compactor is anticipated during the reserve period.

The building will be equipped with Life Safety equipment. The Life Safety equipment will include fire pumps, plumbing, sprinkler heads, and hoses in all units and common areas and an alarm panel. The plumbing has an indeterminately long useful life and replacement is not anticipated in the next 30 years. Based on the useful life of the pumps, hoses and alarm panel, we anticipate replacement during the reserve period.

6.0 ASSUMPTIONS

The study is based upon the following financial assumptions:

- Annual Contribution Increase - 5.00%
- Interest Earned - 1.00%
- Inflation on Reserve Items - 2.43%

7.0 SUMMARY OF RESULTS

The annual contribution for the initial year of this reserve study is $118,795, or $9,899 on a monthly basis, with an annual increase of 5.0% per year over the 30-year term. This equates to an average of $179 per month per unit.

As of July 1, 2018, the current replacement cost of the reserve items is $3,496,491. With an annual compounded inflation rate of 2.43% the future replacement cost is $5,959,524.

8.0 FUNDING PLAN

The operating budget should include a line item to cover the 1st year's recommended reserve amount of $118,795 or $2,159 per unit.

9.0 LIMITATIONS

The observations described in this study are valid as to the date of the investigation, if one was performed, and have been made under the conditions noted in the report. This study is limited to the documentation provided to us. This reserve study is a budgetary tool and no implication is made as to its uses as an engineering study.



STRATEGIC INSPECTIONS, LLC

This report does not render an opinion on un-evaluated portions of the project. We did not evaluate the following areas, and this report makes no representations or conclusions regarding:

- Unit interior finishes
- Interior unit systems and equipment
- All non-common elements

We did not include reserve funding for any items with an expected life beyond 30 years such as stone flooring and structural components. Some of these replacement costs are high dollar items and may need to be replaced between year 30 and year 40. Yearly updating of the reserve study should be performed to ensure proper funding is provided as the longer life items move within the 30-year evaluation period as the property ages.

We did not perform any computations or other engineering analysis as part of this evaluation, nor did we conduct a comprehensive code compliance investigation. This report should not be construed as providing any engineering or code compliance information. The appendices are an integral part of this report and must be included in any review.

In our Reserve Fund Analysis, we have provided estimated costs. These costs are based on our general knowledge of building systems as well as the contracting and construction industry. When appropriate, we have relied on standard sources, such as RSMeans Building Construction Cost Data, to develop estimates. However, for some items for which we have developed costs (e.g.: structural repairs), no standard guide for estimating such costs exists. Actual cost can vary significantly, based on availability of qualified contractors to do the work as well as other variables. We assume no liability and make no warranties, expressed or implied, as to the specific cost estimates provided.

We have performed no design work as a part of this study, nor have we obtained competitive quotations or estimates from contractors, as this is beyond the scope of this project. The actual cost to replace components and maintain items that we have identified may vary significantly from estimates and competitive quotations from contractors.

Attached please find a projected reserve fund analysis for non-annual repair/replacement items. This projection takes into consideration a reasonable return on invested money and inflation. Please review this thoroughly and advise us of any changes that may be necessary.

STRATEGIC INSPECTIONS, LLC

If you have any questions about this study or the reserve fund analysis, please feel free to contact us. Thank you for the opportunity to provide this service to you.

Respectfully submitted,



David A. Pertuit, Jr., P.E.
Director of Technical Operations
Strategic Inspections, LLC.



STRATEGIC INSPECTIONS, LLC

Appendix A: RESERVE FUND ANALYSIS

242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Property - Definition

Property Information

Property	242 Broome Street Condominium	Initial Date		July 1, 2018
Address	242 Broome Street	Analysis Date		July 1, 2018
City	New York	Number of Phases		0
State	New York	Number of Units		55
Zip	10002	Number of Models		0
Phone		Current Cost	$	3,496,491.10

Item Parameters

Common Area	69
Unit Parameters	0
Unit Expanded	0

Financial Parameters

Rate of Inflation	2.43	%	Loan/Special Assessment	No
Rate of Investment	1.00	%	Deferred Expenditures	No
Contribution Factor	5.00	%	Tax Rate	N/A
Adjustment Factor	-50.00	%		
Contingency Factor	0.00	%		
Contingency Time	0:00	YY:MM		
Contingency Amount	$ 0.00			

Property Criteria

Inflation Compounded	Monthly
Ownership Format	Wholly Owned
Minimum Life	2:00 YY:MM
Analysis Format	Analysis
Cash Flow Schedule	30 Years
Allocation Format	Proportional
Contribution Method	Future Cost
Measurement Basis	N/A

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Financial - Analysis Summary

Global Factors		
Rate of Inflation		2.43 %
Net Rate of Investment		1.00 %
Weighted Average Life		22:04 YY:MM
Contribution Factor		5.00 %
Adjustment Factor		-50.00 %
Contingency Factor		0.00 %
Contingency Time		0:00 YY:MM
Replacement Costs		
Current Cost	$	3,496,491.10
Future Cost	$	5,959,524.49
Fund Balances		
Current Balance	$	0.00
Future Balance	$	0.00
Funds Required		
Funds Required	$	5,959,524.49
Monthly Contribution	$	9,899.59

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Item Parameters - Summary

	Basis Cost	Quantity	Replace Date	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Amenities								
Child Recreational Room Furnishings	$ 15,000.00	1.000	07/01/2028	$ 15,000	10:00	10:00	10:00	$ 19,121
Common Rest Room Upgrade	4,500.00	5.000	07/01/2033	22,500	15:00	15:00	15:00	32,383
Elevator Cabs	7,500.00	4.000	07/01/2033	30,000	15:00	15:00	15:00	43,177
Elevator controller	10,000.00	4.000	07/01/2033	40,000	15:00	15:00	15:00	57,570
Elevator Machinery upgrades	124,000.00	3.000	06/01/2048	372,000	30:00	30:00	29:11	769,032
Fitness Center Equipment	60,000.00	1.000	07/01/2028	60,000	10:00	10:00	10:00	76,485
Hydraulic Elevator	70,000.00	1.000	07/01/2043	70,000	25:00	25:00	25:00	128,429
Lounge & Kitchen Furnishings & Finishes	50,000.00	1.000	07/01/2033	50,000	15:00	15:00	15:00	71,963
Mailboxes	75.00	55.000	07/01/2038	4,125	20:00	20:00	20:00	6,703
Security Camera System	15,000.00	1.000	07/01/2033	15,000	15:00	15:00	15:00	21,588
Trash Compactor	18,000.00	1.000	07/01/2038	18,000	20:00	20:00	20:00	29,250
				$ 696,625				$ 1,255,706
Building Exterior								
Exterior Caulking and Sealants	$ 100,000.00	1.000	07/01/2028	$ 100,000	10:00	10:00	10:00	$ 127,475
Facade Repairs	100,000.00	1.000	07/01/2038	100,000	20:00	20:00	20:00	162,500
Glass Entrance Doors	6,200.00	2.000	07/01/2043	12,400	25:00	25:00	25:00	22,750
IRMA W/ Pavers	22.46	14,569.000	07/01/2043	327,219	25:00	25:00	25:00	600,352
Multi-ply Modified Bit Roof Surface	16.00	8,174.000	07/01/2038	130,784	20:00	20:00	20:00	212,524
Roll Up Door & Opener	10,000.00	2.000	07/01/2038	20,000	20:00	20:00	20:00	32,500
Windows	8,000.00	55.000	07/01/2043	440,000	25:00	25:00	25:00	807,271
				$ 1,130,403				$ 1,965,375
Building Interior								
Carpet	$ 8.50	6,477.000	07/01/2026	$ 55,054	8:00	8:00	8:00	$ 66,855
Common Lighting	2,500.00	15.000	07/01/2043	37,500	25:00	25:00	25:00	68,801
Intercom System Upgrades	10,000.00	1.000	07/01/2033	10,000	15:00	15:00	15:00	14,392
Lobby Upgrade	40,000.00	1.000	07/01/2028	40,000	10:00	10:00	10:00	50,990
Management Office Upgrades	7,500.00	1.000	07/01/2033	7,500	15:00	15:00	15:00	10,794

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Item Parameters - Summary

		Basis Cost	Quantity	Replace Date		Current Cost	Est Life	Adj Life	Rem Life		Future Cost
Paint Stairs	$	750.00	30.000	07/01/2028	$	22,500	10:00	10:00	10:00	$	28,682
Paint Walls and Ceiling		1.26	21,161.000	07/01/2025		26,662	7:00	7:00	7:00		31,601
Refinish Concrete Floor		2.00	5,338.000	07/01/2028		10,676	10:00	10:00	10:00		13,609
Rubber Tile Floor		8.00	3,148.000	07/01/2033		25,184	15:00	15:00	15:00		36,246
Staff Locker Rooms		7,500.00	1.000	07/01/2033		7,500	15:00	15:00	15:00		10,794
Wall Covering		6.00	18,954.000	07/01/2028		113,724	10:00	10:00	10:00		144,970
Wood paneling interior wall finish		7.00	4,500.000	07/01/2038		31,500	20:00	20:00	20:00		51,187
					$	387,801				$	528,925
Mechanical											
1 Ton Water Source Heat Pump	$	2,900.00	4.000	07/01/2038	$	11,600	20:00	20:00	20:00	$	18,850
1-1/2-HP Fan		3,700.00	1.000	07/01/2033		3,700	15:00	15:00	15:00		5,325
1-HP Fan		3,554.00	3.000	07/01/2033		10,662	15:00	15:00	15:00		15,345
1.25-ton Water Sourced Heat Pump		3,000.00	1.000	07/01/2038		3,000	20:00	20:00	20:00		4,875
1.5 Ton Water Source Heat Pump		3,050.00	1.000	07/01/2038		3,050	20:00	20:00	20:00		4,956
1/2-HP Fan		1,271.00	2.000	07/01/2033		2,542	15:00	15:00	15:00		3,658
1/4-HP Fan		1,500.00	2.000	07/01/2033		3,000	15:00	15:00	15:00		4,317
10-ton Water Sourced Heat Pump		12,200.00	1.000	07/01/2038		12,200	20:00	20:00	20:00		19,825
210 GPM 10 HP Hot Water Pump		9,500.00	3.000	07/01/2033		28,500	15:00	15:00	15:00		41,019
3 Ton Air Handling Unit		1,800.00	2.000	07/01/2038		3,600	20:00	20:00	20:00		5,850
3 Ton Condenser Unit		4,634.00	2.000	07/01/2033		9,268	15:00	15:00	15:00		13,339
3 Ton Water Source Heat Pump		4,070.00	6.000	07/01/2038		24,420	20:00	20:00	20:00		39,682
3/4 Ton Water Source Heat Pump		2,000.00	2.000	07/01/2038		4,000	20:00	20:00	20:00		6,500
3/4-HP Fan		3,250.00	3.000	07/01/2033		9,750	15:00	15:00	15:00		14,032
34 Ton ERU		82,000.00	1.000	07/01/2038		82,000	20:00	20:00	20:00		133,250
500 Ton Cooling Tower		80,000.00	1.000	07/01/2043		80,000	25:00	25:00	25:00		146,776
6 Ton Water Source Heat Pump		7,500.00	2.000	07/01/2038		15,000	20:00	20:00	20:00		24,375
Back-up Gas Fired Generator 200 kW		130,000.00	1.000	07/01/2043		130,000	25:00	25:00	25:00		238,512
Condenser Water Pump 1000 GPM		18,900.00	2.000	07/01/2038		37,800	20:00	20:00	20:00		61,425
Condensing Water Pump 440 GPM 25 HP		14,000.00	1.000	07/01/2033		14,000	15:00	15:00	15:00		20,149

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Item Parameters - Summary

	Basis Cost	Quantity	Replace Date	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Condensing Water Pump 560 GPM 20 HP	$ 13,100.00	2.000	07/01/2033	$ 26,200	15:00	15:00	15:00	$ 37,708
Duplex Sewage Ejector Pump	3,198.00	2.000	07/01/2043	6,396	25:00	25:00	25:00	11,734
Duplex Storm Water Pumps	5,314.00	1.000	07/01/2038	5,314	20:00	20:00	20:00	8,635
DW Quadruplex Booster Pump	45,000.00	1.000	07/01/2038	45,000	20:00	20:00	20:00	73,125
Elevator Sump Pump	1,950.00	4.000	07/01/2038	7,800	20:00	20:00	20:00	12,675
Fire Pump 1000 GPM	29,209.00	1.000	07/01/2038	29,209	20:00	20:00	20:00	47,464
Gas Booster Pump	2,400.00	2.000	07/01/2033	4,800	15:00	15:00	15:00	6,908
Gas-fired HW boiler-3500 MBH	110,000.00	3.000	07/01/2043	330,000	25:00	25:00	25:00	605,453
Hot Water Circulation Pump	2,400.00	2.000	07/01/2033	4,800	15:00	15:00	15:00	6,908
Jockey Pump	3,500.00	1.000	07/01/2033	3,500	15:00	15:00	15:00	5,037
Plate Frame Heat Exchanger - 440 GPM	50,000.00	1.000	07/01/2044	50,000	26:00	26:00	26:00	93,989
Plate Frame Heat Exchanger - 560 GPM	65,000.00	1.000	07/01/2044	65,000	26:00	26:00	26:00	122,186
PVI Water Heater - 215 Gallon	35,000.00	3.000	07/01/2043	105,000	25:00	25:00	25:00	192,644
Simplex Sump Pump	1,950.00	1.000	07/01/2038	1,950	20:00	20:00	20:00	3,168
Unit Heater with Hot Water Heating	1,600.00	6.000	07/01/2043	9,600	25:00	25:00	25:00	17,613
Unit Heater with Hot Water Heating	2,250.00	4.000	07/01/2043	9,000	25:00	25:00	25:00	16,512
				$ 1,191,661				$ 2,083,832
Other								
Fire Alarm System Upgrades	$ 50,000.00	1.000	07/01/2033	$ 50,000	15:00	15:00	15:00	$ 71,963
				$ 50,000				$ 71,963
Site								
6 ft Wood Trellis Screen Repairs	$ 10,000.00	1.000	07/01/2036	$ 10,000	18:00	18:00	18:00	$ 15,479
Terrace Landscaping and Amenities	30,000.00	1.000	07/01/2028	30,000	10:00	10:00	10:00	38,242
				$ 40,000				$ 53,722
				$ 3,496,491				$ 5,959,524

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
1 Ton Water Source Heat Pump EA @ 2 ,900.00										
920-001-0009 4,712.50	Cellar-Telecom Rm			WSHP-C-4	07/01/2038	1.00 $ 2,900.00	20:00	20:00	20:00	20:00 $
920-002-0009 4,712.50	4th Fl Staff Locker			WSHP-4-2	07/01/2038	1.00 2,900.00	20:00	20:00		20:00
920-003-0009 4,712.50	4th Fl Security Rm			WSHP-4-4	07/01/2038	1.00 2,900.00	20:00	20:00		20:00
920-004-0009 4,712.50	Elev D1 Control Rm			WSHP-G-1	07/01/2038	1.00 2,900.00	20:00	20:00		20:00
					4.00	$ 11,600.00				$ 18,850.00
1-1/2-HP Fan EA @ 3 ,700.00										
910-000-0018	Cellar BOH	EF-3-3		07/01/2033	1.00	$ 3,700.00	15:00	15:00	15:00	$ 5,325.27
					1.00	$ 3,700.00				$ 5,325.27
1-HP Fan EA @ 3 ,554.00										
920-001-0016	Loading Dock	EF-3-2		07/01/2033	1.00	$ 3,554.00	15:00	15:00	15:00	$ 5,115.14
920-002-0016 5,115.14	Storage & MER Exh			EF-4-1	07/01/2033	1.00 3,554.00	15:00	15:00		15:00
920-003-0016 5,115.14	Res Dryer Exhaust			DXF-R-1	07/01/2033	1.00 3,554.00	15:00	15:00		15:00
					3.00	$ 10,662.00				$ 15,345.42
1.25-ton Water Sourced Heat Pump EA @ 3 ,000.00										
910-000-0075	Serv. 111	WSHP-G-2		07/01/2038	1.00	$ 3,000.00	20:00	20:00	20:00	$ 4,875.00
					1.00	$ 3,000.00				$ 4,875.00
1.5 Ton Water Source Heat Pump EA @ 3 ,050.00										
910-000-0010 4,956.25	Cellar-Compactor R			WSHP-C-3	07/01/2038	1.00 $ 3,050.00	20:00	20:00	20:00	20:00 $
					1.00	$ 3,050.00				$ 4,956.25
1/2-HP Fan EA @ 1 ,271.00										
920-001-0020	Bulkhead Roof	TRXF-R-1		07/01/2033	1.00	$ 1,271.00	15:00	15:00	15:00	$ 1,829.30
920-002-0020	MER Fresh Air	SF-4-4		07/01/2033	1.00	1,271.00	15:00	15:00	15:00	1,829.30
					2.00	$ 2,542.00				$ 3,658.60

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity		Current Cost	Est Life	Adj Life	Rem Life		Future Cost
1/4-HP Fan EA @ 1 ,500.00												
920-001-0021	Boiler Rm Supply	SF-4-1		07/01/2033	1.00	$	1,500.00	15:00	15:00	15:00	$	2,158.90
920-002-0021	Boiler Rm Exhaust	EF-4-3		07/01/2033	1.00		1,500.00	15:00	15:00	15:00		2,158.90
					2.00	$	3,000.00				$	4,317.80
10-ton Water Sourced Heat Pump EA @ 12 ,200.00												
910-000-0074	Elev C1 EMR	WSHP-C-2		07/01/2038	1.00	$	12,200.00	20:00	20:00	20:00	$	19,825.02
					1.00	$	12,200.00				$	19,825.02
210 GPM 10 HP Hot Water Pump EA @ 9 ,500.00												
910-000-0001	4th Floor Mech	HWP-1,2,3		07/01/2033	3.00	$	28,500.00	15:00	15:00	15:00	$	41,019.01
					3.00	$	28,500.00				$	41,019.01
3 Ton Air Handling Unit EA @ 1 ,800.00												
920-001-0022	EMR Roof	AC-EMR-1		07/01/2038	1.00	$	1,800.00	20:00	20:00	20:00	$	2,925.00
920-002-0022	ATS Room	AC-ATS-1		07/01/2038	1.00		1,800.00	20:00	20:00	20:00		2,925.00
					2.00	$	3,600.00				$	5,850.00
3 Ton Condenser Unit EA @ 4 ,634.00												
920-001-0023	Roof	ACC-EMR-1		07/01/2033	1.00	$	4,634.00	15:00	15:00	15:00	$	6,669.55
920-002-0023	Roof	ACC-ATS-1		07/01/2033	1.00		4,634.00	15:00	15:00	15:00		6,669.55
					2.00	$	9,268.00				$	13,339.10
3 Ton Water Source Heat Pump EA @ 4 ,070.00												
920-001-0012	Cellar-Switchgear R			WSHP-C-5	07/01/2038	1.00	$	4,070.00	20:00	20:00	20:00	$ 6,613.76
920-002-0012	4th Fl Gym	WSHP-4-3		07/01/2038	1.00		4,070.00	20:00	20:00	20:00		6,613.76
920-003-0012	Residential Storage			WSHP-4-5	07/01/2038		1.00	4,070.00	20:00	20:00		20:00 6,613.76
920-004-0012	Condenser Wtr Rm			WSHP-4-6	07/01/2038		1.00	4,070.00	20:00	20:00		20:00 6,613.76
920-005-0012	5th Fl Lounge/Kitch			WSHP-5-1	07/01/2038		1.00	4,070.00	20:00	20:00		20:00 6,613.76
920-006-0012	Elev A1 EMR	WSHP-R-1		07/01/2038	1.00		4,070.00	20:00	20:00	20:00		6,613.76
					6.00	$	24,420.00				$	39,682.56

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242 Broome Street Condominium

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Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity		Current Cost	Est Life	Adj Life	Rem Life		Future Cost
3/4 Ton Water Source Heat Pump EA @ 2 ,000.00												
920-001-0013	Bldg Mgr Office	WSHP-A		07/01/2038	1.00	$	2,000.00	20:00	20:00	20:00	$	3,250.00
920-002-0013	Cellar-Corridor	WSHP-C-6		07/01/2038	1.00		2,000.00	20:00	20:00	20:00		3,250.00
					2.00	$	4,000.00				$	6,500.00
3/4-HP Fan EA @ 3 ,250.00												
920-001-0015	1st Fl Lobby	SF-G-2		07/01/2033	1.00	$	3,250.00	15:00	15:00	15:00	$	4,677.61
920-002-0015	Cellar Fresh Air	SF-G-1		07/01/2033	1.00		3,250.00	15:00	15:00	15:00		4,677.61
920-003-0015	Locker & Toilet	EF-4-2		07/01/2033	1.00		3,250.00	15:00	15:00	15:00		4,677.61
					3.00	$	9,750.00				$	14,032.83
34 Ton ERU EA @ 82 ,000.00												
910-000-0008	Bulkhead Roof	ERU-R-1		07/01/2038	1.00	$	82,000.00	20:00	20:00	20:00	$	133,250.10
					1.00	$	82,000.00				$	133,250.10
500 Ton Cooling Tower EA @ 80 ,000.00												
910-000-0004	Bulkhead Roof	CT-1		07/01/2043	1.00	$	80,000.00	25:00	25:00	25:00	$	146,776.70
					1.00	$	80,000.00				$	146,776.70
6 ft Wood Trellis Screen Repairs LS @ 10 ,000.00												
910-000-0069				07/01/2036	1.00	$	10,000.00	18:00	18:00	18:00	$	15,479.91
					1.00	$	10,000.00				$	15,479.91
6 Ton Water Source Heat Pump EA @ 7 ,500.00												
920-001-0014	1st Fl Lobby	WSHP-G-3		07/01/2038	1.00	$	7,500.00	20:00	20:00	20:00	$	12,187.51
920-002-0014	4th Fl Gym	WSHP-4-1		07/01/2038	1.00		7,500.00	20:00	20:00	20:00		12,187.51
					2.00	$	15,000.00				$	24,375.02
Back-up Gas Fired Generator 200 kW EA @ 130 ,000.00												
910-000-0034				07/01/2043	1.00	$	130,000.00	25:00	25:00	25:00	$	238,512.13
					1.00	$	130,000.00				$	238,512.13

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242 Broome Street Condominium

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Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity		Current Cost	Est Life	Adj Life	Rem Life		Future Cost
Carpet SF @ 8.50												
920-001-0048	Corridors			07/01/2026	5343.00	$	45,415.50	8:00	8:00	8:00	$	55,150.01
920-002-0048	Child Room			07/01/2026	670.00		5,695.00	8:00	8:00	8:00		6,915.69
920-003-0048	Lounge			07/01/2026	464.00		3,944.00	8:00	8:00	8:00		4,789.37
					6477.00	$	55,054.50				$	66,855.07
Child Recreational Room Furnishings LS @ 15 ,000.00												
910-000-0072				07/01/2028	1.00	$	15,000.00	10:00	10:00	10:00	$	19,121.33
					1.00	$	15,000.00				$	19,121.33
Common Lighting Floor @ 2 ,500.00												
910-000-0052				07/01/2043	15.00	$	37,500.00	25:00	25:00	25:00	$	68,801.58
					15.00	$	37,500.00				$	68,801.58
Common Rest Room Upgrade LS @ 4 ,500.00												
910-000-0051				07/01/2033	5.00	$	22,500.00	15:00	15:00	15:00	$	32,383.43
					5.00	$	22,500.00				$	32,383.43
Condenser Water Pump 1000 GPM EA @ 18 ,900.00												
910-000-0005	4th Floor Mech	PCWP-1&2		07/01/2038	2.00	$	37,800.00	20:00	20:00	20:00	$	61,425.05
					2.00	$	37,800.00				$	61,425.05
Condensing Water Pump 440 GPM 25 HP EA @ 14 ,000.00												
910-000-0002	4th Floor Mech	SCWP-3		07/01/2033	1.00	$	14,000.00	15:00	15:00	15:00	$	20,149.69
					1.00	$	14,000.00				$	20,149.69
Condensing Water Pump 560 GPM 20 HP EA @ 13 ,100.00												
910-000-0003	4th Floor Mech	SCWP-1&2		07/01/2033	2.00	$	26,200.00	15:00	15:00	15:00	$	37,708.70
					2.00	$	26,200.00				$	37,708.70
Duplex Sewage Ejector Pump EA @ 3 ,198.00												
910-000-0026	Cellar	EP-1&2		07/01/2043	2.00	$	6,396.00	25:00	25:00	25:00	$	11,734.80
					2.00	$	6,396.00				$	11,734.80

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242 Broome Street Condominium

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Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Duplex Storm Water Pumps EA @ 5 ,314.00										
910-000-0027	Pump Vault	STP-1		07/01/2038	1.00	$ 5,314.00	20:00	20:00	20:00	$ 8,635.26
					1.00	$ 5,314.00				$ 8,635.26
DW Quadruplex Booster Pump LS @ 45 ,000.00										
910-000-0028	Cellar	BP-1		07/01/2038	1.00	$ 45,000.00	20:00	20:00	20:00	$ 73,125.06
					1.00	$ 45,000.00				$ 73,125.06
Elevator Cabs EA @ 7 ,500.00										
910-000-0031		A1,A2,C1,D1		07/01/2033	4.00	$ 30,000.00	15:00	15:00	15:00	$ 43,177.90
					4.00	$ 30,000.00				$ 43,177.90
Elevator controller EA @ 10 ,000.00										
910-000-0032		A1,A2,C1,D1		07/01/2033	4.00	$ 40,000.00	15:00	15:00	15:00	$ 57,570.54
					4.00	$ 40,000.00				$ 57,570.54
Elevator Machinery upgrades LS @ 124 ,000.00										
910-000-0033		A1,A2,D1		06/01/2048	3.00	$ 372,000.00	30:00	30:00	29:11	$ 769,032.93
					3.00	$ 372,000.00				$ 769,032.93
Elevator Sump Pump EA @ 1 ,950.00										
910-000-0029	Cellar			07/01/2038	4.00	$ 7,800.00	20:00	20:00	20:00	$ 12,675.01
					4.00	$ 7,800.00				$ 12,675.01
Exterior Caulking and Sealants LS @ 100 ,000.00										
910-000-0054				07/01/2028	1.00	$ 100,000.00	10:00	10:00	10:00	$ 127,475.54
					1.00	$ 100,000.00				$ 127,475.54
Facade Repairs LS @ 100 ,000.00										
910-000-0055				07/01/2038	1.00	$ 100,000.00	20:00	20:00	20:00	$ 162,500.13
					1.00	$ 100,000.00				$ 162,500.13

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Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Fire Alarm System Upgrades EA @ 50 ,000.00										
910-000-0056				07/01/2033	1.00	$ 50,000.00	15:00	15:00	15:00	$ 71,963.17
					1.00	$ 50,000.00				$ 71,963.17
Fire Pump 1000 GPM EA @ 29 ,209.00										
910-000-0035	Cellar	FP-1		07/01/2038	1.00	$ 29,209.00	20:00	20:00	20:00	$ 47,464.66
					1.00	$ 29,209.00				$ 47,464.66
Fitness Center Equipment LS @ 60 ,000.00										
910-000-0057				07/01/2028	1.00	$ 60,000.00	10:00	10:00	10:00	$ 76,485.32
					1.00	$ 60,000.00				$ 76,485.32
Gas Booster Pump EA @ 2 ,400.00										
910-000-0024	Cellar	GB-7		07/01/2033	2.00	$ 4,800.00	15:00	15:00	15:00	$ 6,908.46
					2.00	$ 4,800.00				$ 6,908.46
Gas-fired HW boiler-3500 MBH EA @ 110 ,000.00										
910-000-0007	4th Floor Mech	B-1,2,3		07/01/2043	3.00	$ 330,000.00	25:00	25:00	25:00	$ 605,453.88
					3.00	$ 330,000.00				$ 605,453.88
Glass Entrance Doors LS @ 6 ,200.00										
910-000-0039				07/01/2043	2.00	$ 12,400.00	25:00	25:00	25:00	$ 22,750.39
					2.00	$ 12,400.00				$ 22,750.39
Hot Water Circulation Pump EA @ 2 ,400.00										
910-000-0045	Cellar	C-1&2		07/01/2033	2.00	$ 4,800.00	15:00	15:00	15:00	$ 6,908.46
					2.00	$ 4,800.00				$ 6,908.46
Hydraulic Elevator EA @ 70 ,000.00										
910-000-0058		C1		07/01/2043	1.00	$ 70,000.00	25:00	25:00	25:00	$ 128,429.61
					1.00	$ 70,000.00				$ 128,429.61

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Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity		Current Cost	Est Life	Adj Life	Rem Life		Future Cost
Intercom System Upgrades EA @ 10 ,000.00												
910-000-0040				07/01/2033	1.00	$	10,000.00	15:00	15:00	15:00	$	14,392.63
					1.00	$	10,000.00				$	14,392.63
IRMA W/ Pavers SF @ 22.46												
920-001-0041	Res Terraces			07/01/2043	9641.00	$	216,536.86	25:00	25:00	25:00	$	397,282.07
920-002-0041	4th Floor Terrace			07/01/2043	4928.00		110,682.88	25:00	25:00	25:00		203,070.85
					14569.00	$	327,219.74				$	600,352.92
Jockey Pump EA @ 3 ,500.00												
910-000-0036	Cellar	JP-1		07/01/2033	1.00	$	3,500.00	15:00	15:00	15:00	$	5,037.42
					1.00	$	3,500.00				$	5,037.42
Lobby Upgrade LS @ 40 ,000.00												
910-000-0076				07/01/2028	1.00	$	40,000.00	10:00	10:00	10:00	$	50,990.21
					1.00	$	40,000.00				$	50,990.21
Lounge & Kitchen Furnishings & Finishes LS @ 50 ,000.00												
910-000-0047				07/01/2033	1.00	$	50,000.00	15:00	15:00	15:00	$	71,963.17
					1.00	$	50,000.00				$	71,963.17
Mailboxes EA @ 75.00												
910-000-0042				07/01/2038	55.00	$	4,125.00	20:00	20:00	20:00	$	6,703.13
					55.00	$	4,125.00				$	6,703.13
Management Office Upgrades LS @ 7 ,500.00												
910-000-0059				07/01/2033	1.00	$	7,500.00	15:00	15:00	15:00	$	10,794.48
					1.00	$	7,500.00				$	10,794.48
Multi-ply Modified Bit Roof Surface SF @ 16.00												
920-001-0043	Upper Bulkhead			07/01/2038	2910.00	$	46,560.00	20:00	20:00	20:00	$	75,660.06
920-002-0043	Above Museum			07/01/2038	5264.00		84,224.00	20:00	20:00	20:00		136,864.11
					8174.00	$	130,784.00				$	212,524.17

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Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity		Current Cost	Est Life	Adj Life	Rem Life		Future Cost
Paint Stairs Floor @ 750.00												
910-000-0060				07/01/2028	30.00	$	22,500.00	10:00	10:00	10:00	$	28,682.00
					30.00	$	22,500.00				$	28,682.00
Paint Walls and Ceiling SF @ 1.26												
910-000-0061				07/01/2025	21161.00	$	26,662.86	7:00	7:00	7:00	$	31,601.34
					21161.00	$	26,662.86				$	31,601.34
Plate Frame Heat Exchanger - 440 GPM EA @ 50 ,000.00												
910-000-0073	4th Fl Mech	PHX-2		07/01/2044	1.00	$	50,000.00	26:00	26:00	26:00	$	93,989.60
					1.00	$	50,000.00				$	93,989.60
Plate Frame Heat Exchanger - 560 GPM EA @ 65 ,000.00												
910-000-0006	4th Floor Mech	PHX-1		07/01/2044	1.00	$	65,000.00	26:00	26:00	26:00	$	122,186.48
					1.00	$	65,000.00				$	122,186.48
PVI Water Heater - 215 Gallon EA @ 35 ,000.00												
910-000-0025	4th Fl Mech	DWH-1,2,3		07/01/2043	3.00	$	105,000.00	25:00	25:00	25:00	$	192,644.42
					3.00	$	105,000.00				$	192,644.42
Refinish Concrete Floor SF @ 2.00												
920-001-0063	Lounge			07/01/2028	1386.00	$	2,772.00	10:00	10:00	10:00	$	3,533.62
920-002-0063	Storr & Service			07/01/2028	3952.00		7,904.00	10:00	10:00	10:00		10,075.67
					5338.00	$	10,676.00				$	13,609.29
Roll Up Door & Opener EA @ 10 ,000.00												
910-000-0071				07/01/2038	2.00	$	20,000.00	20:00	20:00	20:00	$	32,500.03
					2.00	$	20,000.00				$	32,500.03
Rubber Tile Floor SF @ 8.00												
910-000-0062	Fitness			07/01/2033	3148.00	$	25,184.00	15:00	15:00	15:00	$	36,246.41
					3148.00	$	25,184.00				$	36,246.41

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Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity		Current Cost	Est Life	Adj Life	Rem Life		Future Cost
Security Camera System LS @ 15 ,000.00												
910-000-0064				07/01/2033	1.00	$	15,000.00	15:00	15:00	15:00	$	21,588.95
					1.00	$	15,000.00				$	21,588.95
Simplex Sump Pump EA @ 1 ,950.00												
910-000-0030	Sub-cellar	SP-7		07/01/2038	1.00	$	1,950.00	20:00	20:00	20:00	$	3,168.75
					1.00	$	1,950.00				$	3,168.75
Staff Locker Rooms LS @ 7 ,500.00												
910-000-0065				07/01/2033	1.00	$	7,500.00	15:00	15:00	15:00	$	10,794.48
					1.00	$	7,500.00				$	10,794.48
Terrace Landscaping and Amenities LS @ 30 ,000.00												
910-000-0066				07/01/2028	1.00	$	30,000.00	10:00	10:00	10:00	$	38,242.66
					1.00	$	30,000.00				$	38,242.66
Trash Compactor EA @ 18 ,000.00												
910-000-0067				07/01/2038	1.00	$	18,000.00	20:00	20:00	20:00	$	29,250.02
					1.00	$	18,000.00				$	29,250.02
Unit Heater with Hot Water Heating EA @ 2 ,250.00												
910-000-0046	Various	CUH-A		07/01/2043	4.00	$	9,000.00	25:00	25:00	25:00	$	16,512.38
					4.00	$	9,000.00				$	16,512.38
Unit Heater with Hot Water Heating EA @ 1 ,600.00												
920-001-0044	Various	UH-A		07/01/2043	5.00	$	8,000.00	25:00	25:00	25:00	$	14,677.67
920-002-0044	Gas Meter Room	UH-B		07/01/2043	1.00		1,600.00	25:00	25:00	25:00		2,935.53
					6.00	$	9,600.00				$	17,613.20
Wall Covering SF @ 6.00												
910-000-0068	Corridors			07/01/2028	18954.00	$	113,724.00	10:00	10:00	10:00	$	144,970.28
					18954.00	$	113,724.00				$	144,970.28

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Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Windows	**Unit @ 8 ,000.00**									
910-000-0053				07/01/2043	55.00	$ 440,000.00	25:00	25:00	25:00	$ 807,271.84
					55.00	$ 440,000.00				$ 807,271.84
Wood paneling interior wall finish		**SF @ 7.00**								
910-000-0077	Gym & Lounge			07/01/2038	4500.00	$ 31,500.00	20:00	20:00	20:00	$ 51,187.54
					4500.00	$ 31,500.00				$ 51,187.54
					82587.00	$ 3,496,491.10				$ 5,959,524.49

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Expenditures - Items

Description	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
1 Ton Water Source Heat Pump										
1-1/2-HP Fan										
1-HP Fan										
1.25-ton Water Sourced Heat Pump										
1.5 Ton Water Source Heat Pump										
1/2-HP Fan										
1/4-HP Fan										
10-ton Water Sourced Heat Pump										
210 GPM 10 HP Hot Water Pump										
3 Ton Air Handling Unit										
3 Ton Condenser Unit										
3 Ton Water Source Heat Pump										
3/4 Ton Water Source Heat Pump										
3/4-HP Fan										
34 Ton ERU										
500 Ton Cooling Tower										
6 ft Wood Trellis Screen Repairs										
6 Ton Water Source Heat Pump										
Back-up Gas Fired Generator 200 kW										
Carpet									66,855	
Child Recreational Room Furnishings										
Common Lighting										
Common Rest Room Upgrade										
Condenser Water Pump 1000 GPM										
Condensing Water Pump 440 GPM 25										
Condensing Water Pump 560 GPM 20										
Duplex Sewage Ejector Pump										
Duplex Storm Water Pumps										
DW Quadruplex Booster Pump										
Elevator Cabs										
Elevator controller										

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Elevator Machinery upgrades										
Elevator Sump Pump										
Exterior Caulking and Sealants										
Facade Repairs										
Fire Alarm System Upgrades										
Fire Pump 1000 GPM										
Fitness Center Equipment										
Gas Booster Pump										
Gas-fired HW boiler-3500 MBH										
Glass Entrance Doors										
Hot Water Circulation Pump										
Hydraulic Elevator										
Intercom System Upgrades										
IRMA W/ Pavers										
Jockey Pump										
Lobby Upgrade										
Lounge & Kitchen Furnishings & Finis										
Mailboxes										
Management Office Upgrades										
Multi-ply Modified Bit Roof Surface										
Paint Stairs										
Paint Walls and Ceiling								31,601		
Plate Frame Heat Exchanger - 440 GP										
Plate Frame Heat Exchanger - 560 GP										
PVI Water Heater - 215 Gallon										
Refinish Concrete Floor										
Roll Up Door & Opener										
Rubber Tile Floor										
Security Camera System										
Simplex Sump Pump										
Staff Locker Rooms										

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Terrace Landscaping and Amenities										
Trash Compactor										
Unit Heater with Hot Water Heating										
Unit Heater with Hot Water Heating										
Wall Covering										
Windows										
Wood paneling interior wall finish										
								31,601	66,855	

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
1 Ton Water Source Heat Pump										
1-1/2-HP Fan						5,325				
1-HP Fan						15,345				
1.25-ton Water Sourced Heat Pump										
1.5 Ton Water Source Heat Pump										
1/2-HP Fan						3,658				
1/4-HP Fan						4,317				
10-ton Water Sourced Heat Pump										
210 GPM 10 HP Hot Water Pump						41,019				
3 Ton Air Handling Unit										
3 Ton Condenser Unit						13,339				
3 Ton Water Source Heat Pump										
3/4 Ton Water Source Heat Pump										
3/4-HP Fan						14,032				
34 Ton ERU										
500 Ton Cooling Tower										
6 ft Wood Trellis Screen Repairs									15,479	
6 Ton Water Source Heat Pump										
Back-up Gas Fired Generator 200 kW										
Carpet							81,185			
Child Recreational Room Furnishings 19,121										
Common Lighting										
Common Rest Room Upgrade						32,383				
Condenser Water Pump 1000 GPM										
Condensing Water Pump 440 GPM 25						20,149				
Condensing Water Pump 560 GPM 20						37,708				
Duplex Sewage Ejector Pump										
Duplex Storm Water Pumps										
DW Quadruplex Booster Pump										
Elevator Cabs						43,177				
Elevator controller						57,570				

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
Elevator Machinery upgrades										
Elevator Sump Pump										
Exterior Caulking and Sealants	127,475									
Facade Repairs										
Fire Alarm System Upgrades						71,963				
Fire Pump 1000 GPM										
Fitness Center Equipment	76,485									
Gas Booster Pump						6,908				
Gas-fired HW boiler-3500 MBH										
Glass Entrance Doors										
Hot Water Circulation Pump						6,908				
Hydraulic Elevator										
Intercom System Upgrades						14,392				
IRMA W/ Pavers										
Jockey Pump						5,037				
Lobby Upgrade	50,990									
Lounge & Kitchen Furnishings & Finis						71,963				
Mailboxes										
Management Office Upgrades						10,794				
Multi-ply Modified Bit Roof Surface										
Paint Stairs	28,682									
Paint Walls and Ceiling					37,454					
Plate Frame Heat Exchanger - 440 GP										
Plate Frame Heat Exchanger - 560 GP										
PVI Water Heater - 215 Gallon										
Refinish Concrete Floor	13,609									
Roll Up Door & Opener										
Rubber Tile Floor						36,246				
Security Camera System						21,588				
Simplex Sump Pump										
Staff Locker Rooms						10,794				

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
Terrace Landscaping and Amenities	38,242									
Trash Compactor										
Unit Heater with Hot Water Heating										
Unit Heater with Hot Water Heating										
Wall Covering	144,970									
Windows										
Wood paneling interior wall finish										
	499,576				37,454	544,625	81,185		15,479	

599

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
1 Ton Water Source Heat Pump	18,850									
1-1/2-HP Fan										
1-HP Fan										
1.25-ton Water Sourced Heat Pump	4,875									
1.5 Ton Water Source Heat Pump	4,956									
1/2-HP Fan										
1/4-HP Fan										
10-ton Water Sourced Heat Pump	19,825									
210 GPM 10 HP Hot Water Pump										
3 Ton Air Handling Unit	5,850									
3 Ton Condenser Unit										
3 Ton Water Source Heat Pump	39,682									
3/4 Ton Water Source Heat Pump	6,500									
3/4-HP Fan										
34 Ton ERU	133,250									
500 Ton Cooling Tower						146,776				
6 ft Wood Trellis Screen Repairs										
6 Ton Water Source Heat Pump	24,375									
Back-up Gas Fired Generator 200 kW						238,512				
Carpet					98,586					
Child Recreational Room Furnishings	24,375									
Common Lighting						68,801				
Common Rest Room Upgrade										
Condenser Water Pump 1000 GPM	61,425									
Condensing Water Pump 440 GPM	25									
Condensing Water Pump 560 GPM	20									
Duplex Sewage Ejector Pump						11,734				
Duplex Storm Water Pumps	8,635									
DW Quadruplex Booster Pump	73,125									
Elevator Cabs										
Elevator controller										

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
Elevator Machinery upgrades										769,032
Elevator Sump Pump	12,675									
Exterior Caulking and Sealants	162,500									
Facade Repairs	162,500									
Fire Alarm System Upgrades										
Fire Pump 1000 GPM	47,464									
Fitness Center Equipment	97,500									
Gas Booster Pump										
Gas-fired HW boiler-3500 MBH						605,453				
Glass Entrance Doors						22,750				
Hot Water Circulation Pump										
Hydraulic Elevator						128,429				
Intercom System Upgrades										
IRMA W/ Pavers						600,352				
Jockey Pump										
Lobby Upgrade	65,000									
Lounge & Kitchen Furnishings & Finis										
Mailboxes	6,703									
Management Office Upgrades										
Multi-ply Modified Bit Roof Surface	212,524									
Paint Stairs	36,562									
Paint Walls and Ceiling		44,391							52,614	
Plate Frame Heat Exchanger - 440 GP							93,989			
Plate Frame Heat Exchanger - 560 GP							122,186			
PVI Water Heater - 215 Gallon						192,644				
Refinish Concrete Floor	17,348									
Roll Up Door & Opener	32,500									
Rubber Tile Floor										
Security Camera System										
Simplex Sump Pump	3,168									
Staff Locker Rooms										

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
Terrace Landscaping and Amenities	48,750									
Trash Compactor	29,250									
Unit Heater with Hot Water Heating						17,613				
Unit Heater with Hot Water Heating						16,512				
Wall Covering	184,801									
Windows						807,271				
Wood paneling interior wall finish	51,187									
	1,596,160	44,391			98,586	2,856,853	216,176		52,614	769,032

602

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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Cash Flow - Annual

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
07/18 - 06/19	$ 0.00	$ 118,795.08	$ 595.72	$ 0.00	$ 119,390.80
07/19 - 06/20	119,390.80	124,734.84	1,824.89	0.00	245,950.53
07/20 - 06/21	245,950.53	130,971.60	3,127.58	0.00	380,049.71
07/21 - 06/22	380,049.71	137,520.24	4,507.57	0.00	522,077.52
07/22 - 06/23	522,077.52	144,396.24	5,968.88	0.00	672,442.64
07/23 - 06/24	672,442.64	151,616.04	7,515.63	0.00	831,574.31
07/24 - 06/25	831,574.31	159,196.80	9,152.28	0.00	999,923.39
07/25 - 06/26	999,923.39	167,156.64	10,579.26	31,601.34	1,146,057.95
07/26 - 06/27	1,146,057.95	175,514.52	11,749.89	66,855.07	1,266,467.29
07/27 - 06/28	1,266,467.29	184,290.24	13,647.05	0.00	1,464,404.58
	$ 0.00	$ 1,494,192.24	$ 68,668.75	$ 98,456.41	$ 1,464,404.58

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
07/28 - 06/29	1,464,404.58	193,504.80	10,873.04	499,576.63	1,169,205.79
07/29 - 06/30	1,169,205.79	203,180.04	12,764.68	0.00	1,385,150.51
07/30 - 06/31	1,385,150.51	213,339.00	14,984.99	0.00	1,613,474.50
07/31 - 06/32	1,613,474.50	224,005.92	17,332.22	0.00	1,854,812.64
07/32 - 06/33	1,854,812.64	235,206.24	19,452.33	37,454.53	2,072,016.68
07/33 - 06/34	2,072,016.68	246,966.60	16,811.57	544,625.92	1,791,168.93
07/34 - 06/35	1,791,168.93	259,314.96	18,512.95	81,185.00	1,987,811.84
07/35 - 06/36	1,987,811.84	272,280.72	21,334.86	0.00	2,281,427.42
07/36 - 06/37	2,281,427.42	285,894.72	24,203.80	15,479.91	2,576,046.03
07/37 - 06/38	2,576,046.03	300,189.48	27,384.22	0.00	2,903,619.73
	$ 1,464,404.58	$ 2,433,882.48	$ 183,654.66	$ 1,178,321.99	$ 2,903,619.73

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
07/38 - 06/39	2,903,619.73	315,198.96	15,386.49	1,596,160.76	1,638,044.42
07/39 - 06/40	1,638,044.42	330,958.92	17,688.08	44,391.84	1,942,299.58
07/40 - 06/41	1,942,299.58	347,506.92	21,254.91	0.00	2,311,061.41
07/41 - 06/42	2,311,061.41	364,882.32	25,046.59	0.00	2,700,990.32
07/42 - 06/43	2,700,990.32	383,126.40	28,106.37	98,586.46	3,013,636.63
07/43 - 06/44	3,013,636.63	402,282.72	4,793.65	2,856,853.85	563,859.15
07/44 - 06/45	563,859.15	422,396.88	5,701.89	216,176.08	775,781.84
07/45 - 06/46	775,781.84	443,516.76	10,017.57	0.00	1,229,316.17
07/46 - 06/47	1,229,316.17	465,692.64	14,178.51	52,614.07	1,656,573.25
07/47 - 06/48	1,656,573.25	488,977.32	18,773.51	769,032.93	1,395,291.15
	$ 2,903,619.73	$ 3,964,539.84	$ 160,947.57	$ 5,633,815.99	$ 1,395,291.15

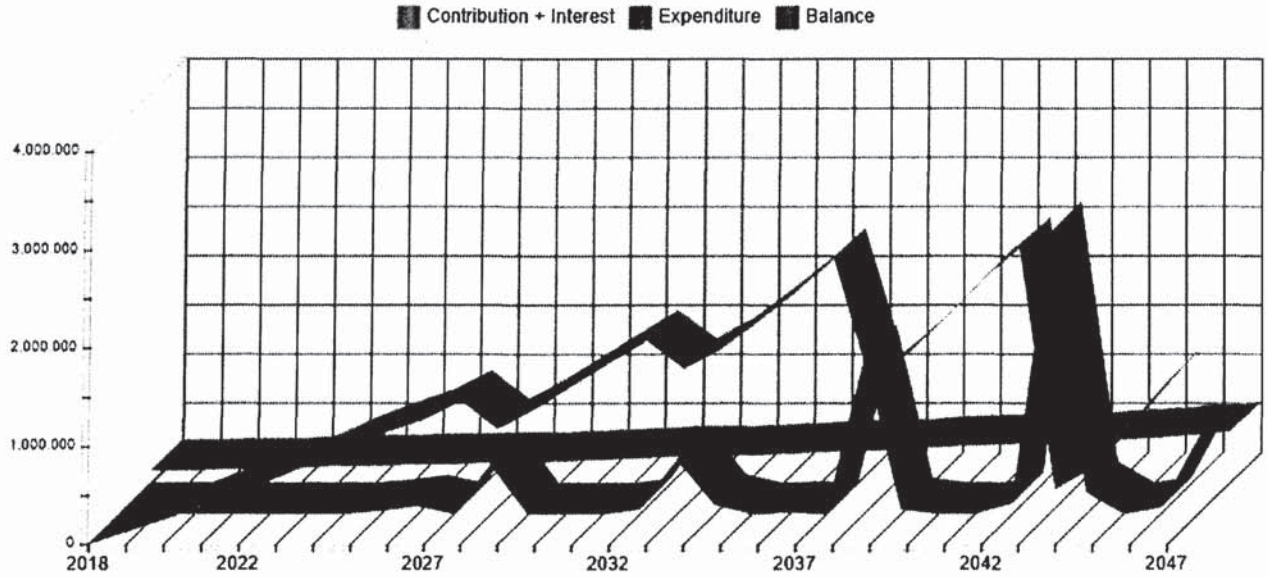
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242 Broome Street Condominium

Analysis Date - July 1, 2018

Inflation:2.43% Investment:1.00% Cont.Factor:5.00% Adjust.Factor:-50.00% Contingency:0.00%,0:00 CalcMeth:Future

Cash Flow - Chart



604

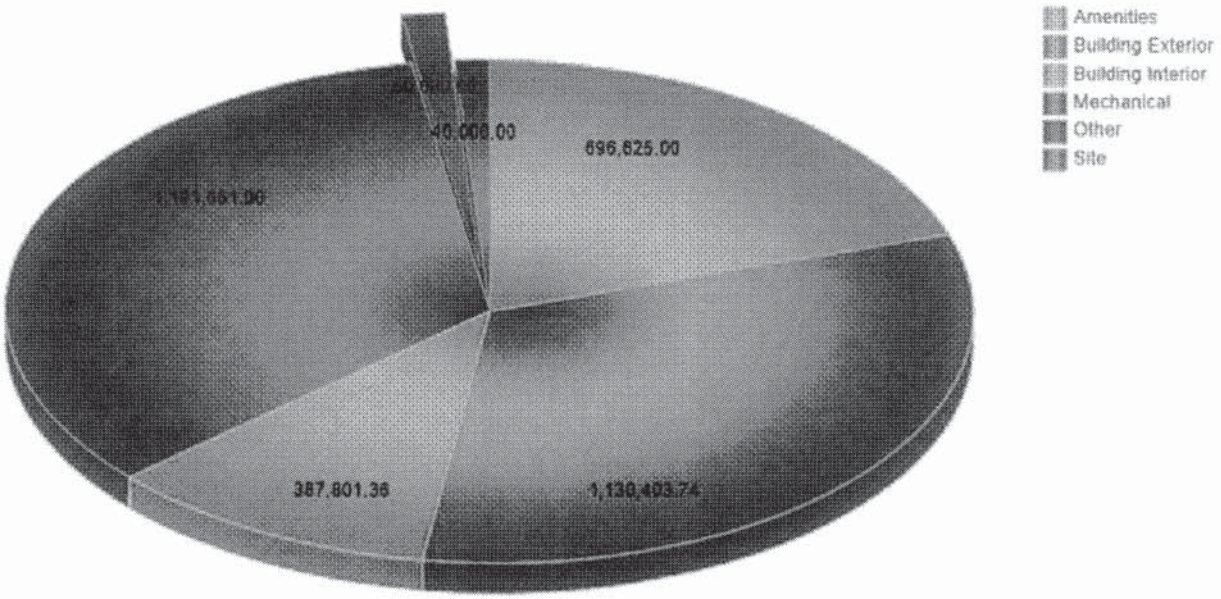
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242 Broome Street Condominium

Analysis Date - July 1, 2018

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Item Parameter - Category - Chart



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STRATEGIC INSPECTIONS, LLC

Appendix B: PROFESSIONAL QUALIFICATIONS



STRATEGIC INSPECTIONS, LLC

DAVID A. PERTUIT, JR., P.E.
CIVIL/STRUCTURAL ENGINEER

SUMMARY Professional engineer with over fifteen years of engineering and management experience in the design and analysis for a large array of private engineering projects, specifications preparation, structural computer analysis, cost estimates, bid preparation and evaluation, supervision, consulting and forensic engineering.

EDUCATION B.S.C.E., Washington University in St. Louis, 1998

REGISTRATION
Registered Professional Engineer in Louisiana – Civil Engineering
Registration No. 30989
Registered Professional Engineer in Mississippi
Registration No. 19674
Registered Professional Engineer in New York
Registration No. 088530
Registered Professional Engineer in Texas
Registration No. 114099

PROFESSIONAL EXPERIENCE

Strategic Inspections, LLC
Director of Technical Operations *03/2010 – Present*

- Conduct quality control reviews of all reserve studies, property condition assessments, and transition studies.
- Conduct reserve studies, property condition assessments, and transition studies.
- Manage all internal and subcontract staff.
- Create scopes of services, proposals, and project bids.
- Deliver final product to client as well as follow up with quality control calls.
- Consult on conference calls and meetings regarding the current reserve status of developments.
- Active participant / speaker in industry associations.
- Conducted reserve study presentations for national lending institutions.
- Created internal reserve study guidelines and quality control systems.
- Performed more than one hundred reserve studies on high profile developments for FHA and Fannie Mae reviews.
- Conducted quality control and reviews for all reserve study funding plans.
- Assisted with the development process and database for a proprietary system that provides clients reserve study predeterminations.

Audubon Engineering, Metairie, LA
Senior Structural Engineer *11/2008 – 10/2010*

- Managed and designed the installation of multiple modules and deck extensions.
- Designed various appurtenances for multiple offshore platforms in the Gulf of Mexico.
- Designed various steel structures and reinforced concrete foundations for chemical and petrochemical plants.

Quick & Associates, Inc., Mandeville, LA
Engineering Manager *2/2004– 11/2008*

- Managed multi-discipline engineering and architect staff. Performed performance reviews, approved expenses and time, reviewed and edited reports prepared by technical staff, and mentored and oversaw performance of technical staff.



STRATEGIC INSPECTIONS, LLC

- Performed forensic engineering, failure analysis consulting and remedial design preparation associated with structures and foundations. Special expertise in construction induced vibration damage analysis, concrete failure analysis, construction method and contract performance disputes, storm damage, building code compliance and damage analysis resulting from natural disasters such as hurricanes, tornados, hail storms and earthquakes.
- Managed multi-discipline forensic investigations, including boiler explosions, fire cause and origins, and mechanical equipment failures.
- Evaluated and analyzed over one thousand property damage claims, including catastrophe claims associated with hurricanes, tornados, and hail.

J. Ray McDermott Engineering - New Orleans, LA
Structural Engineer *11/2001 – 2/2004*

- Designed winch support structure, turning sheave support structure, and other miscellaneous Structures for replacing four (4) 1050'-0" mooring chain for ChevronTexaco's Genesis Spar located in 2592' of water.
- Project/Field Engineer for mooring chain replacement for ChevronTexaco's Genesis Spar. Wrote chain replacement procedures and supervised the chain replacement offshore. Worked closely with rigging and welding crews to ensure chain replacement was performed as per written procedures and industry standards.
- Project/Field Engineer for installation of 4-Leg, 8 Skirt pile, 15 Well Drilling Platform and launched jacket located in 665'-0" of water. Created installation manual and reviewed all structural and installation designs.
- Assisted in the design engineering for the TotalFinaElf Carina/Aries platforms. Responsible for the helidecks design, blast walls design, Vent booms design, crane fatigue analysis, and miscellaneous connection details.

Albert-Garaudy and Associates, Inc., Metairie, LA
Civil/Structural Engineer *6/1998 –11/ 2001*

- Designed various appurtenances such as pipe and cable tray racks, stair landings, and various equipment supports and performed load out analysis on deck and jacket for a 3,600-ton six-legged deck for Mobil Chinook project.
- Designed four piled jacket in 58 feet of water for in place, lift, fatigue and transportation conditions and a 144-ft bridge connecting two offshore platforms for Exxon in Galveston Block 209. Supervised installation during GA-209C offshore construction.
- Project Manager and lead Structural Engineer of a multi-discipline Brine Degasifier project for OxyChem Corporation.
- Designed various steel structures and reinforced concrete pile foundations, spread footings, and building foundations for chemical and petrochemical plants.
- Developed cost estimates and proposals and coordinated drafting for projects in the structural department

Manhattan/Gibbs Construction Joint Venture, New Orleans, LA
Field Engineer *5/1997 – 8/1997*

- Assisted in the construction and setting of concrete forms for grade beams and columns for the New Orleans Sports Arena.
- Coordinated with carpenters for laying out grade beams, footings and columns for The Arena.
- Utilized an engineer's level, transit and total station to layout and place grades in grade beams, columns, footings and piles.

CERTIFICATION OF SPONSOR AND PRINCIPALS

PART 20: CERTIFICATION OF SPONSOR AND PRINCIPAL(S) CONCERNING THE OFFERING PLAN

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

Re: Condominium Offering Plan
242 Broome Street Condominium
242 Broome Street
New York, NY 10002

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 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.

[signatures on following pages]

[SIGNATURE PAGE 1 OF SPONSOR CERTIFICATION]

SPONSOR:

SITE 1 DSA OWNER LLC

By: _____
Name: Charles Bendit
Title: Authorized Signatory

PRINCIPAL(S) OF SPONSOR:

_____
Charles Bendit

_____
Paul Pariser

Severally sworn to before me
this 26th day of July, 2016

_____
Notary Public

AGIME DURAKU
NOTARY PUBLIC-STATE OF NEW YORK
No. 01DU6302201
Qualified In Richmond County
My Commission Expires April 28, 2018

[SIGNATURE PAGE 2 OF SPONSOR CERTIFICATION]

PRINCIPAL(S) OF SPONSOR:

Ronald Moelis

Sanford Lowentheil

Severally sworn to before me
this 18 day of July, 2016

Notary Public

AJAENAE SPEARMAN
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SP6333554
Qualified in Kings County
My Commission Expires November 23, 2019

[SIGNATURE PAGE 2 OF SPONSOR CERTIFICATION]

PRINCIPAL(S) OF SPONSOR:

Ronald Moelis

Sanford Lowentheil

Severally sworn to before me
this 19th day of July, 2016

Notary Public

DAWN M. WRYAND
Notary Public, State of New York
NO. 01WA6249053
Qualified in Bronx County
My Commission Expires Feb. 1, 2020

[SIGNATURE PAGE 3 OF SPONSOR CERTIFICATION]

PRINCIPAL(S) OF SPONSOR:

Donald Capoccia

Joseph Ferrara

Brandon Baron

Severally sworn to before me
this 15 day of July, 2016

Notary Public

ALMA NORIEGA
NOTARY PUBLIC
Queens County
COMMISSION EXPIRES
01NO6109895
MAY 24, 2020
STATE OF NEW YORK

CERTIFICATION OF ARCHITECT

PART 20: CERTIFICATION OF ARCHITECT
RE: NEWLY CONSTRUCTED OR VACANT UNITS

(Original Report – New Construction)

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

Re: Condominium Offering Plan
242 Broome Street Condominium
242 Broome Street
New York, New York 10002

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 July 6, 2016 and prepared the Report dated July 6, 2016, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

We are a registered architect/licensed engineer in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

SHERRY LYNN EID NOTARY PUBLIC 01EI6113413 COMMISSION EXPIRES New York County JULY 26, 2016 STATE OF NEW YORK

SLCE ARCHITECTS

By: _____

Name: Robert Laudenschlager

Title: Architect

REGISTERED ARCHITECT ROBERT J. LAUDENSCHLAGER 022221 STATE OF NEW YORK

(Architect's Seal)

Sworn to before me this

6 day of July, 2016

_____

Notary Public

CERTIFICATION OF BUDGET EXPERT

PENMARK
PROPERTY ADVISORS, LLC

PART 20: CERTIFICATION BY EXPERT AS TO ADEQUACY OF CONDOMINIUM BUDGET

July 17, 2016

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

Re: Condominium Offering Plan
242 Broome Street Condominium
242 Broome Street
New York, New York 10002 ("Property")

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule B (together with the notes thereto, the "Schedule") containing projections of income and expenses for the first year of condominium operation. Penmark Property Advisors, LLC is licensed as a real estate broker in the State of New York. The undersigned Manager of the company has been engaged in the management of Residential real estate for over 40 years and has managed over 200 cooperative and condominium buildings during that period and is still active in management.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedules.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(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;

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828 HEMPSTEAD TURNPIKE FRANKLIN SQUARE, NY 11010
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PENMARK
PROPERTY ADVISORS, LLC

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where I/we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income or expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

PENMARK PROPERTY ADVISORS, LLC

By: _____
Name: Leslie Bogen Winkler
Title: Manager

Sworn to before me this
17 day of July, 2016

_____
Notary Public

STUART B. SHAPIRO
NOTARY PUBLIC, State of New York
No. 02SH6002248
Qualified in Suffolk County
Commission Expires Feb 02, 20 18

CERTIFICATION OF BUDGET EXPERT
AS TO ADEQUACY OF COMMON CHARGES
PAYABLE BY THE NON-RESIDENTIAL UNIT OWNERS

PENMARK
PROPERTY ADVISORS, LLC

PART 20: CERTIFICATION BY EXPERT CONCERNING ADEQUACY OF
COMMON CHARGES PAYABLE BY THE NON-RESIDENTIAL UNITS OWNER(S)

July 17, 2016

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

Re: Condominium Offering Plan
242 Broome Street Condominium
242 Broome Street
New York, New York 10002 ("Property")

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 non-residential unit owners. Penmark Property Advisors, LLC is licensed as a real estate broker in the State of New York. The undersigned Manager of the company has been engaged in the management of Residential real estate for over 40 years and has managed over 200 cooperative and condominium buildings during that period and is still active in management.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the non-residential units listed in Schedule B.

We have reviewed Schedule B as it impacts upon the non-residential units and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing mixed use buildings.

We certify that the projections in Schedule B for the common charges payable by the owners of the non-residential units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such non-residential units for the projected first year of condominium operation, and that the allocation of common charges attributable to the non-residential 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 non-residential units:

(i) sets forth in detail the projected common charges for the non-residential units for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the non-residential 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 non-residential 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.

PENMARK PROPERTY ADVISORS, LLC

By: _____
Name: Leslie Bogen Winkler
Title: Manager

Sworn to before me this
17 day of Jul-y, 2016

_____
Notary Public

STUART B. SHAPIRO
NOTARY PUBLIC, State of New York
No. 02SH6002248
Qualified in Suffolk County
Commission Expires Feb 02 20[illegible]6

REAL PROPERTY LAW SECTION 339-kk

NEW YORK REAL PROPERTY LAW § 339-kk

§ 339-kk. Rents.

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the Common Charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for Common Charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers have been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for Common Charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

§HISTORY: Add, L 1998, ch 422, § 3, eff July 22, 1998 (see 1998 note below).

EDITOR'S NOTES:

Laws 1998, ch 422, §§ 4, 5, eff July 22, 1998, provide as follows:

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

AFFORDABLE HOUSING DECLARATION

DECLARATION OF AFFORDABLE HOUSING RESTRICTIVE COVENANTS
(ESSEX CROSSING SITE 1)

SITE 1 DSA OWNER LLC, Declarant

ESSEX CROSSING SITE 1 CONDOMINIUM

PREMISES AFFECTED BY THIS INSTRUMENT:

STREET ADDRESS: 236 BROOME STREET

BLOCK 409, [AFFORDABLE UNITS TAX LOT DESIGNATIONS]
ON THE TAX MAP OF THE CITY OF NEW YORK, COUNTY OF NEW YORK

RECORD AND RETURN TO:

THE CITY OF NEW YORK
DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT
OFFICE OF LEGAL AFFAIRS
CONTRACTS AND REAL ESTATE DIVISION
100 GOLD STREET -- 5-S2
NEW YORK, NEW YORK 10038

DECLARATION OF AFFORDABLE HOUSING RESTRICTIVE COVENANTS (ESSEX CROSSING SITE 1)

THIS DECLARATION is made on the _____ day of _____, 201__ by **SITE 1 DSA OWNER LLC**, a Delaware limited liability company having an office at c/o Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, New York 10011 ("**Declarant**").

WHEREAS, New York City Economic Development Corporation ("**EDC")** and The City of New York (the "**City**") acting by and through its Department of Housing Preservation and Development ("**HPD**") entered into a certain land disposition agreement dated _____, 2015 and recorded against the real property known by and as street address 236 Broome Street, designated as Block 409, Lot 56 on the Tax Map of the City, County of New York (the "**Disposition Area**") on _____ in the Office of the City Register, County of New York (the "**City Register's Office**"), CRFN_____ (the "**LDA**"); and

WHEREAS, in accordance with the LDA, the City conveyed the Disposition Area to EDC by way of a certain indenture of deed dated _____, 2015 and recorded against the Disposition Area on _____ in the City Register's Office, CRFN_____ (the "**City Deed**"); and

WHEREAS, in accordance with the LDA, EDC conveyed the Disposition Area to Declarant by way of a certain indenture of deed dated _____, 2015 and recorded against the Disposition Area on _____ in the City Register's Office, CRFN_____ (the "**Developer Deed**"); and

WHEREAS, the LDA provides in relevant part that all obligations of EDC under the LDA shall become binding on Declarant upon the conveyance by EDC of the Disposition Area to Declarant and, in furtherance of the foregoing, EDC and Declarant entered into a certain assignment and assumption agreement dated _____, 2015 whereby EDC assigned all its obligations under the LDA to Declarant and Declarant assumed all such obligations, which agreement was recorded against the Disposition Area on _____ in the City Register's Office, CRFN_____; and

WHEREAS, Declarant constructed a mixed-use development on the Disposition Area in accordance with the LDA (the "**Project**"); and

WHEREAS, Declarant prepared a condominium offering plan that was accepted for filing by the Attorney General of the State of New York (the "**Attorney General**") and declared effective on **[DATE]** by the Attorney General for the dwelling units of the Project that are intended to be condominium units (the "**Offering Plan**"), and the Disposition Area was made subject to a condominium declaration and by-laws establishing a condominium ownership regime under Article 9-B of the Real Property Law, which was recorded against the Disposition Area on _____ in the City Register's Office, CRFN _____ (the "**Condominium Documents**"); and

WHEREAS, the Condominium Documents establish sixty (60) condominium units on the Disposition Area (the "**Condominium Units**" and, collectively, the "**Condominium**"), of which forty-four (44) are dwelling units to be marketed and sold at market rates, without restrictions, and eleven (11) are dwelling units that shall be and remain affordable in perpetuity and marketed and sold to purchasers meeting certain income and other eligibility criteria (the

"**Affordable Units**", as defined in this Declaration), in accordance with this Declaration, four (4) are retail units and one (1) is a community facility unit; and

WHEREAS, as a condition to the City's conveying the Disposition Area to EDC, permitting EDC to convey the Disposition Area to Declarant, approving the Condominium Documents and consenting to the establishment of the Condominium, the City requires the execution of this Declaration and the recording of this Declaration against the Affordable Units prior to the first sale by Declarant of any Affordable Unit.

NOW, THEREFORE, Declarant hereby covenants and agrees for and on behalf of itself, its successors, assigns, heirs, grantees and lessees, which covenants shall be covenants running with the land:

1. The Recitals are hereby incorporated as if fully set forth below.

2. Declarant does hereby acknowledge and declare that Declarant is possessed of and holds fee title in and to the Disposition Area, all buildings and fixtures developed or to be developed thereupon or appurtenant thereto, and including all personalty.

3. The covenants herein shall become effective immediately upon execution by Declarant, are covenants running with the land of the real property described in Schedule A hereof (the "**Premises")** and are binding in perpetuity upon Declarant. As used herein, the term "Declarant" means, with respect to any given portion of the Premises (a) the Declarant first set forth above for so long as Declarant owns such portion of the Premises and all successors, assigns, heirs, grantees and lessees of Declarant following the initial Declarant's conveyance of such portion of the Premises, (b) any Homeowner of an Affordable Unit with respect to its individual Affordable Unit, and (c) any condominium association, cooperative corporation or similar entity vested with oversight and responsibility of the maintenance and operation of the portions of the Premises that are not owned by Homeowners, once Declarant is no longer owner of such portions of the Premises, along with all successors, assigns, heirs, grantees and lessees of such entities. This Declaration shall neither be released from the Premises without the express prior written consent of HPD nor shall this Declaration be modified without the express prior written consent of HPD.

4. Declarant represents and warrants that no sale of an Affordable Unit has closed as of the date hereof, and that no Affordable Unit shall be sold except in accordance with all the terms and conditions of this Declaration.

5. **Certain Definitions.** Unless defined elsewhere herein, capitalized terms shall have the following meanings:

   "**110% of AMI**" shall mean 220% of the income levels as modified by household size for the New York metropolitan statistical area for fifty percent (50%) of median income families (a.k.a. as "very low income families") as determined from time to time by the United States Department of Housing and Urban Development ("**HUD**") under Section 3(b)(2) of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

   "**130% of AMI**" shall mean 260% of the income levels as modified by household size for the New York metropolitan statistical area for fifty percent (50%) of median income

families (a.k.a. as "very low income families") as determined from time to time by HUD under Section 3(b)(2) of the United States Housing Act of 1937 (or, if such program is terminated, under such program as was in effect immediately before such termination).

"**Administering Agent**" shall mean the entity responsible for ensuring that each Affordable Unit is owned and occupied in compliance with this Declaration at Initial Sale and upon each Resale thereof, in accordance with the Administering Agent Agreement.

"**Administering Agent Agreement**" shall mean the agreement [of even date herewith][dated ____] between the Administering Agent and HPD.

"**Affordable Units**" shall mean the eleven (11) dwelling units of the Condominium that shall be affordable in perpetuity and marketed and sold to Eligible Buyers, along with their respective shares of the common elements in the improvements constructed by Declarant on the Disposition Area. The Affordable Units shall be evenly distributed with the market rate dwelling units (other than rounding) as to Unit type. The unit numbers for the Affordable Units are described in Section 8(a) below.

"**Annual Income**" is the anticipated total income from all sources to be received by the household head and spouse and by each additional member of the household, including all net income derived from assets, for the twelve (12) month period following the date of initial determination of income. The definitions and descriptions of income set forth in HUD regulations contained in 24 CFR 5.609 or any successor regulations shall apply for the purposes of this Agreement and shall be incorporated herein.

"**AMI**" shall mean the area median income for the primary metropolitan statistical area as determined by HUD from time to time for a family of four, as adjusted for family size.

"**Applicable Year**" shall mean the one year period following the date of the execution of the contract of sale between a selling Homeowner and an Eligible Buyer.

"**Condominium Association**" shall mean an organization of condominium homeowners that manages the Condominium in accordance with Article 9-B of the Real Property Law of the State of New York.

"**Downpayment**" shall mean a payment in the amount of ten percent (10%) of the Initial Price or Resale Price that is not secured by any form of debt, made on or before the Sale Date by the Eligible Buyer approved by the Administering Agent to purchase an Affordable Unit.

"**Eligible Buyer**" shall mean a Household that qualifies to buy a specific Affordable Unit. Such a Household shall, except in the case of Succession, (1) have, at the time of application for an Initial Sale or for a Resale, an Annual Income no greater than 130% of AMI, (2) have cash or equivalent assets that are at least equal to the required Downpayment for such Affordable Unit, (3) comply with the Owner Occupancy Requirements set forth herein, and (4) meet such additional eligibility requirements as are specified herein. In the case of Succession, a Household must (1), at the time of application, have an Annual Income no greater than 130% of AMI, and (2) meet such additional eligibility requirements as are specified herein.

"**Family Member**" shall have the meaning set forth in 9 NYCRR §2520.6.

"**Homeowner**" shall mean a person (or persons) who owns an Affordable Unit and occupies such Affordable Unit in accordance with the owner occupancy requirements set forth herein.

"**Household**" shall mean, prior to Initial Occupancy, collectively, all of the persons intending to occupy an Affordable Unit as a Homeowner and upon Initial Occupancy, collectively, all of the persons occupying an Affordable Unit as a Homeowner.

"**Initial Occupancy**" shall mean the first date upon which a particular Household occupies a particular Affordable Unit as a Homeowner.

"**Initial Price**" shall mean the price at which an Affordable Unit may be offered for Sale for the first time, pursuant to this Declaration.

"**Initial Sale**" shall mean the first transfer by Declarant of title to an Affordable Unit to an Eligible Buyer.

"**Minimum Quality Standards**" shall mean livability standards that are in compliance with 24 CFR 982.401 or any superseding regulations established by HUD.

"**Monthly Fees**" shall mean any payments, including without limitation special assessments, charged to a Homeowner by a Condominium Association to provide for the reimbursement of the applicable Affordable Unit's share of the expenses of such Condominium Association, taking into account increases thereof that have been approved but not yet taken effect.

"**Monthly Housing Costs**" shall mean the sum of the Monthly Fees, the Mortgage Payment and the property taxes for which a Homeowner is liable.

"**Mortgage**" shall mean a mortgage loan that has been approved by the Administering Agent and that has a fixed rate of interest, a term of at least 30 years at every Sale and Resale, in an amount not exceeding ninety percent (90%) of the sale price of such Affordable Unit at the time of the Initial Sale or ninety percent (90%) of the Resale Price of such Affordable Unit at any time after the Initial Sale

"**Mortgage Payment**" shall mean any monthly repayment of principal and interest on a Mortgage.

"**Premises**" shall mean the Affordable Units.

"**Rent Guidelines Board**" shall mean the Rent Guidelines Board of the City of New York or any successor agency mandated to establish rent adjustments for dwelling units in the City of New York that are subject to the Rent Stabilization Law under Title 26, Chapter 4 of the New York City Administrative Code (and any successor statute) and the regulations promulgated in connection therewith. In the event that the Rent Guidelines Board is abolished, with no successor agency, then HPD shall be deemed to be the Rent Guidelines Board for the purposes of this Declaration.

"**Resale**" shall mean any transfer of title to an Affordable Unit to an Eligible Buyer after the Initial Sale.

"**Resale Price**" shall mean the price at which an Affordable Unit may be offered for Resale, pursuant to this Declaration, calculated by the Administering Agent and approved by HPD.

"**Sale Date**" shall mean the date of the closing of the Initial Sale or Resale of any Affordable Unit.

"**Succession**" shall mean a Resale from a Homeowner to a Family Member of such Homeowner.

All terms in the plural defined herein shall include the singular and all terms in the singular defined herein shall include the plural.

6. **Effective Date.** The covenants herein are effective commencing on the date hereof.

7. **Buyer Eligibility.**

(a) Initial Sale. Each Affordable Unit at Initial Sale shall be purchased and occupied only by an Eligible Buyer and only at an Initial Price for such Affordable Unit set forth in Section 8 hereof for which an Eligible Buyer qualifies. Each Eligible Buyer, at Initial Sale, must execute a substitute enforcement note in the form set forth in Exhibit C hereof (the "**Substitute Enforcement Note**") and a substitute enforcement mortgage in the form set forth in Exhibit D hereof (the "**Substitute Enforcement Mortgage**"), deliver original copies of these instruments to HPD and cause an original copy of the Substitute Enforcement Mortgage to be recorded against the Affordable Unit purchased by the Eligible Buyer in the City Register's Office, at the Eligible Buyer's cost and expense.

(b) Resale. At Resale, each Affordable Unit shall be purchased and occupied only by an Eligible Buyer and only at the Resale Price for such Affordable Unit as determined by the Administering Agent in accordance with Section 9 hereof. At each Resale, the Eligible Buyer must assume the Substitute Enforcement Note and Substitute Enforcement Mortgage relating to its Affordable Unit, unless the indebtedness evidenced by the Substitute Enforcement Note has been paid or deemed paid under its terms and the Substitute Enforcement Mortgage satisfied.

(c) General. No Affordable Unit shall be sold to or occupied by any Household or any other person without the prior written approval of the Administering Agent. Except in the case of a Succession, a Homeowner shall be entitled to remain in ownership and in occupancy of its Affordable Unit, and shall not be compelled to sell such Affordable Unit notwithstanding that such Homeowner's Annual Income, at any time after Initial Occupancy, may exceed the maximum income limits set forth herein.

8. **Initial Prices.**

(a) The Initial Prices, Monthly Fees and monthly property taxes of the Affordable Units at the Initial Sales are set forth in the following table:

Unit Type	Unit #	Monthly Fees	Monthly Property Taxes	Initial Price *
1 Bedroom	5C	$650	$189.48	$224,861
1 Bedroom	6E	$650	$189.48	$224,861
1 Bedroom	6F	$650	$189.48	$224,861
1 Bedroom	7F	$650	$189.48	$224,861
1 Bedroom	7G	$650	$189.48	$224,861
2 Bedrooms	5E	$750	$218.63	$277,750
2 Bedrooms	5F	$750	$218.63	$277,750
2 Bedrooms	7A	$750	$218.63	$277,750
2 Bedrooms	7B	$750	$218.63	$277,750
3 Bedrooms	6D	$825	$240.49	$331,703
3 Bedrooms	7E	$825	$240.49	$331,703

*Initial Prices may be adjusted as of date of execution to reflect then-existing AMI levels.

(b) The above Initial Prices are calculated assuming (1) a ten percent (10%) Downpayment and (2) closing costs no greater than five percent (5%) of the Initial Price of an Affordable Unit. At the time of Initial Sale, the Monthly Housing Costs of an Affordable Unit, assuming a 10% Downpayment and maximum of 5% closing costs, shall not exceed 33% of 110% of AMI, as determined by the Administering Agent and approved by HPD. Closing costs must never exceed 5% of Initial Prices and Resale Prices

9. **Resale Prices; Succession.** A Homeowner may only sell its Affordable Unit if the Monthly Housing Costs during the Applicable Year do not exceed 33% of 110% of AMI, assuming a 10% down payment, as determined by the Administering Agent and approved by HPD. Any sale of an Affordable Unit for which the Monthly Housing Costs during the Applicable Year exceed 33% of 110% of AMI shall be strictly prohibited. In the case of a Resale that is also a Succession, a Household must, at the time of application, have an Annual Income no greater than 130% of AMI. HPD shall have the power in its sole and absolute discretion to determine that an Affordable Unit cannot be transferred in accordance with this Declaration, and HPD may approve a modification to the terms and conditions of a particular Resale at such time in order to permit a Resale that is consistent with the City's affordable homeownership guidelines in effect at such time.

10. **Monthly Housing Costs.** The Monthly Housing Costs for which a Household is liable shall not exceed 33% of 110% of AMI. The total amount of increases in the Monthly Fees charged to an Affordable Unit over any given twelve month period shall be the lesser of (1) the increase in Monthly Fees charged by the Condominium Association for such twelve month period; and (2) a percentage increase in Monthly Fees equal to the percentage increase in rents approved by the Rent Guidelines Board for two (2) year rent stabilized leases for such twelve month period. Increases in Monthly Fees and/or the levy of special assessments may be charged to Affordable Units only if increases in Monthly Fees and/or the levy of special assessments are simultaneously charged to all other dwelling units in the Project, for the same purposes as such Monthly Fees and special assessments are charged to the Affordable Units; provided, however, that Monthly Housing Costs must at all times and despite any such increases in Monthly Fees and/or the levy of special assessments not exceed 33% of 110% of AMI. Notwithstanding the foregoing, the Households shall be solely liable for the payment of

the Mortgage Payments and property taxes applicable to their respective Affordable Units and neither Declarant nor the Condominium Association shall be liable for the payment of such costs.

11. Administering Agent.

(a) General Provisions. Pursuant to the Administering Agent Agreement, the Administering Agent shall ensure the compliance with this Declaration by all sellers and all buyers of the Affordable Units and Declarant. In accordance with the Administering Agent Agreement, the Administering Agent shall submit to HPD any and all documents required by HPD.

(b) Condominium Association.

(i) Books and Records. Declarant shall keep and maintain full and accurate books and records regarding maintenance, operation and management of the Premises, including without limitation books and records evidencing the compensation by Declarant of the Administrating Agent, and comply with customary financial and other reporting requirements, and shall permit the Administering Agent to review, examine and audit such books and records at all reasonable hours. Declarant shall submit to the Administering Agent such reports and information as the Administering Agent and/or HPD may require. Said books and records shall be retained by Declarant for a minimum of six (6) years after each Initial Sale and each Resale. Upon ten (10) days' written notice from the Administering Agent and/or HPD, Declarant, including any of its members, officers, directors, employees or agents, shall submit under oath, to an oral examination by authorized representative(s) of HPD concerning any or all matters relating to the Premises and shall produce for examination, review and/or audit by the Administering Agent and/or HPD all or such books and records, including, without limitation, journals, ledgers, accounts, check books, canceled vouchers, contracts, correspondence, stock book and minute book, in its possession or control, as such notice may specify. Such notice shall specify the time and place of examination.

(ii) Audited Financial Reports. Upon request by the Administering Agent and/or HPD, Declarant shall submit to the Administering Agent and/or HPD annually, no later than 90 days of the Project's fiscal year, in such forms as shall be approved by HPD, (i) a copy of the audited annual financial report which shall include a statement of the income and expenses of the Premises, a balance sheet, a statement of cash flows, and accompanying notes and schedules; and (ii) proof of insurance.

(iii) Budget. Upon request by the Administering Agent and/or HPD, Declarant shall submit to the Administering Agent and/or HPD, the budget for the current year and/or a budget for the following year showing anticipated income and expenses for the Premises.

(iv) Additional Submissions. Declarant shall submit to HPD in a timely manner such additional reports and information requested by HPD from time to time, including, but not limited to, bank statements, records pertaining to all

current Homeowners and all Homeowners who vacated within the previous three (3) years, vacancy information, management expense reports, receipts evidencing proof of payments, portfolio information, and organizational charts.

12. **Owner Occupancy Requirements.** Each Eligible Buyer shall covenant that, for so long as it is a Homeowner of an Affordable Unit, it shall (i) continuously occupy its Affordable Unit as the Homeowner's sole primary residence, (ii) reside and sleep in such Affordable Unit not less than two hundred seventy (270) days per year (if the Homeowner is on active military duty, each day spent away from the dwelling unit for active military duty shall be counted as a day spent in the Affordable Unit for the purpose of this requirement), (iii) not sublease the Affordable Unit, except as specifically authorized in this Declaration, or permit the Affordable Unit to be used for transient occupancy or occupied by any person who is not an Eligible Buyer, (iv) identify the Affordable Unit as the Homeowner's sole address/residence on any tax return, voter registration, driver's license or other permit to operate a motor vehicle, and other document or application stating Homeowner's address or residence, (v) not own, acquire or lease any other residential property in, or within a one hundred (100) mile radius of, New York City (and if the Homeowner acquires any such residential property through inheritance, the Homeowner shall sell such property within one year from the date that the estate transfers title to the Homeowner), and (vi) annually complete and submit to the Administering Agent an Owner Occupancy Certification set forth in Exhibit B hereof. At each closing of title to an Affordable Unit, the Eligible Buyer shall execute an Owner Occupancy Affidavit in the form set forth in Exhibit A hereof. The foregoing requirements are, collectively, the "**Owner Occupancy Requirements**".

13. **Refinancing.** A Homeowner may refinance an existing Mortgage, subject to the following conditions:

(a) the value of the new loan must not exceed ninety percent (90%) of the Resale Price, calculated as of the date that a Homeowner notifies Administering Agent of an intent to refinance; any exceptions to the foregoing must be in accordance with the conditions of any such exceptions set forth in the Administering Agent Agreement;

(b) the new loan must be at a fixed interest rate;

(c) the new loan must be from an HPD approved institutional lender; and

(d) Administering Agent must approve such refinancing following the procedure set forth in the Administering Agent Agreement. All terms and conditions of refinancing loans must conform to this Declaration and all HPD homeownership requirements in existence at the time of any such refinancing.

14. **Title Changes (Other Than Resale).** A Homeowner must provide a written notarized notification to Administering Agent of its intent to (i) modify title to an Affordable Unit in order to add or delete a person from title due to marriage, domestic partnership, divorce, death or succession, provided that such Homeowner does not receive anything of value in connection with such modification of title, and (ii) modify title to an Affordable Unit for any other purpose approved in writing by HPD, provided that such Homeowner does not receive anything of value in connection with such modification of title. A Homeowner

must provide Administering Agent with documentation supporting any such proposed modification and an affirmation that no consideration in connection with such proposed modification has been or will be received. HPD shall determine whether any such requests are acceptable, in its sole and absolute discretion. Administering Agent shall then promptly notify the Homeowner of whether the Homeowner's requested title modification has been approved or not. The Homeowner must have the prior written approval of Administering Agent to modify title.

15. **Fraud.** Each contract of sale for an Affordable Unit shall contain a covenant by the purchaser under such contract of sale providing for the termination of the contract of sale and the voiding of any deed conveying the Affordable Unit to a purchaser and the eviction of the purchaser if the purchaser falsely or fraudulently certifies income to Declarant or the City, whether acting by and through HPD or not.

16. **Affordable Units Subject To Several Restrictions**. If an Affordable Unit is subject to restrictions imposed by a lender or other governmental entity, or by HPD under another agreement, the more restrictive provision shall control.

17. **Prohibition Against Conversions.** Except for the Condominium, Declarant shall not convert the Premises to cooperative, condominium, or rental housing without the express prior written consent of HPD in each and every instance and subject to any conditions HPD may impose on such conversion.

18. **Management.** The Premises shall be managed and operated in accordance with generally acceptable management practices in New York City. The Declarant and/or the Condominium Association shall give notice to the Administering Agent of the management contract with a third party management entity, which contract and management entity shall both be subject to HPD approval. Any new or replacement management entity shall be subject to HPD approval.

19. **Maintenance of Premises.** Declarant shall maintain and operate those portions of the Premises for which it is liable under the Condominium Documents in a proper, safe, sanitary and healthful condition in compliance with all applicable legal requirements, and to make all necessary repairs and replacements, including curing all housing and building code violations in the time period prescribed by law. Declarant shall only enter into service and maintenance contracts with qualified venders at commercially reasonable and customary fees.

20. **Minimum Quality Standards.** Each Homeowner shall be obligated to maintain its Affordable Unit in accordance with the Minimum Quality Standards and, to the extent required by law, the New York City Building Code and the New York City Housing Maintenance Code.

21. **Municipal Charges.** Declarant shall pay all municipal charges in a timely manner, including taxes, assessments (and installments of any assessments that are payable in installments), water rates, sewer rents, and other charges, including without limitation, vault charges and fees for the use of vaults, chutes, and similar areas adjoining the Premises, now or hereafter levied or assessed against the Premises prior to the date upon which any fine, penalty, interest or cost may be added thereto or imposed by law for the nonpayment thereof ("**Charges**"). Upon the request of the Administering Agent and/or HPD, Declarant shall provide the Administering Agent and/or HPD with evidence of payment of Charges.

22. **Insurance.**

(a) Declarant shall keep the buildings, improvements and all other property on the Premises insured by procuring general liability and building policies providing sufficient coverage issued by an insurance company licensed in the State of New York against fire, vandalism, malicious mischief, collapse, flood (if in a federally designated flood area), earthquakes and other risks customarily insured against under extended coverage policies in the City of New York. Declarant shall provide HPD on an annual basis with copies of insurance certificates in form satisfactory to HPD evidencing compliance with such requirements.

(b) Declarant shall maintain Commercial General Liability insurance in the amount of at least One Million Dollars ($1,000,000) per occurrence. In the event such insurance contains an aggregate limit, the aggregate shall apply on a per-location basis applicable to the Premises and such per-location aggregate shall be at least Two Million Dollars ($2,000,000). This insurance shall protect the insureds from claims for property damage and/or bodily injury, including death, that may arise from any of the operations under this Agreement. Coverage shall be at least as broad as that provided by the most recently issued Insurance Services Office ("ISO") Form CG 0001, shall contain no exclusions other than as required by law or as approved by the Commissioner, and shall be "occurrence" based rather than "claims-made." Policies providing such insurance may not include any endorsements excluding coverage relating to the emission of asbestos, lead, mold, or pollutants. Such Commercial General Liability insurance shall name the City of New York, together with its officials and employees, as an Additional Insured with coverage at least as broad as the most recent edition of ISO Form CG 2026.

23. **Reserve.** HPD requires that Declarant establish a reserve fund in the amount of **$116,800** and Declarant has established such a reserve fund (the "**Reserve**"). The Reserve is separate and apart from any other reserve required by a party other than HPD and any reference in any document to an account or reserve of similar purpose and use shall not be deemed to mean or include the Reserve set forth herein. Moneys in the Reserve shall be kept segregated from other moneys of Declarant and shall be drawn on and used to pay for all or part of capital replacements, operating expenses and maintenance expenses of the Premises. Declarant shall not assess any Eligible Buyers or any Homeowners for all or part of the Reserve. All records of the Reserve shall be retained by Declarant for a minimum of six (6) years and shall be subject to inspection by HPD during ordinary business hours upon reasonable notice. Pursuant to a separate agreement between Declarant and the Administering Agent acceptable to HPD, Declarant shall pay to the Administering Agent the costs of Administering Agent in connection with the compliance by Declarant with this Declaration.

24. **Registration.** Declarant shall register the Premises with HPD pursuant to Article 2 of Subchapter 4 of the Housing Maintenance Code of the City of New York.

25. **Right To Inspect.** HPD and its officers, employees, agents or inspectors shall have the right to enter and inspect the Premises at all reasonable times without prior notice.

26. **Amendments.** Except as otherwise set forth herein, this Declaration may only be amended by Declarant with the prior written consent of HPD and by an instrument executed by both parties in recordable form.

27. **Enforcement.**

(a) In the event of a breach of any of the covenants and agreements contained herein, the City shall have the right to one or more of the following:

(i) Institute and prosecute any proceeding for an injunction or for specific performance of the obligations hereunder.

(iii) Upon a violation of Paragraph 23 hereof or any reserve requirement established by any other agreement or document between HPD and Declarant with respect to the Premises, HPD may require Declarant to establish the Reserve in a bank account governed by a deposit agreement with the bank which restricts withdrawals therefrom without an authorized signatory of HPD approving such withdrawal; provided, however, that the foregoing provision shall not apply during any period where Declarant has established and maintains and building reserve fund in accordance with the requirements of any institutional lender that satisfies the Reserve requirement set forth in Paragraph 23 hereof.

(b) In the event of a threatened breach of any of the covenants and agreements contained herein, the City shall have the right to the remedy described in Section 27(a)(i) hereof.

Declarant shall have thirty (30) days to cure the violation, or such greater period of time that HPD shall determine to be necessary to cure the violation.. HPD may, in its sole and absolute discretion, waive any of the provisions of this paragraph. No such waiver shall be effective unless it is in writing. Further, no delay or waiver in enforcing the provisions hereof as to any violation shall impair, damage or waive the right of the City to enforce this Declaration in the event of a continuation or repetition of such breach or violation or any similar breach or violation hereof at any later time.

28. **Notices.** All notices shall be delivered by certified or registered mail, return receipt requested, to Declarant at the address first above written, and at such address(es) provided to HPD by any successor to Declarant.

29. **Construction.** The words "**hereof**," "**herein**," "**hereunder**," "**hereto**," and other words of similar import refer to this Declaration in its entirety. The terms "**agree**" and "**agreements**" mean and include "**covenant**" and "**covenants**." The words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation**." All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to any document other than this Declaration are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (e) to Parts, Articles, Sections, Exhibits, Schedules, Paragraphs and words of similar meaning, whether capitalized or not, are to the respective Parts, Articles, Sections, Exhibits, Schedules or Paragraphs and words of similar meaning, whether capitalized or not, contained in this

Declaration unless expressly indicated otherwise. Any titles of the several Parts, Articles, Sections, Exhibits, Schedules or Paragraphs of this Declaration are for convenience only and shall be disregarded in construing or interpreting any of its provisions.

30. **Devotion of Premises to Residential Use.** The Premises shall be devoted solely to residential use.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed by its duly authorized signatory for proper recording in the public records.

By:_____
Name:
Title:

APPROVED AS TO FORM

By: _____
Acting Corporation Counsel

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ____ day of _____ in the year 201__ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity and that by her/his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

By its authorized [officer's signature] [signatory] below, the Condominium agrees to all the terms of this Declaration

By:_____
Name:
Title:

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ____ day of _____ in the year 201__ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity and that by her/his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

SCHEDULE A

EXHIBIT A

Owner Occupancy Affidavit

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

_____, being duly sworn, under penalty of perjury, deposes and says:

1. As of the date hereof, I am purchasing a condominium dwelling unit (the "**Home**") in the building known by the street address _____ (the "**Property**").

2. I have never owned (or held shares in a cooperative corporation that owned) any other residential property that was developed or assisted through a local, state, or federal homeownership program.

3. I intend to occupy the Home as my primary residence.

4. In connection with my purchase of the Home, I signed legal documents in which I promised to continuously occupy the Home as my sole primary residence in perpetuity (the "**Owner Occupancy Requirements**"). Among other things, the Owner Occupancy Requirements:

   (i) require me to reside and sleep at the Home not less than 270 calendar days per year (unless I am on active military duty, in which case each night I spend away from the Home for this purpose will be counted as a night spent in the Home, or enter into an authorized sublease as described below),

   (ii) prohibit me from subleasing the Home for more than a cumulative total of 18 months in any 5 year period, prohibit me from subleasing the Home to anyone whose income exceeds a specified limit, limit the rent that I may charge for any sublease, and prohibit me from allowing the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the shares allocated to the Home,

   (iii) require me to indicate the Home as my sole address/residence on any tax return, voter registration, driver's license or other permit to operate a motor vehicle, and any other document or application stating my address or residence, and

   (iv) prohibit me from acquiring, owning or leasing any other residential property in, or within a 100 mile radius of, New York City (and require me to sell any such residential property that I acquire through inheritance within one year from the date that the estate transfers title to me).

5. I give this affidavit in order to induce the City of New York, acting by and through its Department of Housing Preservation and Development ("**HPD**") to permit my purchase of the Home [and provide certain subsidies benefitting the Property. I understand that

HPD is relying upon my representation that I will comply with the Owner Occupancy Requirements.

6. I understand that HPD may require me to provide an annual certification or affidavit regarding my compliance with the Owner Occupancy Requirements and that HPD may use any lawful means to investigate my compliance with the Owner Occupancy Requirements.

7. I understand that a misstatement or misrepresentation in this Affidavit may result in civil or criminal penalties and that any violation of the Owner Occupancy Requirements may result in legal action against me or the imposition of additional fees, charges, or special assessments in connection with the Apartment.

_____
Name:

Sworn to before me on
the ___ day of ___, 20__

_____
Notary Public

EXHIBIT B

Owner Occupancy Certification

I, _____, certify, represent, and warrant the following to the Department of Housing Preservation and Development ("**HPD**") of the City of New York (the "**City**"):

1. I am the owner (the "**Owner**") of the condominium unit ____ in the building known by the street address _____ (the "**Home**").

2. I am bound by agreements with the City that require me to occupy the Home.

3. In the year preceding execution of this certification:

   a. The Home has been my sole primary residence, except as set forth in Section 3.b below.

   b. Check the applicable statement:

      __ I have not subleased the Home or permitted the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the Home.

      __ I have subleased the Home, but (i) I did so with the approval of the Administering Agent, (ii) the subtenant was an Eligible Buyer, as such term is defined in the Declaration of Affordable Housing Restrictive Covenants recorded against the Home (the "**Affordable Housing Declaration**"), (iii) the rent charged to the subtenant was less than or equal to the Monthly Housing Costs, as such term is defined in the Affordable Housing Declaration, and (iv) I have not subleased the Home for a cumulative total of more than 18 months out of the past five years.

   b. Check the applicable statement:

      __ I resided and slept in the Home not less than 270 days.

      __ I spent part or all of the year on active military duty and spent __ days away from the Home for this purpose. The total of the number of days that I spent away from the Home on active military duty and the number of days that I resided and slept in the Apartment is not less than 270 days.

      __ I resided and slept in the Home for approximately _____ days and subleased the Home for approximately _____ days.

   d. I have not permitted the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the Home.

   e. Any tax returns that I filed with any governmental entity identified the Home as my only address/residence.

f. If I am registered to vote, the Home is the only address/residence listed on my voter registration form.

g. If I have a driver's license or other permit to operate a motor vehicle, the Home is the only address/residence indicated on that license or permit.

h. If I filled out and/or filed any other document or application stating my address or residence, such document or application identified the Home as my only address/residence.

i. Check the applicable statement:

__ I have not **[**acquired**][**owned**]** or leased any other residential property in, or within a 100 mile radius of, New York City.

__ I acquired residential property in, or within a 100 mile radius of, New York City through inheritance and have sold or will sell such property within one year from the date that the estate transferred title to me. Aside from the property that I acquired through inheritance, I have not **[**acquired**][**owned**]** or leased any other residential property in, or within a 100 mile radius of, New York City.

4. I understand that this certification will be filed with, and become part of the official records of, the Department of Housing Preservation and Development of the City of New York.

_____ _____

Owner Date

EXHIBIT C

Substitute Enforcement Note

(following pages)

SUBSTITUTE ENFORCEMENT NOTE
Affordable Housing Unit

$100,000.00 New York, New York, _____, 201__

FOR VALUE RECEIVED, **[CONDOMINIUM UNIT OWNER, an individual residing at _____]** ("**Maker**") promises to pay to the order of **THE CITY OF NEW YORK**, a municipal corporation acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having an office at 100 Gold Street, New York, New York 10038 (the "**City**" or "**Payee**") at the office of Payee or at such other place as may be designated in writing by Payee, the sum of **ONE HUNDRED THOUSAND DOLLARS ($100,000.00)** (the "**Loan**" and together with all other amounts due or obligations owed or to become due or owing to Payee on the Loan, the "**Secured Indebtedness**"). The Secured Indebtedness shall not accrue interest, and no installments of payment by Maker of the Secured Indebtedness shall be required hereunder, except as provided herein. The Secured Indebtedness shall be due and payable in full on **[SIXTY YEARS AFTER FIRST SALE DATE]** (the "**Maturity Date**"), unless otherwise set forth herein. The Secured Indebtedness represents a portion of the land subsidy provided by Payee that is payable according to and in the manner provided herein. Payee has not provided any additional subsidy funds to Maker, including without limitation any conditional grant, whether secured or unsecured, to Mortgagor, besides the Secured Indebtedness.

This Substitute Enforcement Note (this "**Note**") is given in accordance with a certain Land Disposition Agreement dated _____, 2015 between Payee and **New York City Economic Development Corporation** ("**EDC**"), recorded on _____, 2015 in the Office of the City Register, County of New York (the "**City Register's Office**"), CRFN 2015_____ (the "**LDA**"). The amount of the Loan represents a portion of the Land Debt (defined in the LDA) allocated to the real property known by and as street address _____, Block ____, Lot _____ (the "**Property**") under a certain Enforcement Note dated _____, 2015 given by **Site 1 DSA Owner LLC** (the "**Developer**") to Payee (the "**Enforcement Note**") in accordance with the LDA. Payee as grantor conveyed the Property as part of the "**Disposition Area**" described in the LDA and a certain deed dated _____, 2015 between the City as grantor and EDC as grantee, which deed was recorded on _____, 2015 in the City Register's Office, CRFN 2015_____ (the "**City Deed**"). EDC subsequently conveyed the Property as part of said Disposition Area described in the LDA and in a certain deed dated _____, 2015 between EDC as grantor and the Developer as grantee, which deed was recorded on _____, 2015 in the City Register's Office, CRFN 2015_____ (the "**Developer Deed**"). Maker acquired the Property in accordance with the LDA and a certain Declaration of Affordable Housing Restrictive Covenants dated _____, 2015 and recorded against the Property and certain additional real property recorded on _____ in the City Register's Office, CRFN 20_____ (the "**Affordable Housing Declaration**").

The Developer converted the Disposition Area to a condominium ownership regime (the "**Condominium**") in accordance with Article 9-B of the Real Property Law of the State of New York pursuant to a condominium declaration and by-laws recorded in the City Register's Office on _____, CRFN _____ (the "**Condominium Documents**"). The Property was marketed, sold and conveyed to Maker pursuant to an offering plan declared effective by the Attorney General of the State of New York, and in accordance with a certain Declaration of Affordable Housing Restrictive Covenants dated _____, 201__ and recorded in the City

Register's Office on _____, CRFN _____ (the "**Affordable Housing Declaration**"). Maker is the owner of the Property by way of a certain deed dated _____, 20__ to Maker as grantee, which deed is to be recorded in the City Register's Office. The Property is designated as unit _____ in the Condominium. Maker hereby acknowledges that the Secured Indebtedness represents purchase price subsidy provided by the City, and, in consideration of such subsidy, Maker shall repay the Secured Indebtedness as provided herein and shall observe and comply with all provisions of this Note and the Affordable Housing Declaration.

1. This Note is secured by a substitute enforcement mortgage of even date herewith made by Maker as mortgagor to Payee as mortgagee covering the estate or interest of Maker in the Property, as described in such substitute enforcement mortgage, and which substitute enforcement mortgage is to be recorded against the Property in the City Register's Office (the "**Enforcement Mortgage**").

2. In accordance with the LDA and the Affordable Housing Declaration, Maker and/or Maker's successor(s) shall, and for so long as Maker and/or Maker's successor(s) own and occupy an Affordable Unit, (i) continuously occupy its Affordable Unit as Maker's sole primary residence, (ii) reside and sleep in such Affordable Unit not less than two hundred seventy (270) days per year (if Maker is on active military duty, each day spent away from the dwelling unit for active military duty shall be counted as a day spent in the Affordable Unit for the purpose of this requirement), (iii) not sublease the Affordable Unit, except as specifically authorized in the Affordable Housing Declaration, or permit the Affordable Unit to be used for transient occupancy or occupied by any person who is not an Eligible Buyer (defined in the Affordable Housing Declaration), (iv) identify the Affordable Unit as Maker's sole address/residence on any tax return, voter registration, driver's license or other permit to operate a motor vehicle, and other document or application stating Maker's address or residence, (v) not own, acquire or lease any other residential property in, or within a one hundred (100) mile radius of, New York City (and if Maker acquires any such residential property through inheritance, Maker shall sell such property within one year from the date that the estate transfers title to Maker), and (vi) annually complete and submit to the Administering Agent an Owner Occupancy Certification set forth in Appendix II hereof. On the date hereof, Maker executed an Owner Occupancy Affidavit in the form set forth in Appendix I hereof. The foregoing requirements are, collectively, the "**Owner Occupancy Requirements**".

   On the Maturity Date, this Note shall be due and payable in accordance with its terms; provided, however, that if Maker has fully and continuously complied with all Owner Occupancy Requirements throughout the term of this Note and is not otherwise in default hereunder on the Maturity Date, this Note shall be deemed paid in full at such time. Notwithstanding the foregoing; Maker understands, agrees and represents to Payee that nothing herein shall be construed to effect a termination of the Owner Occupancy Requirements and compliance by Maker with the Affordable Housing Declaration by virtue of this Note being paid or deemed paid on the Maturity Date in accordance with its terms. Maker understands, agrees and covenants that all Owner Occupancy Requirements and all covenants of the Affordable Housing Declaration are independent covenants that run with the land of the Property in perpetuity and therefore bind Maker as well as all Maker's successors in interest in and to the Property, in accordance with the LDA and the Affordable Housing Declaration recorded against the Property.

3. Except as provided otherwise in this Note or in the Enforcement Mortgage, this Note shall become due and payable to the extent of the Applicable Percentage of any Resale Profits or Refinancing Profits from the resale or refinancing of of the Property by Maker.

"**Applicable Percentage**" shall mean 10% for any resale or refinancing of the Property.

"**Resale Profits**" shall mean the amount by which the Total Consideration (as defined below) that Maker receives on the transfer of the Property exceeds the original cash purchase price Maker paid, in accordance with the Affordable Housing Declaration, when acquiring the Property, minus the following: the reasonable costs incurred by Maker in purchasing the Property and the reasonable costs incurred by Maker in selling the Property to a purchaser determined to be an "**Eligible Buyer**" and approved as such under the Affordable Housing Declaration, in each case, including reasonable attorney's fees and disbursements, reasonable brokerage fees, title search and title policy fees, reasonable processing fees of the lender, transfer and stamp taxes, usual and reasonable fees and expenses in connection with financing or satisfying a residential condominium unit loan, including, without limitation, credit report fees, legal fees, points, etc.

"**Refinancing Profits**" shall mean the amount by which the increased debt resulting from a new loan obtained by Maker, for which Maker has given a mortgage to the lender providing such new loan to Maker, exceeds the amount paid by Maker in purchasing the Property.

"**Total Consideration**" shall mean the cash and non-cash consideration that Maker receives for the Property, including cash, real property and personal property.

This Note shall shall become immediately due and payable if Maker conveys the Property to any party other than Eligible Buyers. It shall be a default hereunder if Maker, or the owner from whom Maker purchased the Property, misrepresents to Payee anything whatsoever relating to the Resale Profits, the Refinancing Profits, the Total Consideration of any resale or refinancing of the Property, the Owner Occupancy Requirements or compliance with the Affordable Housing Declaration.

4. The payment of this Note shall remain the obligation of Maker regardless of whether the consideration for the transfer shall be cash, purchase money mortgage or such other non-cash consideration.

5. INTENTIONALLY DELETED.

6. This Note shall be without interest and shall not require the payment of installments, except as provided by the terms hereof. During the term of this Note, Maker shall comply with the Owner Occupancy Requirements and the Affordable Housing Declaration. Upon any transfer of the fee title in and to the Property, the Secured Indebtedness shall be paid to the extent of any Resale Profits or Refinancing Profits and this Note shall be assigned to and assumed by any such transferee, pursuant to the terms and conditions contained in this Note and any such transferee/assignee must agree to comply with the Owner Occupancy Requirements in perpetuity in accordance

with the Paragraph 2 hereof, the LDA and the Affordable Housing Declaration, and comply with all the terms, conditions and obligations contained in this Note.

7. The Secured Indebtedness shall, at the option of Payee, become due on the happening of any default, including but not limited to any failure to comply with the Owner Occupancy Requirements, the Affordable Housing Declaration, or with any other provisions of this Note, or event by which, under the terms of this Note or the Enforcement Mortgage securing this Note, the Secured Indebtedness may or shall become due and payable.

8. All terms and provisions of this Note and the Enforcement Mortgage shall be subject and subordinate to the lien of any permanent mortgage heretofore granted to an institutional lender or an FHA approved lender or any other mortgagee approved by the Payee (the "**Prior Mortgagee**") for the purpose of financing the purchase of the Property (the "**Prior Mortgage**") and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof. If any action or proceeding of foreclosure shall be instituted by the Prior Mortgagee, Maker shall immediately upon service thereof, deliver to Payee a true copy of each notice, petition, summons or papers howsoever designated, served in such action or proceeding or in any such action or proceeding. If any default occurs in the Prior Mortgage, including but not limited to, a default in the payment of principal or interest on the Prior Mortgage which remains unpaid beyond any applicable grace period, and should Prior Mortgagee commence an action to foreclose the Prior Mortgage, then any unpaid portion of the Secured Indebtedness shall become due and payable at the option of Payee, provided that if the Prior Mortgagee shall subsequently discontinue its action prior to obtaining judgment, then Payee shall also discontinue any action to collect the Secured Indebtedness and/or foreclose upon the Enforcement Mortgage where the action is based solely on such default in the Prior Mortgage, without prejudice to Payee's right to again commence an action to collect the Secured Indebtedness or foreclosure upon the Enforcement Mortgage based solely on such default in the Prior Mortgage if the Prior Mortgagee shall subsequently commence any other such action. Nothing herein shall be deemed to limit in any way whatsoever Payee's right to enforce this Note or the Enforcement Mortgage, including, but not limited to, Payee's right to commence an action or proceeding to foreclose the Enforcement Mortgage based on a default or violation hereunder.

9. Maker hereby waives presentment and demand for payment, notice of dishonor, protest and notice of protest of this Note and agrees to pay all costs of collection when incurred, including reasonable attorney's fees (which costs may be added to the amount due under this Note and be receivable therewith) and to perform and comply with each of the terms, covenants and conditions contained in this Note and the Enforcement Mortgage on the part of the Maker to be observed or performed.

10. The terms, covenants and conditions of this Note shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of New York.

11. This Note is secured by the Enforcement Mortgage. All of the terms covenants, and conditions of the Enforcement Mortgage are hereby made a part hereof as if fully set forth herein.

12. This Note may not be modified, amended, changed, discharged or terminated orally, but only by an agreement in writing signed by the party against whom the enforcement of the modification, amendment, change, discharge or termination is sought.

13. Maker (and the undersigned representatives of Maker, if any) has full power, authority and legal right to execute and deliver this Note and represents that the obligation evidenced by this Note constitutes a valid and binding obligation of Maker.

14. The words "**hereof**," "**herein**," "**hereunder**," "**hereto**," and other words of similar import refer to this Note in its entirety. The terms "**agree**" and "**agreements**" mean and include "**covenant**" and "**covenants**." The words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation**." All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to any document other than this Note are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (e) to Articles, Sections, or Paragraphs are to the respective Articles, Sections or Paragraphs contained in this Note unless expressly indicated otherwise, and (f) made to "**Maker**" or "**Payee**" shall be deemed to be made by or to each person or entity that comprises Maker or Payee, as the case may be, and shall include their respective heirs, executors, administrators, successors and assigns. If there are more than one Maker each shall be separately liable.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Maker has duly signed this Note on the date at the top of the first page.

MAKER

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to 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 on behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

APPENDIX I

Owner Occupancy Affidavit

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

_____, being duly sworn, under penalty of perjury, deposes and says:

1. As of the date hereof, I am purchasing a condominium dwelling unit (the "**Home**") in the building known by the street address _____ (the "**Property**").

2. I have never owned (or held shares in a cooperative corporation that owned) any other residential property that was developed or assisted through a local, state, or federal homeownership program.

3. I intend to occupy the Home as my primary residence.

4. In connection with my purchase of the Home, I signed legal documents in which I promised to continuously occupy the Home as my sole primary residence in perpetuity (the "**Owner Occupancy Requirements**"). Among other things, the Owner Occupancy Requirements:

   (i) require me to reside and sleep at the Home not less than 270 calendar days per year (unless I am on active military duty, in which case each night I spend away from the Home for this purpose will be counted as a night spent in the Home, or enter into an authorized sublease as described below),

   (ii) prohibit me from subleasing the Home for more than a cumulative total of 18 months in any 5 year period, prohibit me from subleasing the Home to anyone whose income exceeds a specified limit, limit the rent that I may charge for any sublease, and prohibit me from allowing the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the shares allocated to the Home,

   (iii) require me to indicate the Home as my sole address/residence on any tax return, voter registration, driver's license or other permit to operate a motor vehicle, and any other document or application stating my address or residence, and

   (iv) prohibit me from acquiring, owning or leasing any other residential property in, or within a 100 mile radius of, New York City (and require me to sell any such residential property that I acquire through inheritance within one year from the date that the estate transfers title to me).

5. I give this affidavit in order to induce the City of New York, acting by and through its Department of Housing Preservation and Development ("**HPD**") to permit my purchase of the Home [and provide certain subsidies benefitting the Property. I understand that

HPD is relying upon my representation that I will comply with the Owner Occupancy Requirements.

6. I understand that HPD may require me to provide an annual certification or affidavit regarding my compliance with the Owner Occupancy Requirements and that HPD may use any lawful means to investigate my compliance with the Owner Occupancy Requirements.

7. I understand that a misstatement or misrepresentation in this Affidavit may result in civil or criminal penalties and that any violation of the Owner Occupancy Requirements may result in legal action against me or the imposition of additional fees, charges, or special assessments in connection with the Apartment.

_____
Name:

Sworn to before me on
the ___ day of ___, 20__

_____
Notary Public

APPENDIX II

Owner Occupancy Certification

I, _____, certify, represent, and warrant the following to the Department of Housing Preservation and Development ("**HPD**") of the City of New York (the "**City**"):

1. I am the owner (the "**Owner**") of the condominium unit ____ in the building known by the street address _____ (the "**Home**").

2. I am bound by agreements with the City that require me to occupy the Home.

3. In the year preceding execution of this certification:

   a. The Home has been my sole primary residence, except as set forth in Section 3.b below.

   b. Check the applicable statement:

      __ I have not subleased the Home or permitted the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the Home.

      __ I have subleased the Home, but (i) I did so with the approval of the Administering Agent, (ii) the subtenant was an Eligible Buyer, as such term is defined in the Declaration of Affordable Housing Restrictive Covenants recorded against the Home (the "**Affordable Housing Declaration**"), (iii) the rent charged to the subtenant was less than or equal to the Monthly Housing Costs, as such term is defined in the Affordable Housing Declaration, and (iv) I have not subleased the Home for a cumulative total of more than 18 months out of the past five years.

   b. Check the applicable statement:

      __ I resided and slept in the Home not less than 270 days.

      __ I spent part or all of the year on active military duty and spent __ days away from the Home for this purpose. The total of the number of days that I spent away from the Home on active military duty and the number of days that I resided and slept in the Apartment is not less than 270 days.

      __ I resided and slept in the Home for approximately _____ days and subleased the Home for approximately _____ days.

   d. I have not permitted the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the Home.

   e. Any tax returns that I filed with any governmental entity identified the Home as my only address/residence.

f. If I am registered to vote, the Home is the only address/residence listed on my voter registration form.

g. If I have a driver's license or other permit to operate a motor vehicle, the Home is the only address/residence indicated on that license or permit.

h. If I filled out and/or filed any other document or application stating my address or residence, such document or application identified the Home as my only address/residence.

i. Check the applicable statement:

___ I have not acquired, owned or leased any other residential property in, or within a 100 mile radius of, New York City.

___ I acquired residential property in, or within a 100 mile radius of, New York City through inheritance and have sold or will sell such property within one year from the date that the estate transferred title to me. Aside from the property that I acquired through inheritance, I have not acquired, owned or leased any other residential property in, or within a 100 mile radius of, New York City.

4. I understand that this certification will be filed with, and become part of the official records of, the Department of Housing Preservation and Development of the City of New York.

_____ _____

Owner Date

EXHIBIT D

Substitute Enforcement Mortgage

(following pages)

SUBSTITUTE ENFORCEMENT MORTGAGE
Affordable Housing Unit

THIS SUBSTITUTE ENFORCEMENT MORTGAGE (this "**Mortgage**") is made on the _____ day of _____, 20___, by _____, an individual(s) residing at _____, _____, New York, New York 100__, his/her successors and assigns ("**Mortgagor**"), and **THE CITY OF NEW YORK**, a municipal corporation acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having an office at 100 Gold Street, New York, New York 10038 (the "**City**" or "**Mortgagee**").

1. Mortgagor's predecessor-in-interest **SITE 1 DSA OWNER LLC** ("**Site 1 DSA**") gave to Mortgagee a certain enforcement mortgage dated _____, 2015, securing a debt in the amount of _____ evidenced by a certain Enforcement Note of even date with said enforcement mortgage. Said enforcement mortgage was recorded against the real property described therein, of which the Property described herein is a part, on _____ in the Office of the City Register, County of New York (the "**City Register's Office**"), CRFN 20_____ (the "**Enforcement Mortgage**"). The Enforcement Mortgage was given to Mortgagee in accordance with a certain land disposition agreement dated _____, 2015 between New York City Economic Development Corporation ("**EDC**"), which was recorded on _____ in the City Register's Office, CRFN 20_____ (the "**LDA**"), a certain deed between Mortgagee and EDC dated _____, 2015 and recorded on _____ in the City Register's Office, CRFN 20_____ (the "**City Deed**"), and a certain deed between EDC and Site 1 DSA dated _____, 2015 and recorded on _____ in the City Register's Office, CRFN 20_____ (the "**EDC Deed**"). Mortgagor acquired the Property described below in accordance with the LDA and a certain Declaration of Affordable Housing Restrictive Covenants dated _____, 2015 and recorded against said Property and certain additional real property recorded on _____ in the City Register's Office, CRFN 20_____ (the "**Affordable Housing Declaration**"). This Mortgage secures the amount of **ONE HUNDRED THOUSAND DOLLARS ($100,000)** (the "**Secured Indebtedness**").. The Secured Indebtedness represents a portion of the land subsidy provided by Mortgagee that is payable according to and in the manner provided in the promissory note having the same date as this Mortgage, which promissory note was made by Mortgagor as maker to Mortgagee as payee (the "**Enforcement Note**"). Mortgagee has not provided any additional subsidy funds, including without limitation any conditional grant, whether secured or unsecured, to Mortgagor, besides the Secured Indebtedness. The Secured Indebtedness shall be due and payable in full on **[SIXTY YEARS AFTER THE DATE OF THIS SUBSTITUTE MORTGAGE]** (the "**Maturity Date**"), unless otherwise set forth herein or in the Enforcement Note.

2. Mortgagor is the owner of Condominium Unit ___ as described in that certain Declaration establishing the Essex Crossing Site One Condominium dated _____ and recorded in the City Register's Office at CRFN _____, and more particularly described on Schedule A attached hereto. Mortgagor hereby mortgages to Mortgagee all right, title and interest of Mortgagor in the Unit and the Unit's undivided interests in and to the following property (the "**Property**"):

   (a) The land and premises described in Schedule A hereof (the "**Land**");

   (b) All buildings and improvements on the Land (the "**Buildings**");

(c) Together with all of Mortgagor's rights, title and interest in and to any land lying in the bed of the streets in front of and adjoining the Land to the center lines of such streets;

(d) Together with all fixtures and personal property which now are or which may be attached to or used or useful in connection with the Buildings;

(e) Together with (i) all insurance proceeds and (ii) condemnation awards for any taking by a government or agency of the whole or part of the Land or Buildings or any easement in connection therewith, including awards for changes of grades of streets;

(f) Together with all right, title and interest of Mortgagor in and to all leases and other agreements affecting the use or occupancy of the Land or Buildings now or hereafter entered into and the rents, issues and profits from the Land and Buildings.

3. Mortgagor and/or Mortgagor's successors and assigns shall, in accordance with the LDA and the Affordable Housing Declaration and for so long as it owns and occupies an Affordable Unit, (i) continuously occupy its Affordable Unit as Mortgagor's sole primary residence, (ii) reside and sleep in such Affordable Unit not less than two hundred seventy (270) days per year (if Mortgagor is on active military duty, each day spent away from the dwelling unit for active military duty shall be counted as a day spent in the Affordable Unit for the purpose of this requirement), (iii) not sublease the Affordable Unit, except as specifically authorized in the Affordable Housing Declaration, or permit the Affordable Unit to be used for transient occupancy or occupied by any person who is not an Eligible Buyer (defined in the Affordable Housing Declaration), (iv) identify the Affordable Unit as Mortgagor's sole address/residence on any tax return, voter registration, driver's license or other permit to operate a motor vehicle, and other document or application stating Mortgagor's address or residence, (v) not **[**own**][**acquire**]** or lease any other residential property in, or within a one hundred (100) mile radius of, New York City (and if Mortgagor acquires any such residential property through inheritance, Mortgagor shall sell such property within one year from the date that the estate transfers title to Mortgagor), and (vi) annually complete and submit to the Administering Agent an Owner Occupancy Certification set forth in Appendix II hereof. On the date hereof, Mortgagor executed an Owner Occupancy Affidavit in the form set forth in Appendix I hereof. The foregoing requirements are, collectively, the "**Owner Occupancy Requirements**".

On the Maturity Date of the Enforcement Note, the Secured Indebtedness shall be due and payable in accordance with the terms of the Enforcement Note; provided, however, that if Mortgagor has fully and continuously complied with all Owner Occupancy Requirements throughout the term of the Note and is not otherwise in default hereunder or under the Enforcement Note, then on the Maturity Date the Note shall be deemed paid in full. Notwithstanding the foregoing; Morttagor understands, agrees and represents to Mortgagee that nothing in the Enforcement Note or herein shall be construed to effect a termination of the Owner Occupancy Requirements and compliance by Mortgagor with the Affordable Housing Declaration by virtue of the Enforcement Note being paid or deemed paid on the Maturity Date in accordance with its terms. Mortgagor understands, agrees and covenants that all Owner Occupancy Requirements and all covenants of the Affordable

Housing Declaration are independent covenants that run with the land of the Property in perpetuity and therefore bind Mortgagor as well as all Mortgagor's successors in interest in and to the Property, in accordance with the LDA and the Affordable Housing Declaration recorded against the Property.

4. Except as provided otherwise in this Mortgage or the Enforcement Note, the Enforcement Note shall become due and payable to the extent of the Applicable Percentage of any Resale Profits or Refinancing Profits from the resale or refinancing of of the Property by Mortgagor.

For the purposes of this provision:

"**Applicable Percentage**" shall mean 10% for any resale or refinancing of the Property.

"**Resale Profits**" shall mean the amount by which the Total Consideration (as defined below) that Mortgagor receives on the transfer of the Property exceeds the original cash purchase price Mortgagor paid, in accordance with the Affordable Housing Declaration, when acquiring the Property, minus the following: the reasonable costs incurred by Mortgagor in purchasing the Property and the reasonable costs incurred by Mortgagor in selling the Property to a purchaser determined to be an "**Eligible Buyer**" and approved as such under the Affordable Housing Declaration, in each case, including reasonable attorney's fees and disbursements, reasonable brokerage fees, title search and title policy fees, reasonable processing fees of the lender, transfer and stamp taxes, usual and reasonable fees and expenses in connection with financing or satisfying a residential condominium unit loan, including, without limitation, credit report fees, legal fees, points, etc.

"**Refinancing Profits**" shall mean the amount by which the increased debt resulting from a new loan obtained by Mortgagor, for which Mortgagor has given a mortgage to the lender providing such new loan to Mortgagor, exceeds the amount paid by Mortgagor in purchasing the Property.

"**Total Consideration**" shall mean the cash and non-cash consideration that Mortgagor receives for the Property, including cash, real property and personal property.

The Secured Indebtedness shall become immediately due and payable if Mortgagor conveys the Property to any party other than an Eligible Buyer in accordance with the Affordable Housing Declaration, this Mortgage, the Enforcement Note and the Owner Occupancy Requirements. It shall be a default hereunder if Mortgagor, or the owner from whom Mortgagor purchased the Property, misrepresents to Mortgagee anything whatsoever relating to the Resale Profits, the Refinancing Profits, the Total Consideration of any resale or refinancing of the Property, or compliance with the Owner Occupancy Requirements.

5. The payment of the Enforcement Note shall remain the obligation of Mortgagor and each seller regardless of whether the consideration for the transfer shall be cash, purchase money mortgage or such other non-cash consideration.

6. INTENTIONALLY DELETED.

7. All terms and provisions of the Enforcement Note and this Mortgage shall be subject and subordinate to the lien of any permanent mortgage heretofore granted to an institutional lender or an FHA approved lender or any other mortgagee approved by Mortgagee (the "**Prior Mortgagee**") for the purpose of financing the purchase of the Property (the "**Prior Mortgage**") and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof. If any action or proceeding of foreclosure shall be instituted by the Prior Mortgagee, Mortgagor shall immediately upon service thereof, deliver to Mortgagee a true copy of each notice, petition, summons or papers howsoever designated, served in such action or proceeding or in any such action or proceeding. If any default occurs in the Prior Mortgage, including but not limited to, a default in the payment of principal or interest on the Prior Mortgage which remains unpaid beyond any applicable grace period, and should the Prior Mortgagee commence an action to foreclose the Prior Mortgage, then any unpaid portion of the Secured Indebtedness shall become due and payable at the option of Mortgagee, provided that if the Prior Mortgagee shall subsequently discontinue its action prior to obtaining judgment, then Mortgagee shall also discontinue any action to foreclose this mortgage where the action is based solely on such default in the Prior Mortgage, without prejudice to Mortgagee's right to again commence an action in foreclosure hereof based solely on such default in the Prior Mortgage if the Prior Mortgagee shall subsequently commence any other such action. Provided further, that, following any such default under the Prior Mortgage and the commencement of any such foreclosure action, if (a) the Property is sold to Eligible Buyer(s), and the Prior Mortgagee shall thereafter discontinue any foreclosure action or; (b) the Prior Mortgagee acquire the Property through a deed in lieu of foreclosure and shall sell the Property to Buyer(s); then such Buyer(s)may purchase the Property subject to the terms hereof, no default hereunder shall be deemed to have occurred and Mortgagee shall discontinue any action to foreclose this Mortgage. Nothing herein shall be deemed to limit in any way whatsoever Mortgagee's right to enforce this Mortgage or the Enforcement Note, including, but not limited to, Mortgagee's right to commence an action or proceeding to foreclose this mortgage based on a default or violation herein.

8. Mortgagor will keep the Property insured against loss by fire and other risks as required by the Prior Mortgagee, or as required by Mortgagee if there is no Prior Mortgage. Mortgagor shall also name Mortgagee as a loss payee, subordinate in payment to the Prior Mortgagee. Except to the extent required otherwise by the Prior Mortgagee, the proceeds of insurance shall be assigned to and be payable to Mortgagee and shall be applied to rebuilding unless Mortgagee determines rebuilding is infeasible, in which event the proceeds shall be distributed as follows: (i) to the Prior Mortgagee to the extent of its interest, (ii) to Mortgagor to the extent of Mortgagor's equity in the Property ("**Mortgagor's Equity**") which shall be equal to the initial cash down-payment paid by Mortgagor and aggregate amortization of principal paid by Mortgagor to the Prior Mortgagee; (iii) to Mortgagee up to the full amount of the Secured Indebtedness, (vi) to Mortgagor to the extent of the remaining balance.

9. Except to the extent required otherwise by the Prior Mortgagee, if any part of the Property is condemned for public use of any nature, any proceeds or award shall be assigned to and be payable to Mortgagee to be applied as follows: (i) to the Prior Mortgagee to the extent of its interest, (ii) to Mortgagor to the extent of Mortgagor's Equity, (iii) to Mortgagee up to

the full amount of the Secured Indebtedness, (iv) to Mortgagor to the extent of the remaining balance.

10. The Unit and the Property may not be removed or demolished or structurally altered in any way without the prior written consent of Mortgagee.

11 Mortgagor will keep the Property in good repair.

12. Mortgagor warrants the title to the Property.

13. Mortgagor warrants and represents that Mortgagor (and the undersigned representatives of Mortgagor, if any) has full power, authority and legal right to execute and deliver this Mortgage and the Enforcement Note and to mortgage all right, title and interest of Mortgagor in and to the Property pursuant to the terms hereof and to keep and observe all of the terms, covenants and conditions of this Mortgage and the Enforcement Note on Mortgagor's part to be performed.

14. Mortgagor shall, during the term of this Mortgage, comply with the Owner Occupancy Requirements.

15. Upon any transfer of the fee title in and to the Property, the Secured Indebtedness shall be paid to the extent of any Resale Profits or Refinancing Profits and this Enforcement Mortgage shall be assigned to and assumed by any such transferee, pursuant to the terms and conditions contained in this Enforcement Mortgage and any such transferee/assignee must agree to comply with the Owner Occupancy Requirements in perpetuity in accordance with the Paragraph 3 hereof, the LDA and the Affordable Housing Declaration, and comply with all the terms, conditions and obligations contained in this Mortgage and the Enforcement Note.

16. The Secured Indebtedness shall, at the option of Mortgagee, become due on the happening of any default, including but not limited to any failure to comply with the Owner Occupancy Requirements, the Affordable Housing Declaration, or with any other provisions of this Mortgage, or event by which, under the terms of this Mortgage or the Enforcement Note, the Secured Indebtedness may or shall become due and payable.

17. The Secured Indebtedness secured hereby shall be without interest and shall not require the payment of installments, except as provided for by the terms of the Enforcement Note.

18. Unless Mortgagee has commenced a proceeding to foreclose this Mortgage prior to such date, this Mortgage shall be deemed of no further force and effect upon the repayment in full of the Secured Indebtedness and the satisfaction of the Enforcement Note. Mortgagee shall, on or after such date, upon written request by Mortgagor, execute a satisfaction or discharge of this Mortgage.

19. Mortgagor shall, within ten (10) days after request by Mortgagee and at Mortgagor's expense, furnish Mortgagee with a statement, duly acknowledged and certified, setting forth the amount of the Secured Indebtedness and whether any offsets or defenses exist against the Secured Indebtedness.

20. Any notices, demands, certifications, requests, communications or the like required or permitted to be given under this Mortgage, unless otherwise specifically provided in this

Mortgage, shall be in writing and shall be delivered personally or given by regular, certified, or registered mail, correct postage prepaid, to the addresses first set forth above, or such other addresses as the parties may for themselves designate in writing for the purpose of receiving Notices hereunder. Notices shall be deemed given when actually, personally delivered and receipted or when deposited with the post office registry clerk or an official U.S. post box.

21. The terms, covenants and conditions of this Mortgage shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of New York.

22. This Mortgage is subject to the terms, covenants and conditions of the Enforcement Note to the same extent and effect as if fully set forth herein.

23. This Mortgage may not be modified, amended, changed, discharged or terminated orally, but only by an agreement in writing signed by the party against whom the enforcement of the modification, amendment, change, discharge or termination is sought.

24. The words "**hereof**," "**herein**," "**hereunder**," "**hereto**," and other words of similar import refer to this Mortgage in its entirety. The terms "**agree**" and "**agreements**" mean and include "**covenant**" and "**covenants**." The words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation**." All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to any document other than this Mortgage are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (e) to Articles, Sections, paragraphs are to the respective Articles or Sections contained in this Mortgage unless expressly indicated otherwise, and (f) made to "**Mortgagor**" or "**Mortgagee**" shall be deemed to be made by or to each person or entity that comprises Mortgagor or Mortgagee, as the case may be, and shall include their respective heirs, executors, administrators, successors and assigns. If there are more than one Mortgagor each shall be separately liable.

25. This Mortgage is both a real property mortgage and a "**security agreement**" as defined in the Uniform Commercial Code. The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Mortgagor in the Property. Mortgagor shall, from time to time at the request of Mortgagee, execute, acknowledge and deliver any financing statement, renewal, affidavit, certificate, continuation statement or other instrument as Mortgagee may request in order to perfect, preserve, continue, extend or maintain the security interest under, and the priority of this Mortgage, and Mortgagee is hereby authorized to file financing statements under the Uniform Commercial Code without the signatures of the present or any future owner of the Property and Mortgagor hereby authorizes and irrevocably appoints Mortgagee attorney-in-fact of Mortgagor, to execute, deliver and file such other financing statements and instruments for said purpose as Mortgagee may require. Furthermore, Mortgagor shall pay to Mortgagee on demand all costs and expenses incurred by Mortgagee in connection with preparation, execution, recording, filing and refiling of any such instrument or document.

26. Within five (5) days of a written demand of Mortgagee, Mortgagor, at its sole cost and without expense to Mortgagee, shall give, perform, execute, acknowledge and deliver

each and every such further act, deed, conveyance, mortgage, assignment, notice of assignment, transfer and assurance, that Mortgagee may from time to time require to (a) correct, better assure, or confirm the property and rights hereby conveyed, transferred, assigned or mortgaged to Mortgagee, or intended to be so conveyed, transferred, assigned or mortgaged, or (b) convey, transfer, assign or mortgage to the Mortgagee the property and rights which Mortgagor may at any time be bound to convey, transfer, assign or mortgage to Mortgagee, or (c) carry out the intention or to facilitate the performance of the terms of this Mortgage.

27. Subject to the provisions of Paragraph 7 hereof, Mortgagee shall be entitled to the appointment without notice of a receiver in any action to foreclose this Mortgage. Such receiver shall be bound by the provisions hereof with respect to the application of any payments received in connection with the Secured Indebtedness.

28. This Mortgage may be executed in one or more duplicate originals bearing the same date.

29. Mortgagor represents that Mortgagor has read this Mortgage, received a completely filled in copy of it and has duly signed this Mortgage as of the date at the top of the first page.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be executed on its behalf by its duly authorized officer as of the date first above written.

MORTGAGOR

_____

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to 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 on behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE A

APPENDIX I

Owner Occupancy Affidavit

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

_____, being duly sworn, under penalty of perjury, deposes and says:

1. As of the date hereof, I am purchasing a condominium dwelling unit (the "**Home**") in the building known by the street address _____ (the "**Property**").

2. I have never owned (or held shares in a cooperative corporation that owned) any other residential property that was developed or assisted through a local, state, or federal homeownership program.

3. I intend to occupy the Home as my primary residence.

4. In connection with my purchase of the Home, I signed legal documents in which I promised to continuously occupy the Home as my sole primary residence in perpetuity (the "**Owner Occupancy Requirements**"). Among other things, the Owner Occupancy Requirements:

   (i) require me to reside and sleep at the Home not less than 270 calendar days per year (unless I am on active military duty, in which case each night I spend away from the Home for this purpose will be counted as a night spent in the Home, or enter into an authorized sublease as described below),

   (ii) prohibit me from subleasing the Home for more than a cumulative total of 18 months in any 5 year period, prohibit me from subleasing the Home to anyone whose income exceeds a specified limit, limit the rent that I may charge for any sublease, and prohibit me from allowing the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the shares allocated to the Home,

   (iii) require me to indicate the Home as my sole address/residence on any tax return, voter registration, driver's license or other permit to operate a motor vehicle, and any other document or application stating my address or residence, and

   (iv) prohibit me from acquiring, owning or leasing any other residential property in, or within a 100 mile radius of, New York City (and require me to sell any such residential property that I acquire through inheritance within one year from the date that the estate transfers title to me).

5. I give this affidavit in order to induce the City of New York, acting by and through its Department of Housing Preservation and Development ("**HPD**") to permit my purchase of the Home [and provide certain subsidies benefitting the Property. I understand that

HPD is relying upon my representation that I will comply with the Owner Occupancy Requirements.

6. I understand that HPD may require me to provide an annual certification or affidavit regarding my compliance with the Owner Occupancy Requirements and that HPD may use any lawful means to investigate my compliance with the Owner Occupancy Requirements.

7. I understand that a misstatement or misrepresentation in this Affidavit may result in civil or criminal penalties and that any violation of the Owner Occupancy Requirements may result in legal action against me or the imposition of additional fees, charges, or special assessments in connection with the Apartment.

_____
Name:

Sworn to before me on
the ___ day of ___, 20__

_____
Notary Public

APPENDIX II

Owner Occupancy Certification

I, _____, certify, represent, and warrant the following to the Department of Housing Preservation and Development ("**HPD**") of the City of New York (the "**City**"):

1. I am the owner (the "**Owner**") of the condominium unit ____ in the building known by the street address _____ (the "**Home**").

2. I am bound by agreements with the City that require me to occupy the Home.

3. In the year preceding execution of this certification:

   a. The Home has been my sole primary residence, except as set forth in Section 3.b below.

   b. Check the applicable statement:

      __ I have not subleased the Home or permitted the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the Home.

      __ I have subleased the Home, but (i) I did so with the approval of the Administering Agent, (ii) the subtenant was an Eligible Buyer, as such term is defined in the Declaration of Affordable Housing Restrictive Covenants recorded against the Home (the "**Affordable Housing Declaration**"), (iii) the rent charged to the subtenant was less than or equal to the Monthly Housing Costs, as such term is defined in the Affordable Housing Declaration, and (iv) I have not subleased the Home for a cumulative total of more than 18 months out of the past five years.

   b. Check the applicable statement:

      __ I resided and slept in the Home not less than 270 days.

      __ I spent part or all of the year on active military duty and spent __ days away from the Home for this purpose. The total of the number of days that I spent away from the Home on active military duty and the number of days that I resided and slept in the Apartment is not less than 270 days.

      __ I resided and slept in the Home for approximately _____ days and subleased the Home for approximately _____ days.

   d. I have not permitted the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the Home.

   e. Any tax returns that I filed with any governmental entity identified the Home as my only address/residence.

f. If I am registered to vote, the Home is the only address/residence listed on my voter registration form.

g. If I have a driver's license or other permit to operate a motor vehicle, the Home is the only address/residence indicated on that license or permit.

h. If I filled out and/or filed any other document or application stating my address or residence, such document or application identified the Home as my only address/residence.

i. Check the applicable statement:

__ I have not acquired, owned or leased any other residential property in, or within a 100 mile radius of, New York City.

__ I acquired residential property in, or within a 100 mile radius of, New York City through inheritance and have sold or will sell such property within one year from the date that the estate transferred title to me. Aside from the property that I acquired through inheritance, I have not acquired, owned or leased any other residential property in, or within a 100 mile radius of, New York City.

4. I understand that this certification will be filed with, and become part of the official records of, the Department of Housing Preservation and Development of the City of New York.

_____ _____

Owner Date

HPD RESERVE AGREEMENT

RESERVE AGREEMENT

THIS AGREEMENT is made on the _____ day of _____, 2016, by **THE CITY OF NEW YORK** (the "**City**") acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having an address at 100 Gold Street, New York, New York 10038 ("**HPD**"), **SITE 1 DSA OWNER LLC**, a Delaware limited liability company having an office at c/o Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, New York 10011 ("**LLC**"), and **NEW YORK CITY HOUSING DEVELOPMENT CORPORATION**, a corporate governmental agency constituting a public benefit corporation of the State of New York, having an office at 110 William Street, 10th Floor, New York, New York 10038 ("**HDC**").

RECITALS

WHEREAS, the City conveyed the real property described in **Schedule A** hereof (the "**Premises**") to New York City Economic Development Corporation ("**EDC**") by deed dated November 25, 2015 and recorded on December 4, 2015 in the Office of the City Register, County of New York (the "**City Register's Office**"), CRFN 2015000430236 (the "**City Deed**") and EDC in turn conveyed the Premises to LLC by deed dated November 25, 2015, 2015 and recorded on December 4, 2015 in the City Register's Office, CRFN 2015000430237 (the "**EDC Deed**"), all in accordance with a certain land disposition agreement between the City and EDC dated November 25, 2015 and recorded on December 4, 2015 in the City Register's Office, CRFN 2015000430234 (the "**LDA**"); and

WHEREAS, by its terms, the LDA binds LLC upon LLC's acquiring title to the Premises, which is further ratified by LLC in a certain assignment and assumption agreement dated November 25, 2015 between EDC and LLC that was recorded on December 4, 2015 in the City Register's Office, CRFN 2015000430235; and

WHEREAS, in accordance with the LDA, LLC shall construct a mixed use project (the "**Project**") on the Premises; and

WHEREAS, in connection with the Project and the LDA, LLC shall convert the Premises to a condominium ownership regime (a "**Condominium**") under Article 9-B of the Real Property Law of the State of New York ("**Article 9-B**"), establishing thereby sixty (60) condominium units on the Disposition Area (the "**Condominium Units**"), of which forty-four (44) are dwelling units to be marketed and sold at market rates, without restrictions, and eleven (11) are dwelling units that shall be and remain affordable in perpetuity and marketed, sold and conveyed to purchasers meeting certain income and other eligibility criteria (the "**Affordable Units**") in accordance with a certain Declaration of Affordable Housing Restrictive Covenants to be executed by LLC as declarant and recorded against the Affordable Units in the City Register's Office subsequent to the Condominium conversion and prior to the sale of any Affordable Unit (the "**Affordable Housing Declaration**"); and

WHEREAS, the Affordable Housing Declaration sets forth that LLC shall establish and fund a reserve fund approved by HPD (the "**Reserve**") that shall be drawn on and expended solely to pay for all or part of certain capital replacements, operating expenses and maintenance expenses of the Affordable Units and consequently LLC, HPD and HDC have agreed to enter into an agreement pursuant to which LLC shall deposit funds into the Reserve (the "**Reserve Funds**"), and HDC shall serve, without compensation therefor, as the escrow agent and servicer of the Reserve Funds (in such capacity, the "**Servicer**"), which shall be disbursed at the direction of HPD from time to time; and

WHEREAS, upon the formation of the Condominium, both this Agreement and the Reserve shall be assigned to the corporation (or such other similar business organization) and/or board of managers (or such other similar association) succeeding to the interests of LLC in the Premises under Article 9-B (however organized, constituted, defined or characterized, the "**Condominium Association**"), subject to the prior approval of HPD; and

WHEREAS, LLC, HPD and HDC have agreed that HDC shall exercise the control, dominion and authority over the Reserve as provided for herein.

NOW, THEREFORE, in consideration of the foregoing and the covenants and conditions set forth herein, the parties hereto do hereby agree as follows:

1. Recitals Incorporated; Reaffirmation. The foregoing recitals are true, correct and complete in all material respects and are incorporated herein as though set forth at length below. If already executed prior to or on the date hereof, all such documents referred to in the recitals are in full force and effect and are hereby ratified and confirmed in all respects. If not already executed prior to or on the date hereof, all such documents referred to in the recitals are in their final, execution forms and such final, execution forms shall be executed at such time as intended by HPD and LLC.

2. Appointment. LLC and HPD hereby designate and appoint Servicer as depository agent and servicing agent for the Reserve Funds in accordance herewith and Servicer hereby accepts such appointment.

3. Reserve Deposit. LLC has delivered a check of LLC's funds in the amount of **$116,800** constituting the Reserve Funds to HPD to be deposited in a segregated interest bearing account to be held and maintained by Servicer (the "**Reserve Account**").

4. Use of the Reserve Funds. The Reserve Funds shall be disbursed and used solely to pay for all or part of the cost of one or several of the following:

   (a) capital improvements and extraordinary renovations to the Affordable Units but only to the extent such capital improvements and extraordinary renovations are required to be paid for by the Declarant or Condominium Association (or the Affordable Units' allocable share of capital improvements and extraordinary renovations to the Premises that are not otherwise part of the ordinary and normal expenses of operating the Affordable Units; or

   (b) unusual capital repairs, not reasonably contemplated, of the Affordable Units but only to the extent such capital repairs are required to be paid for by the Declarant or Condominium Association (or the Affordable Units' allocable share of unusual capital repairs to the Premises; or

   (c) unusual capital costs incurred, not reasonably contemplated, of the Affordable Units but only to the extent such capital costs are required to be paid for by the Declarant or Condominium Association (or the Affordable Units' allocable share of unusual capital costs incurred with respect to the Premises; or

   (d) costs of operating the Affordable but only to the extent such costs of operating are required to be paid for by the Declarant or Condominium Association Units (or the Affordable Units' allocable share of the costs of operating the Premises to the extent revenues are not sufficient to pay the same.

The uses set forth in this Section 4 are, collectively, the "**Permitted Uses**".

5. Segregation of Funds; Separate Accounting Records. The Reserve Funds shall be held by Servicer for the benefit of HPD and shall not be commingled with funds of Servicer. Servicer shall maintain separate accounting records for the Reserve Funds and the Reserve Account and exercise the same degree of care to protect the funds deposited in the Reserve Account as Servicer uses for the protection of its own investments. Servicer shall not have any liability or obligation for loss of all or any portion of the funds collected under this Agreement by reason of the insolvency or failure of any institution with which such funds are deposited. Any and all funds received by Servicer hereunder shall be deposited in the Reserve Account.

6. Successor to LLC. Upon the establishment of the Condominium Association the Condominium Association shall replace the LLC and become liable for all obligations of LLC hereunder and, if required by HPD, shall execute any document further setting forth such liability. The term "**Applicant**" as used hereinafter shall mean LLC until establishment of the Condominium Association, and thereafter, it shall mean the Condominium Association.

7. Request For Withdrawal. Applicant shall request withdrawals from the Reserve Account, no more than once every thirty (30) days, by delivering to HPD (a) a formal written request on Applicant letterhead, signed by an authorized signatory of Applicant, setting forth (i) the amount requested to be withdrawn (the "**Proposed Withdrawal Amount**"), (ii) the Permitted Use or Permitted Uses for which the request is being made, (iii) a detailed proposal for how the Proposed Withdrawal Amount will be spent (or was spent in the case of reimbursement for expenditures already made by Applicant toward a Permitted Use or Permitted Uses and approved by HPD, (b) a budget for the use of the Proposed Withdrawal Amount or receipts or other evidence of payment in the event the Proposed Withdrawal Amount is for reimbursement for expenditures already made by Applicant and approved by HPD, (c) a timetable for the completion of work, procurement of materials or services to be funded by the Proposed Withdrawal Amount if not yet completed, (d) if applicable, plans and specifications of the proposed work, materials or services, and (e) any other documentation supporting the request (all the foregoing, the "**Request For Withdrawal**"). HPD is the sole authority hereunder to determine whether a given Request For Withdrawal qualifies as one for a Permitted Use. Upon receipt by HPD of the Request For Withdrawal, HPD may request additional documentation, and Applicant shall promptly deliver such additional documentation to HPD. If HPD determines the necessity thereof, HPD shall schedule a meeting or meetings with Applicant to address and resolve any questions, issues, disputes or conflicts arising out of a given Request For Withdrawal. The parties hereto shall use their best efforts to facilitate, achieve and respond to timely submission of requests, review of requests, the submission of any additional documentation requested by HPD, and the prompt resolution of questions, issues, disputes or conflicts arising in the context of the submission and review process of requests.

8. HPD Review. HPD shall have up to thirty (30) days to determine whether or not to give its consent to the Request For Withdrawal. At HPD's sole option, HPD may give its consent unconditionally to the entire or to only a portion of the Request For Withdrawal, may give a conditional consent to the entire or to only a portion of the Request For Withdrawal, or may disapprove the Request For Withdrawal entirely. All decisions by HPD shall be made in HPD's sole discretion and shall be conclusive and binding on all parties hereto. Upon HPD's making a decision one way or the other, HPD shall in writing promptly inform Applicant thereof and, if HPD authorizes disbursement from the

Reserve Account, Servicer. For any Request For Withdrawal not approved by HPD (whether in full or partially), HPD may request additional documentation or information from Applicant deemed necessary by HPD to complete its review of any such unapproved or partially approved Request For Withdrawal.

9. Disbursements. Servicer shall not disburse any Reserve Funds without the prior written consent of HPD. If HPD has given its consent to all or a portion of a given Request For Withdrawal, whether conditional or not, HPD shall complete, sign and deliver to Servicer a "**Request For Disbursement From Reserve**" substantially in the form of **Exhibit A** hereof directing Servicer to withdraw funds from the Reserve Account for disbursement to Applicant or such other payee as HPD shall direct. If such request is signed by the person or persons authorized to sign such requests, the names, titles and signatures of which are set forth in **Exhibit B** hereof, and is otherwise properly completed, and such funds are available in the Reserve Account, Servicer shall promptly (a) withdraw the amount of Reserve Funds set forth in the HPD written notice, (b) remit such Reserve Funds to the payee designated in the HPD written notice, and (c) promptly give written notice of the foregoing to HPD. Upon its receipt of the Reserve Funds authorized by HPD pursuant to a given Request For Disbursement From Reserve, the payee of such Reserve Funds shall give notice to HPD thereof, and shall give notice of the performance and completion of the tasks set forth in the Request For Withdrawal of Reserve Funds approved by HPD. Each of Applicant and Servicer shall observe and comply with any conditions HPD may elect in its sole discretion to attach to any consent given by HPD in accordance with this Agreement. If funds for a given Disbursement From Reserve are not then available in the Reserve Account, Servicer shall so advise HPD and shall not advance any funds unless and until otherwise directed by HPD.

10. Intentionally Deleted.

11. Servicer's Authority and Performance. Servicer's authority and power hereunder are solely and strictly as escrowee and servicer of the Reserve Account and the Reserve Funds, receiver of notices from and timely transmission thereof to HPD, as payor and receiver of any amounts as directed by HPD hereunder, and Servicer shall have all duties and obligations as such. Servicer shall have no other or additional power whatsoever regarding the Reserve, the Reserve Account or the Reserve Funds other than as set forth herein. Servicer is not authorized or empowered to perform or to do any other thing, waive or vary the terms of this Agreement or any other agreement between Applicant (whether LLC or the Condominium Association) and HPD. Servicer shall not assign this Agreement without the prior written consent of HPD.

12. Liability and Indemnification.

(a) Liability. Servicer shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of any agency, court, governmental body or administrative body claiming jurisdiction over the Reserve Funds. Servicer may act in reliance upon any signature believed by it to be genuine, and may assume that any person who has been designated by HPD to give any written notice in connection with the provisions hereof has been duly authorized to do so.

(b) Indemnification. Applicant, absolutely and unconditionally, agrees to indemnify, defend and hold Servicer harmless against any liabilities, damages, costs or expenses (including, without limitation, reasonable attorneys' fees) incurred by, or claims or charges made against Servicer by reason of Servicer's acting or

failing to act in connection with any of the matters contemplated by this Agreement, or in carrying out the terms of this Agreement, except as a result of Servicer's negligence or willful misconduct.

13. Default by Applicant. HPD shall give written notice to Applicant of any failure by Applicant to perform its obligations hereunder to the satisfaction of HPD (each such failure to perform by Applicant, a "**Default**"). If the time granted by HPD to Applicant in such notice to cure a Default has expired, or if such a Default is not capable of being cured by Applicant in the opinion of HPD (whether HPD has granted extension(s) to Applicant to cure the Default or not), HPD shall send a written notice to Servicer directing Servicer to terminate the Reserve Account and remit the Reserve Funds to HPD or as otherwise indicated by HPD in such notice.

14. Inspections and Records. Applicant shall permit HPD to enter upon the Premises for such purposes as HPD deems necessary to determine compliance with this Agreement, including, but not limited to, inspection of all work being performed in connection with any given Request For Withdrawal approved by HPD. Applicant shall permit HPD or its authorized representatives, at any time during Applicant's business hours, to examine all books and records relating to the Reserve. Applicant shall keep satisfactory books and records pertaining to the Reserve in accordance with generally accepted accounting principles, and upon termination of this Agreement, Applicant shall permit HPD to make photostatic or other copies of such of these records as it may desire or shall make such copies at HPD's request, at Applicant's sole cost and expense. Upon request, Servicer shall provide HPD with duplicate copies of Reserve records that Servicer has provided to Applicant.

15. Termination of Servicing Obligation.

(a) Termination for Cause.

This Agreement shall become and be terminated immediately, upon written notice of termination from HPD to Servicer, if any of the following events shall happen:

(1) if a Default by Applicant is not cured or capable of being cured by Applicant and HPD sends a notice to Servicer terminating this Agreement, as set forth in Section 13 above,

(2) if Servicer violates any provision of this Agreement; or

(3) if, without the consent of Applicant or Servicer, Applicant or Servicer is adjudged a bankrupt or insolvent by a court of competent jurisdiction, or an order is made by a court of competent jurisdiction for the appointment of a receiver, liquidator or trustee of Applicant or Servicer or of all or substantially all of its property or approving any petition filed against Applicant or Servicer for its reorganization, and such adjudication or order remains in force or unstayed for a period of twenty (20) days; or

(4) if Applicant or Servicer institutes proceedings for voluntary bankruptcy, or files a petition seeking reorganization under the federal bankruptcy laws or for relief under any law for the relief of debtors, or consents to the appointment of a receiver of Applicant or Servicer or all or substantially all of its property, or makes a general assignment for the benefit of its creditors,

or admits in writing its inability to pay its debts generally as they become due.

Each of Applicant and Servicer agrees that if any of the events specified in Subsection (2) and Subsection (3) of this Section 13(a) occurs, it will give written notice thereof to HPD within five days after the happening of such event.

(b) Termination Without Cause.

At any time HPD or Servicer may, without cause, terminate this Agreement, upon giving the other party hereto sixty (60)days' notice in writing and upon such termination, Servicer shall deliver all remaining Reserve Funds to Applicant.

16. Periodic Accounting.

(a) Servicer. Servicer shall submit to HPD and to Applicant monthly statements concerning the Reserve Account and the use of the Reserve Funds. Such statements shall be in form and substance acceptable to HPD.

(b) Applicant. Each time Applicant withdraws Reserve Funds from the Reserve Account in accordance with the terms and conditions of this Agreement, an authorized officer of Applicant shall promptly thereafter submit to HPD a certified statement accounting for the use by Applicant of all such withdrawn Reserve Funds. Such statements shall be accompanied by bills, receipts and similar documentation evidencing its use of such withdrawn Reserve Funds. All such statements and supporting documentation shall be in form and substance acceptable to HPD.

17. Termination Accounting. From and after the effective date of termination of this Agreement, Servicer shall not be entitled to compensation for servicing the Reserve Account and shall be relieved of further responsibility in connection therewith. Servicer, forthwith upon such termination, shall (a) pay over to HPD (or to a party designated by HPD in the notice of termination sent by HPD to Servicer) all moneys held by it pursuant to this Agreement less any amounts due Servicer and (b) deliver to HPD all documents and correspondence in connection with the Reserve Account together with a full accounting, including a statement showing payments collected by it, if any, and a statement of moneys held by it. In case of any such termination, Servicer shall be under no further liability whatsoever to HPD by reason of such termination and vice versa. Upon termination of this Agreement, HDC shall be under no further obligation hereunder, except with respect to any covenants hereunder that are to be performed following such termination. From and after the effective date of termination of HDC's responsibilities under this Agreement, upon request by HPD, HDC shall deliver to HPD a full accounting, including a statement showing all deposits into and disbursements from the Reserve Account.

18. Parties. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of the parties hereto, and references to "LLC", "Condominium Association", "Servicer" and "HPD" shall include any such successor entity, agency, or permitted assignee, as the case may be.

19. Notices. All notices or other communications required or permitted to be given pursuant to the provisions of this Agreement shall be in writing and shall be given by hand with receipt therefor, telecopy or mailed by United States certified mail, postage prepaid, at

the address set forth hereinafter, or to such other address as each party may hereinafter designate by notice delivered in accordance herewith. All notices or other communication given by hand delivery shall be deemed given on the date of delivery or transmittal, as the case may be; notices or other communications delivered by certified mail shall be deemed given three (3) business days after delivery to the United States Postal Service.

If to HPD:
The City of New York
Department of Housing Preservation and Development
Office of Development
Division of New Construction
100 Gold Street
New York, New York 10038
Attention: Assistant Commissioner

If to LLC:
Site 1 DSA Owner LLC
c/o Taconic Investment Partners LLC
111 Eighth Avenue
Suite 1500
New York, New York 10011
Attention: _____

If to Condominium Association
[_____]
242 Broome Street
New York, New York [_____]
Attention: _____

If to Servicer:
New York City Housing Development Corporation
110 William Street
New York, New York 10038
Attention: _____

20. Captions, Gender, Plural. The captions of this Agreement are for the purpose of convenience only and are not intended to be a part of this Agreement and shall not be deemed to modify, explain, enlarge or restrict any of the provisions hereof. All personal pronouns used herein whether in masculine, feminine or neuter gender shall include all other genders. Words in the singular shall include the plural and vice versa.

21. Duty of Care. Servicer agrees to exercise the same degree of care with respect to the Account and the Funds as Servicer uses for the protection of its own investments. Servicer shall be liable to HPD as a result of its negligence or willful misconduct.

22. Applicable Laws. The parties hereto hereby unconditionally and irrevocably agree that this Agreement shall be governed by and construed in accordance with the applicable laws of the State of New York and the parties hereto unconditionally and irrevocably accept the jurisdiction of the courts and of the State of New York, waive any objection to the bringing of action in such jurisdiction and consent to venue in any State or Federal court located in the County of New York. The parties hereto agree that service of

process may be by hand or certified mail, return receipt requested to the addresses stated above.

23. No Third Party Beneficiary. Nothing in this Agreement shall be construed to give any person or entity other than the parties hereto any legal or equitable claim, right or remedy and none of such parties shall be deemed to be a "third party beneficiary" hereof; rather, this Agreement is intended to be for the sole and exclusive benefit of the parties hereto

24. Entire Agreement. This Agreement contains the entire agreement of the parties hereto and may not be changed orally but only in writing signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought. The provisions of this Agreement shall prevail over any contrary provisions of any other documents, including any other loan documents unless otherwise stated herein, in determining the respective rights and obligations of the parties hereto to each other. No specific waiver of any of the terms hereof in any one instance shall be considered as a general waiver.

25. Invalid Terms. If any term, covenant or condition of this Agreement is held to be invalid, illegal or unenforceable in any respect, this Agreement shall be construed without such provision and the parties hereto shall consequently and promptly execute an amendment to this Agreement reflecting same; provided, however, that if removing any such invalid, illegal or unenforceable covenant or condition from this Agreement has the effect of rendering the remaining portion of this Agreement unenforceable, the parties hereto shall promptly execute a new agreement that furthers the intent of this Agreement, albeit without the covenants or conditions found to have been invalid, illegal or unenforceable.

26. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered to HDC, shall be deemed an original but constitute one and the same instrument.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Agreement to be executed on their behalf the day and year first above written.

THE CITY OF NEW YORK
BY: DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

By:_____
_____, Assistant Commissioner

SITE 1 DSA OWNER LLC

By:_____

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

By:_____

Approved as to form:

By: /s/_____

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to 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 on behalf of which the individual 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, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to 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 on behalf of which the individual 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, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to 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 on behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE A

The Premises

All that certain plot, piece and parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, County, City and State of New York, designated on the Tax Map of the City of New York as of **September 17, 2015** as:

Block	Lot
409	56

EXHIBIT A

REQUEST FOR DISBURSEMENT FROM RESERVE

DATE: _____, 20__

TO: _____, New York City Housing Development Corporation ("HDC")

FROM: The City of New York acting by and through its Department of Housing Preservation and Development ("HPD")

Pursuant to a certain Reserve Agreement dated _____, 2016 between Site 1 DSA Owner LLC, HDC and HPD, you are hereby directed to disburse the amount indicated below from the Reserve Account.

Amount: _____

Payee: _____

Payment Method:

_____ Check _____ Wire Transfer

If Wire Transfer, wiring instructions:

Account Name:_____
Account Number:_____
ABA Routing Number:_____
Bank Name:_____
Bank Address:_____
Bank Contact and Tel. No.:_____

If Check, check instructions:

_____ To Be Picked Up - Call When Ready
_____ Deliver to HPD
_____ Mail To:_____
_____

CONTINUED ON FOLLOWING PAGE

Repayment Instructions (if any):

_____
_____
_____

THE CITY OF NEW YORK
BY: DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

By:_____
Name:_____
Title:_____

By:_____
Name:_____
Title:_____

EXHIBIT B

AUTHORIZED SIGNATORIES OF HPD

TO:_____, New York City Housing Development Corporation ("HDC")

DATE:_____

FROM:_____, The City of New York acting by and through its Department of Housing Preservation and Development ("HPD")

Reference is made to a certain Reserve Agreement dated _____, 2016 between Site 1 DSA Owner LLC, HDC and HPD.

Requests for disbursements from the Reserve (defined in the Reserve Agreement) and for billing by HDC of Site 1 DSA Owner LLC shall be deemed authorized if signed by any TWO of the following individuals:

Name	Title	Signature	Telephone

This list of authorized individuals supersedes in its entirety any previous list delivered to HDC under the Reserve Agreement.

THE CITY OF NEW YORK
BY: DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

By:_____
Name:_____
Title:_____

By:_____
Name:_____
Title:_____

ADMINISTERING AGENT AGREEMENT

ADMINISTERING AGENT AGREEMENT

THE CITY OF NEW YORK

AND

_____

ESSEX CROSSING SITE 1 CONDOMINIUM

PREMISES AFFECTED BY THIS INSTRUMENT:

STREET ADDRESS: 236 BROOME STREET

BLOCK 409, [AFFORDABLE UNITS TAX LOT DESIGNATIONS]
ON THE TAX MAP OF THE CITY OF NEW YORK, COUNTY OF NEW YORK

RECORD AND RETURN TO:

THE CITY OF NEW YORK
DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT
OFFICE OF LEGAL AFFAIRS
CONTRACTS AND REAL ESTATE DIVISION
100 GOLD STREET -- 5-S2
NEW YORK, NEW YORK 10038

ADMINISTERING AGENT AGREEMENT

THIS AGREEMENT is made on the _____ day of _____, 201__, by and between [NAME], a[n] _____ having an office at _____ ("**Administering Agent**"), and **THE CITY OF NEW YORK**, a municipal corporation (the "**City**") acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having an office at 100 Gold Street, Ninth Floor, New York, New York 10038 ("**HPD**").

WHEREAS, New York City Economic Development Corporation ("**EDC**") and the City acting by and through HPD entered into a certain land disposition agreement dated _____, 2015 and recorded against the real property known by and as street address 236 Broome Street, designated as Block 409, Lot 56 on the Tax Map of the City, County of New York (the "**Disposition Area**") on _____ in the Office of the City Register, County of New York (the "**City Register's Office**"), CRFN_____ (the "**LDA**"); and

WHEREAS, in accordance with the LDA, the City conveyed the Disposition Area to EDC by way of a certain indenture of deed dated _____, 2015 and recorded on _____ against the Disposition Area in the City Register's Office, CRFN_____ (the "**City Deed**"); and

WHEREAS, in accordance with the LDA, EDC conveyed the Disposition Area to **SITE 1 DSA OWNER LLC** (the "**Declarant**") by way of a certain indenture of deed dated _____, 2015 and recorded against the Disposition Area on _____ in the City Register's Office, CRFN_____ (the "**Developer Deed**"); and

WHEREAS, in accordance with the LDA, the City Deed, and the Developer Deed (collectively, the "**City and EDC Documents**"), the Declarant [is constructing] [shall construct] [constructed] a mixed-use use project on the Disposition Area called Essex Crossing Site 1 (the "**Project**"); and

WHEREAS, the Declarant prepared a condominium offering plan that was accepted for filing by the Attorney General of the State of New York (the "**Attorney General**") and declared effective by the Attorney General on **[DATE]** for the residential units in the Project intended to be condominium units (the "**Offering Plan**"), and the Project was made subject to a condominium declaration and by-laws establishing a condominium ownership regime under Article 9-B of the Real Property Law recorded against the Disposition Area in the City Register's Office, CRFN_____ (the "**Condominium Documents**"); and

WHEREAS, the Condominium Documents established sixty (60) condominium units in the Project (the "**Condominium Units**" and, collectively, the "**Condominium**"), including fifty-five (55) residential units of which forty-four (44) are dwelling units to be marketed and sold at market rates, without restrictions, and of which eleven (11) are dwelling units to be affordable in perpetuity to, marketed to, sold to, occupied by and used by purchasers meeting certain income and other eligibility criteria set forth in a certain declaration of affordable housing restrictive covenants dated _____ and recorded by the Declarant against such affordable dwelling units on _____ in the City Register's Office, CRFN _____ (the "**Affordable Housing Declaration**" and such affordable dwelling units, together with each such unit's share of the common elements in the Condominium, the "**Affordable Units**"); and

WHEREAS, Administering Agent has agreed to ensure that initial sales as well as resales of the Affordable Units are performed in compliance with the Declaration and the City and EDC Documents; and

WHEREAS, Administering Agent has been qualified to act as an Administering Agent by HPD.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties hereto hereby agree as follows:

1. Defined Terms. All capitalized terms not defined herein have the meanings ascribed to them in the Affordable Housing Declaration. As used herein, the term "**Declarant**" means the Declarant first set forth above as well as all successors, assigns, heirs, grantees and lessees of Declarant, including without limitation any condominium associations, cooperative corporations, and any business organization(s) entering into one or several declaration and nominee agreement(s) or instrument(s) of similar import with Declarant affecting all or part of the Premises, as well as all successors, assigns, heirs, grantees and lessees of such entities.

2. Initial Sales of Affordable Units. Initial Sales of Affordable Units shall proceed as follows:

   (a) The Affordable Units shall be marketed in accordance with HPD's marketing guidelines in effect at the time of Initial Sales of the Affordable Units, and apply any applicable set-asides and preferences that pertain to the Affordable Units. Administering Agent shall meet and collaborate with HPD's Marketing Unit as directed by such Marketing Unit to develop a marketing plan acceptable to HPD for the Initial Sales of the Affordable Units.

   (b) Administering Agent shall obtain from the Declarant the following information for each Affordable Unit:

      (i) the address of the Affordable Unit;

      (ii) the size of the Affordable Unit (including square footage and number of rooms);

      (iii) the Initial Price at which the Affordable Unit is to be sold, which must conform to the Initial Price set forth in the Affordable Housing Declaration for such Affordable Unit;

      (iv) the estimated Monthly Housing Costs of the Affordable Unit, which must conform to the Monthly Housing Costs sum set forth in the Affordable Housing Declaration for such Affordable Unit, and which must be no greater than 33% of 110% of AMI; and

      (v) the Downpayment required to purchase the Affordable Unit.

   (c) Promptly upon collection of the information set forth in Section 2(b) hereof by Administering Agent, Administering Agent shall submit the information to HPD. HPD shall have five (5) business days to review the information, verify the accuracy thereof and its compliance with the Declaration, indicate any corrections to be made thereto, and give a written notice (an "**HPD Notice**") to Administering Agent to commence the marketing of the Initial Sales of the Affordable Units as approved by HPD. Promptly upon the receipt of the HPD

Notice, Administering Agent shall commence the marketing of the Affordable Units as approved by HPD.

(d) Initial Sales Lottery. A lottery shall be conducted to select the Eligible Buyers of the Affordable Units at the Initial Sales of the Affordable Units. HPD shall generate a randomized list of potential buyers from the applications received on or before the Application Deadline in response to the HPD-approved marketing and shall make such list available to Administering Agent. Administering Agent shall select an Eligible Buyer, beginning with the first name on the potential buyer list, for each Initial Sale and submit such potential buyer's name along with his/her application to HPD. HPD shall have five (5) business days to review the application and give to Administering Agent an HPD Notice indicating whether HPD approves the application or not. The first potential buyer who meets the requirements of the Affordable Housing Declaration as determined by Administering Agent and verified by HPD, and is thus an Eligible Buyer, shall be offered an opportunity:

(i) at least ten (10) business days prior to the closing date for the Affordable Unit, to inspect the Affordable Unit, and

(ii) to purchase the Affordable Unit.

3. Resale of Affordable Units. The following procedure shall apply to the Resale of the Affordable Units:

(a) Homeowner Notice of Intent to Sell. A Homeowner, using an HPD-approved notice of intent to sell form (the "**Notice of Intent to Sell Form**"), shall notify Administering Agent of the Homeowner's intent to sell its Affordable Unit.

(b) Administering Agent Notification to HPD of Homeowner's Intent to Sell an Affordable Unit. Within ten (10) business days after receipt of a Notice of Intent to Sell Form, Administering Agent shall, using an HPD-approved form, give HPD information concerning:

(i) the date upon which Administering Agent received the Homeowner's Notice of Intent to Sell Form;

(ii) the address of the Affordable Unit;

(iii) the unit size of the Affordable Unit (including square footage and number of rooms);

(iv) the last Sale Date and the price at which the Affordable Unit was sold on such date;

(v) the estimated Monthly Housing Costs of the Affordable Unit, which must be no greater than 33% of 110% of AMI for the Affordable Unit;

(vi) the Resale Price of the Affordable Unit;

(vii) the Downpayment required to purchase the Affordable Unit; and

(viii) any applicable set-asides or preferences.

(c) Upon receipt from the Administering Agent, HPD shall have five (5) business days to review the information set forth in Section 4(b), verify the accuracy thereof and its compliance with the Declaration, indicate any corrections to be made thereto, and give an HPD Notice to Administering Agent to commence the marketing of the Resale of the Affordable Unit as approved by HPD.

(d) Marketing the Affordable Unit.

(i) Listing the Affordable Unit. Within five (5) business days after its receipt of the HPD Notice, Administering Agent shall list the availability of such Affordable Unit for sale on the website of the Project (if operational) and the website of HPD. Such listing shall include:

(1) the address of the Affordable Unit;

(2) the unit size of the Affordable Unit (including square footage and number of rooms);

(3) the unit type - cooperative or condominium - of the Affordable Unit;

(4) the last Sale Date and the price at which the Affordable Unit was sold on such date;

(5) the estimated Monthly Housing Costs for the Affordable Unit, which must be no greater than 33% of 110% of AMIfor the Affordable Unit;

(6) the Resale Price of the Affordable Unit;

(7) the Downpayment required to purchase the Affordable Unit;

(8) an HPD-approved application form for the potential buyer, on which the potential buyer is directed to return such application form with supporting documentation to Administering Agent and the potential buyer is informed that Administering Agent is prohibited from charging an application fee;

(9) the Application Deadline; and

(10) if applicable, any set-asides or preferences

(ii) An application received by Administering Agent shall be reviewed by Administering Agent in the order in which it was received, within ten(10) business days of the receipt thereof. Once Administering Agent identifies an Eligible Buyer, Administering Agent shall submit such potential buyer's name along with his/her application to the Condominium Association for review and approval. The Condominium Association shall have ten (10)

business days to review the application and decide whether to approve the potential buyer, following the Condominium Association's standard approval process that applies to all units in the project. Once the Condominium Association has notified the Administering Agent that it approves the potential buyer, Administering Agent shall submit such potential buyer's name along with his/her application to HPD. HPD shall have five (5) business days to review the application, verify the accuracy thereof and its compliance with the Declaration.. If HPD approves a potential buyer as an Eligible Buyer, then HPD shall send an HPD Notice to Administering Agent to proceed with the Resale of the Affordable Unit to the Eligible Buyer. If HPD disapproves a potential buyer, then HPD shall send an HPD Notice to Administering Agent disapproving the potential buyer and Administering Agent, selecting the application received immediately after the application of the potential buyer disapproved by HPD, shall follow the same procedure set forth in this Section 3(d)(ii) until a potential buyer is approved by HPD as an Eligible Buyer.

(e) Unit Inspection. Prior to any Resale, HPD or its designee shall inspect the Homeownership Affordable Housing Unit and shall:

(i) Offer the Homeowner an opportunity, before the Sale Date, to remedy any condition that violates such Minimum Quality Standards, or

(ii) Require retention of a portion of the Resale proceeds equal to the repair cost estimates established by HPD for remedying such condition(s).

Administering Agent shall ensure that an Affordable Unit meets the Minimum Quality Standards prior to its occupancy by any new Homeowner.

4. Closings. At each closing of title to an Affordable Unit, each Homeowner shall (i) execute an Owner Occupancy Certification, (iii) agree to all restrictions concerning the ownership, use, occupancy and Initial Sale or Resale of the Affordable Unit. At each Initial Sale, each Eligible Buyer must execute an Enforcement Note and Enforcement Mortgage in favor of HPD, each such instrument in form and substance acceptable to HPD, and at each Resale, each Eligible Buyer must assume the Enforcement Note and the Enforcement Mortgage relating to its Affordable Unit, unless such instruments have been, respectively, paid or deemed paid, and satisfied.

5. Homeownership Education. Administering Agent must either provide HPD approved classes for Eligible Buyers concerning the responsibilities attending homeownership or direct potential buyers to HPD-approved providers of such classes.

6. Title Changes (Other Than Resale). A Homeowner must provide a written notarized notification to Administering Agent of his/her intent to (i) modify title to an Affordable Unit in order to add or delete a person from title due to marriage, domestic partnership, divorce, death or Succession, provided that such Homeowner does not receive anything of value in connection with such modification of title, and (ii) modify title to an Affordable Unit for any other purpose approved in writing by HPD, provided that such Homeowner does not receive anything of value in connection with such modification of title. A homeowner must provide Administering Agent with documentation supporting any such

proposed modification and an affirmation that no consideration in connection with such proposed modification has been or will be received. Within ten (10) business days after receipt of the notification of intent to modify title, Administering Agent shall, using an HPD-approved form, give HPD information concerning the Homeowner's intent to modify title, including the purpose of the title modification along with the supporting documentation provided by the Homeowner. HPD shall have five (5) business days to review the information, indicate any corrections to be made thereto, and indicate to Administering Agent whether the title modification is approved. Administering Agent shall promptly notify the Homeowner whether the Homeowner has approval to modify title. The Homeowner must have the prior written approval of Administering Agent to modify title.

7. Refinancing. Homeowners may refinance existing Mortgages, subject to the following limitations:

(a) the value of the new loan must not exceed ninety percent (90%) of the Resale Price, calculated as of the date that a Homeowner notifies Administering Agent of an intent to refinance;

(i) the new loan must be at a fixed interest rate;

(ii) the new loan must be from an HPD-approved institutional lender; and

(iii) Administering Agent must approve such refinancing.

(b) If a proposed new loan will increase the amount of Mortgage Payments, Administering Agent shall require the Homeowner to show that the Monthly Housing Costs are affordable to such Homeowner in accordance with the Affordable Housing Declaration.

(c) A Homeowner that seeks to refinance an existing Mortgage must first submit an HPD-approved notice of intent to refinance form to Administering Agent for approval.

(d) Within seven (7) business days from receipt of a notice of intent to refinance form, Administering Agent must notify the Homeowner of the Resale Price and the permissible Mortgage, which is ninety percent (90%) of the Resale Price.

(e) Before the Homeowner accepts any refinancing product, such Homeowner must obtain Administering Agent's approval of the refinancing product. Administering Agent will review the refinancing product after a Homeowner has submitted, to Administering Agent, a request for approval of the refinancing product form, along with information concerning the term of the refinancing product, the applicable interest rate and the lender.

(f) Administering Agent shall have five (5) business days to review the information set forth in Section 7(e), verify the accuracy of the financing terms and indicate any corrections to be made thereto.

(g) Within ten (10) business days after receipt of the notification of intent to modify title, Administering Agent shall, using an HPD-approved form, give HPD

information concerning the homeowner's intent to refinance, including the terms of the refinancing product, the applicable interest rate, the lender, and the amount of the new loan. HPD shall have five (5) business days to review the information, indicate any corrections to be made thereto, and indicate to Administering Agent whether the refinancing is approved. Administering Agent shall promptly notify the Homeowner of whether they have approval to refinance. The Homeowner must have the prior written approval of the Administering Agent to refinance a Mortgage loan.

(h) Prior to execution, all loan documents for the refinancing of an Affordable Unit must be reviewed by Administering Agent for compliance with the above requirements. Administering Agent shall review and make a determination as to whether such loan documents comply with the requirements of this section within ten (10) business days of receipt of such loan documents, and Administering Agent shall inform the Homeowner and HPD of such determination within fourteen (14) business days of receipt of the loan documents. All loans must be subordinated to all Program requirements.

8. Certification to HPD.

(a) Sales or Resales. Within 30 days following the Initial Sale or Resale of an Affordable Unit, Administering Agent shall submit an affidavit to HPD attesting that the sum of the Initial Price or the Resale Price and the Monthly Housing Costs for such Affordable Unit complies with the Affordable Housing Declaration.

(b) Annual Certification. Each year on March 31 Administering Agent shall submit an affidavit to HPD attesting that the Monthly Housing Costs for the Applicable Year of each Affordable Unit complies with the Affordable Housing Declaration.

(c) Books and Records; Inspection. Administering Agent shall retain records that form the basis of any affidavit submitted to HPD for the duration of a Homeowner's ownership of an Affordable Unit, plus six (6) years after such Homeowner no longer owns such Affordable Unit.

9. Prior to the Initial Sale of Affordable Units, the Declarant shall enter into an agreement acceptable to HPD with Administering Agent to perform the duties specified herein and for the Declarant's compensation of Administering Agent. At no time shall the Affordable Units be without an Administering Agent.

10. Administering Agent shall assume the ongoing responsibility for insuring that each Affordable Unit is marketed, sold, purchased, occupied and used in compliance with the Affordable Housing Declaration. In addition, Administering Agent shall (1) maintain records setting forth the facts that form the basis of any affidavit submitted to HPD; (2) maintain such records as HPD may require at Administering Agent's office or other location approved by HPD; and (3) make all records and facts of the operation of Administering Agent available for HPD's inspection.

11. Notwithstanding any other remedy contained herein, HPD may commence an action against Administering Agent to require specific performance of Administering Agent's obligations herein. HPD reserves the right to replace Administering Agent in the event

that the Affordable Units are not sold or resold to Eligible Buyers in compliance with the Affordable Housing Declaration.

12. The words "**hereof**," "**herein**," "**hereunder**," "**hereto**," and other words of similar import refer to this Declaration in its entirety. The terms "**agree**" and "**agreements**" mean and include "**covenant**" and "**covenants**." The words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation.**" All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to any document other than this Declaration are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (e) to Parts, Articles, Sections, Exhibits, Schedules, Paragraphs and words of similar meaning, whether capitalized or not, are to the respective Parts, Articles, Sections, Exhibits, Schedules or Paragraphs and words of similar meaning, whether capitalized or not, contained in this Declaration unless expressly indicated otherwise. Any titles of the several Parts, Articles, Sections, Exhibits, Schedules or Paragraphs of this Declaration are for convenience only and shall be disregarded in construing or interpreting any of its provisions.

13. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall be deemed one and the same instrument. This Agreement shall not be amended except by a written instrument executed by the parties hereto.

14. This Agreement shall be recorded in the City Register's Office by Administering Agent at Administering Agent's sole cost and expense.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

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

THE CITY OF NEW YORK
BY: DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

BY:_____
, Assistant Commissioner

[ADMINISTERING AGENT]

BY:_____

APPROVED AS TO FORM

By: _____
Acting Corporation Counsel

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ____ day of _____ in the year 201__ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity and that by her/his 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 of _____ in the year 201__ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity and that by her/his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

ENFORCEMENT NOTE AND ENFORCEMENT MORTGAGE

ENFORCEMENT NOTE

$31,900,000 New York, New York, November 25, 2015

FOR VALUE RECEIVED, **SITE 1 DSA OWNER LLC**, a Delaware limited liability company having an office at c/o Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, New York 10011 ("**Maker**") promises to pay to the order of **THE CITY OF NEW YORK**, a municipal corporation acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having an office at 100 Gold Street, New York, New York 10038 (the "**City**" or "**Payee**") at the office of Payee or at such other place as may be designated in writing by Payee, the sum of **THIRTY-ONE MILLION NINE HUNDRED THOUSAND DOLLARS ($31,900,000)** (the "**Loan**" and together with all other amounts due or obligations owed or to become due or owing to Payee on the Loan, the "**Indebtedness**").

1. This Enforcement Note (this "**Note**") is secured by an enforcement mortgage (the "**Mortgage**") of even date herewith made by Maker as mortgagor to Payee as mortgagee covering the estate or interest of Maker in and to the real property described in Schedule A to the Mortgage (the "**Property**").

2. This Note shall become due and payable in full four (4) years from the date hereof unless it is replaced prior to that date with the substitute notes described in Paragraph 5 below, and the Mortgage is replaced with the substitute mortgages described therein.

3. The Loan evidenced by this Note shall not bear interest, and no payment of installments or any other payments shall be required hereunder except as specified herein. Notwithstanding the foregoing, the Indebtedness shall, at the option of Payee, become due on the happening of any (i) default hereunder or under the Mortgage, (ii) upon any default or event by which, under the terms of this Note or the Mortgage, the Indebtedness may or shall become due or payable, or (iii) on the happening of any default of any other mortgage encumbering the Property after the expiration of any applicable grace or cure periods (an "**Event of Default**"); provided, however, that if the default cannot be cured within such applicable grace or cure period despite Maker's best and diligent efforts, then, if Maker requests Payee to extend the grace or cure period as reasonably necessary to effectuate such cure, then Payee shall not unreasonably withhold or delay approval of such request.

4. The City and New York City Economic Development Corporation ("**EDC**") entered into a land disposition agreement of even date herewith and intended to be recorded against the Property in the Office of the City Register, County of New York (the "**City Register's Office**") (the "**LDA**") and the City as grantor conveyed the Property to EDC as grantee in accordance with the LDA by indenture of deed of even date herewith and intended to be recorded against the Property in the City Register's Office (the "**City Deed**"). Immediately following the foregoing conveyance, EDC as grantor conveyed the Property to Maker as grantee in accordance with the LDA by indenture of deed of even date herewith and intended to be recorded against the Property in the City Register's Office (the "**EDC Deed**"). This Note is being given in accordance with the LDA and as a condition of the foregoing conveyances of the Property on the date hereof. The amount of the Land Debt represents the difference between the consideration paid by Maker on the date hereof upon Maker's taking delivery of the EDC Deed and the appraised value of the Property. Maker shall construct the "**Project**" described in the LDA on the Property, and convert

the Property to a condominium ownership regime in accordance with the LDA and also as described hereinafter.

5. Within 12 months from the date hereof, Maker shall prepare a condominium offering plan (the "**Offering Plan**") for the residential units in the Project that are intended to be condominium units, in form and substance acceptable to the City, pursuant to Article 9-B of the Real Property Law of the State of New York (the "**Condominium Act**"). Maker shall undertake all actions necessary to ensure that the Offering Plan is accepted for filing by the Attorney General of the State of New York and thereafter to be declared effective. Following the conveyance of the Disposition Area from EDC to Maker, but no later than the Completion of Construction (as defined in the LDA), the Project shall be made subject to a condominium declaration and by-laws, each such document satisfactory in all respects to Payee, establishing a condominium ownership regime under the Condominium Act (the "**Condominium Documents**"). The Condominium Documents shall establish sixty (60) condominium units in the Project (the "**Condominium Units**" or the "**Condominium**") as follows: (i) forty-four (44) dwelling units marketed and sold without sale price or purchaser income restrictions (the "**Market Rate Units**"), (ii) eleven (11) dwelling units marketed and sold in accordance with a certain Declaration of Affordable Housing Restrictive Covenants (the "**Affordable Housing Declaration**") to be recorded against such units prior to the first sale of such units (the "**Affordable Units**"), (iii) a unit comprising approximately 16,172 gross square feet the initial use of which following Completion of the Project shall be as a cultural facility for no less than twenty (20) years (the "**Cultural Facility**") and thereafter and in perpetuity as a community facility in accordance with the terms and conditions of the Operating Agreement of even date herewith between New York City Economic Development Corporation and Maker (the "**Operating Agreement**") (the "**Community Facility Unit**"), (iv) a commercial unit comprising approximately 11,755 gross square feet at grade (except for (1) an elevator lobby leading to the podium 2nd and 3rd floors and (2) an elevator lobby leading to the below grade commercial space ("**Retail Unit 1**"), (v) a commercial unit comprising approximately 19,733 gross square feet, consisting of the elevator lobby and the space that it accesses at the 2nd and 3rd floors of the podium ("**Retail Unit 2**"), (vi) a commercial unit comprising approximately 4,308 gross square feet at the top floor of the north volume of the building ("**Retail Unit 3**") and (vii) a commercial unit comprising approximately 17,808 gross square at below grade (including the lobby which leads to it), which shall be devoted to a family entertainment use, used as such for no less than fifteen (15) years and thereafter devoted to a commercial use in accordance with the terms and conditions of the Operating Agreement ("**Retail Unit 4**") (Retail Unit 1, Retail Unit 2, Retail Unit 3 and Retail Unit 4, collectively, the "**Retail Units**"). Each Condominium Unit will also include its respective share of the common elements in the Project. After the Condominium is formed, the Project will continue to comprise the improvements constructed on the Disposition Area.

Upon the formation of the Condominium,

Retail Unit 1 shall be conveyed to Site 1 Retail Unit 1 Owner LLC (the "**Retail 1 Unit Owner**"), Retail Unit 2 shall be conveyed to Site 1 Retail Unit 2 Owner LLC (the "**Retail 2 Unit Owner**"), Retail Unit 3 shall be conveyed to Site 1 Retail Unit 3 Owner LLC (the "**Retail 3 Unit Owner**"), the Community Facility Unit shall be conveyed to Site 1 CF Unit Owner LLC (the "**Community Facility Owner**") and Retail Unit 4 shall be conveyed to Site 1 Retail Unit 4 Owner LLC (the "**Retail 4 Unit Owner**").

The Mortgage shall be released from the Market Rate Units upon the issuance by Payee of a Certificate of Completion pursuant to the LDA for the Residential Area (defined in the LDA) of the Project. The Mortgage shall be released from each of Retail Unit 1, Retail Unit 2 and Retail Unit 3 upon delivery to Payee of (a) a temporary or permanent Certificate of Occupancy issued by the City's Department of Buildings (in either case, a "**Certificate of Occupancy**") for each such Unit, and (b) an architect's certificate of completion, issued by the architect for the Project (a "**Certificate of Substantial Completion**"), approved by HPD in form and substance, as evidence of completion of each such Unit substantially in accordance with the Approved Plans (defined in the LDA). Maker shall also deliver to Payee a Certificate of Occupancy and a Certificate of Substantial Completion for each of the Community Facility Unit and Retail Unit 4.

All Retail Units shall comply with the commercial space requirements set forth in the Operating Agreement and the Community Facility Unit shall comply with the community facility requirements set forth in said Operating Agreement.

At such time as the Mortgage has been released from the Market Rate Units and Retail Unit 1, Retail Unit 2 and Retail Unit 3, the Land Debt shall be apportioned solely to the Affordable Units, the Community Facility Unit and Retail Unit 4 in the amounts set forth in Schedule B hereof. The Community Facility Unit Owner shall execute a substitute enforcement note (the "**Substitute Enforcement Note**") substantially in the form of Exhibit B hereof, and the Retail Unit 4 Owner shall execute a Substitute Enforcement Note substantially in the form of Exhibit C hereof; each such Substitute Enforcement Note shall be secured by an applicable substitute enforcement mortgage substantially in the form of those set forth as exhibits to the Mortgage;

In addition to the foregoing, upon the issuance by Payee of a Certificate of Completion for the Residential Area, Maker shall market and sell the Affordable Units in accordance with the LDA, a certain Declaration of Affordable Housing Restrictive Covenants recorded by Maker as declarant and recorded against the Affordable Units in the City Register's Office (the "**Affordable Housing Declaration**") and a certain Administering Agent Agreement between Maker and an administering agent approved by HPD and recorded against the Affordable Units in the City Register's Office (the "**Administering Agent Agreement**"). Each purchaser who is approved by the Administering Agent to purchase and occupy an Affordable Unit in accordance with the Affordable Housing Declaration shall execute a Substitute Enforcement Note substantially in the form of Exhibit A hereof, which Substitute Enforcement Note shall be secured by a substitute enforcement mortgage substantially in the form applicable to the Affordable Units set forth as an exhibit to the Mortgage. Upon conveyance of each Affordable Unit, the Mortgage will be released from such Affordable Unit and the Land Debt shall be apportioned between each such Affordable Unit and the balance of the Affordable Units subject to the Mortgage in the amounts set forth on Schedule B hereof.

All Substitute Enforcement Notes and Substitute Enforcement Mortgages shall be on terms and conditions satisfactory to Payee and in accordance with the terms of the Project.

6. The Indebtedness shall become due and payable upon any "Prohibited Transfer" as such term is defined in Paragraph 306 of the LDA.

7. All terms and provisions of this Note and the Mortgage shall be subject and subordinate to the liens of any construction loan financing hereafter approved in writing by Payee and to all extensions, renewals, refinancings, consolidations, recastings and modifications thereof that do not have the effect of increasing the principal indebtedness and/or debt service on such loan(s) (a "**Prior Mortgage**"). If any action or proceeding to foreclose the Prior Mortgage shall be instituted, Maker shall immediately upon service thereof deliver to Payee a true copy of each notice, petition, summons or paper howsoever designated, served in such action or proceeding, unless Payee has been served in said action or proceeding.

8. Maker hereby waives presentment and demand for payment, notice of dishonor, protest and notice of protest of this Note and agrees to pay all costs of collection when incurred, including reasonable attorneys' fees (which costs may be added to the amount due under this Note and be receivable therewith) and to perform and comply with each of the terms, covenants and conditions contained in this Note and the Mortgage on the part of Maker to be observed or performed. No release of any security for the principal sum due under this Note or extension of time for payment of this Note, or any installment hereof, and no alteration, amendment or waiver of any provision of this Note or the Mortgage made by agreement between Payee and Maker (except to the extent explicitly set forth therein) or any other person or party shall release, discharge, modify, change or affect the liability of Maker under this Note or the Mortgage.

9. The terms, covenants and conditions of this Note shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of New York.

10. If any default after the giving of any required notice and/or the lapse of any applicable grace period occurs in the Prior Mortgage, and should the holder(s) of the Prior Mortgage commence an action to foreclose the Prior Mortgage, then any unpaid portion of the Indebtedness shall become due and payable at the option of Payee.

11. All the terms, covenants and conditions of the Mortgage, the LDA, the City Deed, the EDC Deed, the Operating Agreement and the Affordable Housing Declaration (upon recording of the Affordable Housing Declaration in the City Register's Office) are hereby made a part hereof as if fully set forth herein. Any default after the giving of any required notice and/or the lapse of any applicable cure period by Maker in any of the terms and conditions contained in such documents shall be deemed a default hereunder.

12. This Note may not be modified, amended, changed, discharged or terminated orally, but only by an agreement in writing signed by the party against whom the enforcement of the modification, amendment, change, discharge or termination is sought.

13. Maker (and the undersigned representatives of Maker, if any) represents and warrants that it has full power, authority and legal right to execute and deliver this Note and that the obligation evidenced by this Note constitutes a valid and binding obligation of Maker.

14. Payee shall look solely to the Property for the payment of this Note, and no other property or assets of Maker shall be subject to levy, execution or other enforcement procedure for

the satisfaction of the remedies of Payee, or for any payment required to be made under this Note or under the Mortgage or for the performance of any of the covenants or warranties contained herein or therein; provided that the foregoing provisions of this paragraph shall not (i) constitute a waiver of any obligation evidenced by this Note or secured by the Mortgage other than any personal liability or obligation of Maker, (ii) limit the right of the holder of this Note to name Maker as a party defendant in any action or suit for judicial foreclosure and sale under the Mortgage so long as no judgment in the nature of a personal monetary judgment shall be enforced against Maker, or (iii) affect in any way the validity of this Note or of all or any obligations evidenced by this Note or secured by the Mortgage.

15. The words "**hereof**," "**herein**," "**hereunder**," "**hereto**," and other words of similar import refer to this Note in its entirety. The terms "**agree**" and "**agreements**" mean and include "**covenant**" and "**covenants**." The words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation**." All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to any document other than this Note are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (e) to Articles, Sections, Exhibits, Schedules or Paragraphs are to the respective Articles, Sections, Exhibits, Schedules or Paragraphs contained in this Note unless expressly indicated otherwise, and (f) made to "**Maker**" or "**Payee**" shall be deemed to be made by or to each person or entity that comprises Maker or Payee, as the case may be, and shall include their respective heirs, executors, administrators, successors and assigns. If there are more than one Maker each shall be separately liable.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Maker has duly signed this Note as of the date at the top of the first page.

SITE 1 DSA OWNER LLC

BY: _____
Scott Rabacs
Authorized Signatory

APPROVED AS TO FORM BY
NYC CORPORATION COUNSEL
UNTIL OCTOBER 31, 2016
By: /s/ Howard Friedman
Acting Corporation Counsel

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the 24 day of ~~October~~ November in the year 2015 before me, the undersigned, a Notary Public in and for said State, personally appeared SCOTT RABACS, 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 on behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

E VICKY KRYONERIS
NOTARY PUBLIC, State of New York
No. 01KR6089084
Qualified in Nassau County
Commission Expires March 17, 2019

SCHEDULE A

The Property

All that certain plot, piece and parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, County, City and State of New York, designated on the Tax Map of the City of New York as of **September 17, 2015** as:

Block	Lot
409	56

SCHEDULE B

Condominium Unit	Indebtedness Allocation Amount
11 Affordable Units Total*	$1,100,000
* Per Affordable Unit	$100,000
Community Facility Unit	$20,328,000
Retail Unit 4	$10,472,000
TOTAL	$31,900,000

EXHIBIT A

SUBSTITUTE ENFORCEMENT NOTE
Affordable Housing Unit

$100,000.00 New York, New York, _____, 201__

FOR VALUE RECEIVED, **[CONDOMINIUM UNIT OWNER, an individual residing at _____]** ("**Maker**") promises to pay to the order of **THE CITY OF NEW YORK**, a municipal corporation acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having an office at 100 Gold Street, New York, New York 10038 (the "**City**" or "**Payee**") at the office of Payee or at such other place as may be designated in writing by Payee, the sum of **ONE HUNDRED THOUSAND DOLLARS ($100,000.00)** (the "**Loan**" and together with all other amounts due or obligations owed or to become due or owing to Payee on the Loan, the "**Secured Indebtedness**"). The Secured Indebtedness shall not accrue interest, and no installments of payment by Maker of the Secured Indebtedness shall be required hereunder, except as provided herein. The Secured Indebtedness shall be due and payable in full on **[SIXTY YEARS AFTER FIRST SALE DATE]** (the "**Maturity Date**"), unless otherwise set forth herein. The Secured Indebtedness represents a portion of the land subsidy provided by Payee that is payable according to and in the manner provided herein. Payee has not provided any additional subsidy funds to Maker, including without limitation any conditional grant, whether secured or unsecured, to Mortgagor, besides the Secured Indebtedness.

This Substitute Enforcement Note (this "**Note**") is given in accordance with a certain Land Disposition Agreement dated _____, 2015 between Payee and **New York City Economic Development Corporation** ("**EDC**"), recorded on _____, 2015 in the Office of the City Register, County of New York (the "**City Register's Office**"), CRFN 2015_____ (the "**LDA**"). The amount of the Loan represents a portion of the Land Debt (defined in the LDA) allocated to the real property known by and as street address _____, Block ____, Lot _____ (the "**Property**") under a certain Enforcement Note dated _____, 2015 given by **Site 1 DSA Owner LLC** (the "**Developer**") to Payee (the "**Enforcement Note**") in accordance with the LDA. Payee as grantor conveyed the Property as part of the "**Disposition Area**" described in the LDA and a certain deed dated _____, 2015 between the City as grantor and EDC as grantee, which deed was recorded on _____, 2015 in the City Register's Office, CRFN 2015_____ (the "**City Deed**"). EDC subsequently conveyed the Property as part of said Disposition Area described in the LDA and in a certain deed dated _____, 2015 between EDC as grantor and the Developer as grantee, which deed was recorded on _____, 2015 in the City Register's Office, CRFN 2015_____ (the "**Developer Deed**"). Maker acquired the Property in accordance with the LDA and a certain Declaration of Affordable Housing Restrictive Covenants dated _____, 2015 and recorded against the Property and certain additional real property recorded on _____ in the City Register's Office, CRFN 20_____ (the "**Affordable Housing Declaration**").

The Developer converted the Disposition Area to a condominium ownership regime (the "**Condominium**") in accordance with Article 9-B of the Real Property Law of the State of New York pursuant to a condominium declaration and by-laws recorded in the City Register's Office on _____, CRFN _____ (the "**Condominium Documents**"). The Property was marketed, sold and conveyed to Maker pursuant to an offering plan declared effective by the Attorney General of the State of New York, and in accordance with a certain Declaration of

Affordable Housing Restrictive Covenants dated _____, 201__ and recorded in the City Register's Office on _____, CRFN _____ (the "**Affordable Housing Declaration**"). Maker is the owner of the Property by way of a certain deed dated _____, 20__ to Maker as grantee, which deed is to be recorded in the City Register's Office. The Property is designated as unit _____ in the Condominium. Maker hereby acknowledges that the Secured Indebtedness represents purchase price subsidy provided by the City, and, in consideration of such subsidy, Maker shall repay the Secured Indebtedness as provided herein and shall observe and comply with all provisions of this Note and the Affordable Housing Declaration.

1. This Note is secured by a substitute enforcement mortgage of even date herewith made by Maker as mortgagor to Payee as mortgagee covering the estate or interest of Maker in the Property, as described in such substitute enforcement mortgage, and which substitute enforcement mortgage is to be recorded against the Property in the City Register's Office (the "**Enforcement Mortgage**").

2. In accordance with the LDA and the Affordable Housing Declaration, Maker and/or Maker's successor(s) shall, and for so long as Maker and/or Maker's successor(s) own and occupy an Affordable Unit, (i) continuously occupy its Affordable Unit as Maker's sole primary residence, (ii) reside and sleep in such Affordable Unit not less than two hundred seventy (270) days per year (if Maker is on active military duty, each day spent away from the dwelling unit for active military duty shall be counted as a day spent in the Affordable Unit for the purpose of this requirement), (iii) not sublease the Affordable Unit, except as specifically authorized in the Affordable Housing Declaration, or permit the Affordable Unit to be used for transient occupancy or occupied by any person who is not an Eligible Buyer (defined in the Affordable Housing Declaration), (iv) identify the Affordable Unit as Maker's sole address/residence on any tax return, voter registration, driver's license or other permit to operate a motor vehicle, and other document or application stating Maker's address or residence, (v) not own, acquire or lease any other residential property in, or within a one hundred (100) mile radius of, New York City (and if Maker acquires any such residential property through inheritance, Maker shall sell such property within one year from the date that the estate transfers title to Maker), and (vi) annually complete and submit to the Administering Agent an Owner Occupancy Certification set forth in Appendix II hereof. On the date hereof, Maker executed an Owner Occupancy Affidavit in the form set forth in Appendix I hereof. The foregoing requirements are, collectively, the "**Owner Occupancy Requirements**".

   On the Maturity Date, this Note shall be due and payable in accordance with its terms; provided, however, that if Maker has fully and continuously complied with all Owner Occupancy Requirements throughout the term of this Note and is not otherwise in default hereunder on the Maturity Date, this Note shall be deemed paid in full at such time. Notwithstanding the foregoing; Maker understands, agrees and represents to Payee that nothing herein shall be construed to effect a termination of the Owner Occupancy Requirements and compliance by Maker with the Affordable Housing Declaration by virtue of this Note being paid or deemed paid on the Maturity Date in accordance with its terms. Maker understands, agrees and covenants that all Owner Occupancy Requirements and all covenants of the Affordable Housing Declaration are independent covenants that run with the land of the Property in perpetuity and therefore bind Maker as well as all Maker's successors in interest in and to the Property, in accordance with the LDA and the Affordable Housing Declaration recorded against the Property.

3. Except as provided otherwise in this Note or in the Enforcement Mortgage, this Note shall become due and payable to the extent of the Applicable Percentage of any Resale Profits or Refinancing Profits from the resale or refinancing of of the Property by Maker.

"**Applicable Percentage**" shall mean 10% for any resale or refinancing of the Property.

"**Resale Profits**" shall mean the amount by which the Total Consideration (as defined below) that Maker receives on the transfer of the Property exceeds the original cash purchase price Maker paid, in accordance with the Affordable Housing Declaration, when acquiring the Property, minus the following: the reasonable costs incurred by Maker in purchasing the Property and the reasonable costs incurred by Maker in selling the Property to a purchaser determined to be an "**Eligible Buyer**" and approved as such under the Affordable Housing Declaration, in each case, including reasonable attorney's fees and disbursements, reasonable brokerage fees, title search and title policy fees, reasonable processing fees of the lender, transfer and stamp taxes, usual and reasonable fees and expenses in connection with financing or satisfying a residential condominium unit loan, including, without limitation, credit report fees, legal fees, points, etc.

"**Refinancing Profits**" shall mean the amount by which the increased debt resulting from a new loan obtained by Maker, for which Maker has given a mortgage to the lender providing such new loan to Maker, exceeds the amount paid by Maker in purchasing the Property.

"**Total Consideration**" shall mean the cash and non-cash consideration that Maker receives for the Property, including cash, real property and personal property.

This Note shall shall become immediately due and payable if Maker conveys the Property to any party other than Eligible Buyers. It shall be a default hereunder if Maker, or the owner from whom Maker purchased the Property, misrepresents to Payee anything whatsoever relating to the Resale Profits, the Refinancing Profits, the Total Consideration of any resale or refinancing of the Property, the Owner Occupancy Requirements or compliance with the Affordable Housing Declaration.

4. The payment of this Note shall remain the obligation of Maker regardless of whether the consideration for the transfer shall be cash, purchase money mortgage or such other non-cash consideration.

5. INTENTIONALLY DELETED.

6. This Note shall be without interest and shall not require the payment of installments, except as provided by the terms hereof. During the term of this Note, Maker shall comply with the Owner Occupancy Requirements and the Affordable Housing Declaration. Upon any transfer of the fee title in and to the Property, the Secured Indebtedness shall be paid to the extent of any Resale Profits or Refinancing Profits and this Note shall be assigned to and assumed by any such transferee, pursuant to the terms and conditions contained in this Note and any such transferee/assignee must

agree to comply with the Owner Occupancy Requirements in perpetuity in accordance with the Paragraph 2 hereof, the LDA and the Affordable Housing Declaration, and comply with all the terms, conditions and obligations contained in this Note.

7. The Secured Indebtedness shall, at the option of Payee, become due on the happening of any default, including but not limited to any failure to comply with the Owner Occupancy Requirements, the Affordable Housing Declaration, or with any other provisions of this Note, or event by which, under the terms of this Note or the Enforcement Mortgage securing this Note, the Secured Indebtedness may or shall become due and payable.

8. All terms and provisions of this Note and the Enforcement Mortgage shall be subject and subordinate to the lien of any permanent mortgage heretofore granted to an institutional lender or an FHA approved lender or any other mortgagee approved by the Payee (the "**Prior Mortgagee**") for the purpose of financing the purchase of the Property (the "**Prior Mortgage**") and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof. If any action or proceeding of foreclosure shall be instituted by the Prior Mortgagee, Maker shall immediately upon service thereof, deliver to Payee a true copy of each notice, petition, summons or papers howsoever designated, served in such action or proceeding or in any such action or proceeding. If any default occurs in the Prior Mortgage, including but not limited to, a default in the payment of principal or interest on the Prior Mortgage which remains unpaid beyond any applicable grace period, and should Prior Mortgagee commence an action to foreclose the Prior Mortgage, then any unpaid portion of the Secured Indebtedness shall become due and payable at the option of Payee, provided that if the Prior Mortgagee shall subsequently discontinue its action prior to obtaining judgment, then Payee shall also discontinue any action to collect the Secured Indebtedness and/or foreclose upon the Enforcement Mortgage where the action is based solely on such default in the Prior Mortgage, without prejudice to Payee's right to again commence an action to collect the Secured Indebtedness or foreclosure upon the Enforcement Mortgage based solely on such default in the Prior Mortgage if the Prior Mortgagee shall subsequently commence any other such action. Nothing herein shall be deemed to limit in any way whatsoever Payee's right to enforce this Note or the Enforcement Mortgage, including, but not limited to, Payee's right to commence an action or proceeding to foreclose the Enforcement Mortgage based on a default or violation hereunder.

9. Maker hereby waives presentment and demand for payment, notice of dishonor, protest and notice of protest of this Note and agrees to pay all costs of collection when incurred, including reasonable attorney's fees (which costs may be added to the amount due under this Note and be receivable therewith) and to perform and comply with each of the terms, covenants and conditions contained in this Note and the Enforcement Mortgage on the part of the Maker to be observed or performed.

10. The terms, covenants and conditions of this Note shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of New York.

11. This Note is secured by the Enforcement Mortgage. All of the terms covenants, and conditions of the Enforcement Mortgage are hereby made a part hereof as if fully set forth herein.

12. This Note may not be modified, amended, changed, discharged or terminated orally, but only by an agreement in writing signed by the party against whom the enforcement of the modification, amendment, change, discharge or termination is sought.

13. Maker (and the undersigned representatives of Maker, if any) has full power, authority and legal right to execute and deliver this Note and represents that the obligation evidenced by this Note constitutes a valid and binding obligation of Maker.

14. The words "**hereof**," "**herein**," "**hereunder**," "**hereto**," and other words of similar import refer to this Note in its entirety. The terms "**agree**" and "**agreements**" mean and include "**covenant**" and "**covenants**." The words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation**." All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to any document other than this Note are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (e) to Articles, Sections, or Paragraphs are to the respective Articles, Sections or Paragraphs contained in this Note unless expressly indicated otherwise, and (f) made to "**Maker**" or "**Payee**" shall be deemed to be made by or to each person or entity that comprises Maker or Payee, as the case may be, and shall include their respective heirs, executors, administrators, successors and assigns. If there are more than one Maker each shall be separately liable.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Maker has duly signed this Note on the date at the top of the first page.

MAKER

_____

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to 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 on behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

APPENDIX I

Owner Occupancy Affidavit

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

_____, being duly sworn, under penalty of perjury, deposes and says:

1. As of the date hereof, I am purchasing a condominium dwelling unit (the "**Home**") in the building known by the street address _____ (the "**Property**").

2. I have never owned (or held shares in a cooperative corporation that owned) any other residential property that was developed or assisted through a local, state, or federal homeownership program.

3. I intend to occupy the Home as my primary residence.

4. In connection with my purchase of the Home, I signed legal documents in which I promised to continuously occupy the Home as my sole primary residence in perpetuity (the "**Owner Occupancy Requirements**"). Among other things, the Owner Occupancy Requirements:

   (i) require me to reside and sleep at the Home not less than 270 calendar days per year (unless I am on active military duty, in which case each night I spend away from the Home for this purpose will be counted as a night spent in the Home, or enter into an authorized sublease as described below),

   (ii) prohibit me from subleasing the Home for more than a cumulative total of 18 months in any 5 year period, prohibit me from subleasing the Home to anyone whose income exceeds a specified limit, limit the rent that I may charge for any sublease, and prohibit me from allowing the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the shares allocated to the Home,

   (iii) require me to indicate the Home as my sole address/residence on any tax return, voter registration, driver's license or other permit to operate a motor vehicle, and any other document or application stating my address or residence, and

   (iv) prohibit me from acquiring, owning or leasing any other residential property in, or within a 100 mile radius of, New York City (and require me to sell any such residential property that I acquire through inheritance within one year from the date that the estate transfers title to me).

5. I give this affidavit in order to induce the City of New York, acting by and through its Department of Housing Preservation and Development ("HPD") to permit my purchase of the Home [and provide certain subsidies benefitting the Property. I understand that

HPD is relying upon my representation that I will comply with the Owner Occupancy Requirements.

6. I understand that HPD may require me to provide an annual certification or affidavit regarding my compliance with the Owner Occupancy Requirements and that HPD may use any lawful means to investigate my compliance with the Owner Occupancy Requirements.

7. I understand that a misstatement or misrepresentation in this Affidavit may result in civil or criminal penalties and that any violation of the Owner Occupancy Requirements may result in legal action against me or the imposition of additional fees, charges, or special assessments in connection with the Apartment.

_____
Name:

Sworn to before me on
the ___ day of ___, 20__

_____
Notary Public

APPENDIX II

Owner Occupancy Certification

I, _____, certify, represent, and warrant the following to the Department of Housing Preservation and Development ("**HPD**") of the City of New York (the "**City**"):

1. I am the owner (the "**Owner**") of the condominium unit ____ in the building known by the street address _____ (the "**Home**").

2. I am bound by agreements with the City that require me to occupy the Home.

3. In the year preceding execution of this certification:

   a. The Home has been my sole primary residence, except as set forth in Section 3.b below.

   b. Check the applicable statement:

      __ I have not subleased the Home or permitted the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the Home.

      __ I have subleased the Home, but (i) I did so with the approval of the Administering Agent, (ii) the subtenant was an Eligible Buyer, as such term is defined in the Declaration of Affordable Housing Restrictive Covenants recorded against the Home (the "**Affordable Housing Declaration**"), (iii) the rent charged to the subtenant was less than or equal to the Monthly Housing Costs, as such term is defined in the Affordable Housing Declaration, and (iv) I have not subleased the Home for a cumulative total of more than 18 months out of the past five years.

   b. Check the applicable statement:

      __ I resided and slept in the Home not less than 270 days.

      __ I spent part or all of the year on active military duty and spent __ days away from the Home for this purpose. The total of the number of days that I spent away from the Home on active military duty and the number of days that I resided and slept in the Apartment is not less than 270 days.

      __ I resided and slept in the Home for approximately _____ days and subleased the Home for approximately _____ days.

   d. I have not permitted the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the Home.

   e. Any tax returns that I filed with any governmental entity identified the Home as my only address/residence.

f. If I am registered to vote, the Home is the only address/residence listed on my voter registration form.

g. If I have a driver's license or other permit to operate a motor vehicle, the Home is the only address/residence indicated on that license or permit.

h. If I filled out and/or filed any other document or application stating my address or residence, such document or application identified the Home as my only address/residence.

i. Check the applicable statement:

__ I have not acquired, owned or leased any other residential property in, or within a 100 mile radius of, New York City.

__ I acquired residential property in, or within a 100 mile radius of, New York City through inheritance and have sold or will sell such property within one year from the date that the estate transferred title to me. Aside from the property that I acquired through inheritance, I have not acquired, owned or leased any other residential property in, or within a 100 mile radius of, New York City.

4. I understand that this certification will be filed with, and become part of the official records of, the Department of Housing Preservation and Development of the City of New York.

_____ _____

Owner Date

EXHIBIT B

SUBSTITUTE ENFORCEMENT NOTE
Community Facility Unit

$20,328,000 New York, New York, _____, 201__

FOR VALUE RECEIVED, **SITE 1 CF UNIT OWNER LLC, [a [New York] _____ having an office at _____] ("Maker")** promises to pay to the order of **THE CITY OF NEW YORK**, a municipal corporation acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having an office at 100 Gold Street, New York, New York 10038 (the "**City**" or "**Payee**") at the office of Payee or at such other place as may be designated in writing by Payee, the sum of **TWENTY MILLION THREE HUNDRED TWENTY-EIGHT THOUSAND DOLLARS ($20,328,000)** (the "**Loan**" and together with all other amounts due or obligations owed or to become due or owing to Payee on the Loan, the "**Indebtedness**"). The Indebtedness shall not accrue interest, and no installments of payment by Maker of the Indebtedness shall be required hereunder, except as provided herein. The Indebtedness shall be due and payable in full on **[FORTY YEARS AFTER MAKER ACQUIRES TITLE TO COMMUNITY FACILITY UNIT]** (the "**Maturity Date**"), unless otherwise set forth herein.

This Substitute Enforcement Note (this "**Note**") is given in accordance with a certain Land Disposition Agreement dated _____, 2015 between Payee and **New York City Economic Development Corporation** ("**EDC**"), recorded on _____, 2015 in the Office of the City Register, County of New York (the "**City Register's Office**"), CRFN 2015_____ (the "**LDA**"). The amount of the Loan represents a portion of the Land Debt (defined in the LDA) allocated to the real property known by and as street address _____, Block ____, Lot _____ (the "**Property**") under a certain Enforcement Note dated _____, 2015 given by **Site 1 DSA Owner LLC** (the "**Developer**") to Payee (the "**Enforcement Note**") in accordance with the LDA. Payee conveyed the Property as part of the "**Disposition Area**" described in the LDA and a certain deed dated _____, 2015 between Payee as grantor and EDC as grantee, which deed was recorded on _____, 2015 in the City Register's Office, CRFN 2015_____ (the "**City Deed**"). EDC subsequently conveyed the Property as part of said Disposition Area described in the LDA and in a certain deed dated _____, 2015 between EDC as grantor and the Developer as grantee, which deed was recorded on _____, 2015 in the City Register's Office, CRFN 2015_____ (the "**Developer Deed**").

The Developer converted the Disposition Area to a condominium ownership regime (the "**Condominium**") in accordance with Article 9-B of the Real Property Law of the State of New York pursuant to a condominium declaration and by-laws recorded in the City Register's Office on _____, CRFN _____ (the "**Condominium Documents**"). Maker is the owner of the Property by way of a certain deed dated _____, 20__ to Maker as grantee, which deed is to be recorded in the City Register's Office. The Property is designated as unit _____ in the Condominium Documents. Maker hereby acknowledges that the Indebtedness represents purchase price subsidy provided by the City, and, in consideration of such subsidy, Maker shall repay the Indebtedness as provided herein and shall observe and comply with all provisions of the LDA, the City Deed, and the Developer Deed.

1. This Note is secured by a substitute enforcement mortgage of even date herewith made by Maker as mortgagor to Payee as mortgagee covering the estate or interest of Maker

in the Property, as described in such substitute enforcement mortgage, and which substitute enforcement mortgage is to be recorded against the Property in the City Register's Office (the "**Enforcement Mortgage**").

2. Maker shall observe and comply with the following use requirements of the Property, in accordance with the LDA and a certain Operating Agreement dated _____, 2015 between EDC and Site 1 DSA (the "**Operating Agreement**"):

   (a) for a period of twenty (20) years commencing on the date of this Note, the Property shall be devoted to and used as a cultural facility (respectively, the "**Cultural Use Period**" and the "**Cultural Use**").

   (b) from the expiration of the Cultural Use Period (i.e., beginning on the first day following the twentieth (20th) anniversary of the date of this Note), the Property shall be devoted to and used in perpetuity as a community facility (respectively, the "**Community Facility Period**" and the "**Community Facility Use**").

   The Cultural Use and the Community Facility Use are, collectively, the "**Use Requirements**". Upon Maker's receipt of any approvals and consents given by EDC regarding the uses of the Property, Maker shall promptly forward to Payee copies of all such approvals and consents. Any use of the Property other than as set forth in this Paragraph 2 shall constitute a default (after notice and beyond applicable grace or cure periods) hereunder.

   On the Maturity Date, this Note shall be due and payable in accordance with its terms; provided, however, that if Maker has fully and continuously complied with all Use Requirements throughout the term of this Note and is not otherwise in default hereunder on the Maturity Date, this Note shall be deemed paid in full at such time. Notwithstanding the foregoing; Maker understands, agrees and represents to Payee that nothing herein shall be construed to effect a termination of the Use Requirements and compliance by Maker with the LDA and the Operating Agreement by virtue of this Note being paid or deemed paid on the Maturity Date in accordance with its terms. Maker understands, agrees and covenants that all Use Requirements and all covenants in the LDA regarding the use of the Property are independent covenants that run with the land of the Property in perpetuity and therefore bind Maker as well as all Maker's successors in interest in and to the Property.

3. This Note shall be without interest and shall not require the payment of installments, except as provided by the terms hereof. During the term of this Note, Maker shall comply with the Use Requirements. Upon any transfer of the Property, this Note must be either fully satisfied or assigned to and assumed by the transferee, pursuant to the terms and conditions contained in this Note, and any such transferee/assignee must agree to comply with all of the terms, conditions and obligations contained in this Note.

4. The Indebtedness shall, at the option of Payee, become due on the happening of any default hereunder, or event by which, under the terms of this Note or the Enforcement Mortgage securing this Note (after notice and expiration of applicable grace or cure periods), the Indebtedness may or shall become due and payable.

5. All terms and provisions of this Note and the Enforcement Mortgage shall be subject and subordinate to the lien of any mortgage heretofore granted to an institutional lender or an

FHA approved lender or any other mortgagee approved by Payee (the "**Prior Mortgagee**") for the purpose of financing the purchase or the construction of the improvements of the Property (the "**Prior Mortgage**") and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof. If any action or proceeding of foreclosure shall be instituted by the Prior Mortgagee, Maker shall immediately upon service thereof, deliver to Payee a true copy of each notice, petition, summons or papers howsoever designated, served in such action or proceeding or in any such action or proceeding. If any default occurs in the Prior Mortgage, including but not limited to, a default in the payment of principal or interest on the Prior Mortgage which remains unpaid beyond any applicable grace period, and should Prior Mortgagee commence an action to foreclose the Prior Mortgage, then any unpaid portion of the Indebtedness shall become due and payable at the option of Payee, provided that if the Prior Mortgagee shall subsequently discontinue its action prior to obtaining judgment, then Payee shall also discontinue any action to collect the Indebtedness and/or foreclose upon the Enforcement Mortgage where the action is based solely on such default in the Prior Mortgage, without prejudice to Payee's right to again commence an action to collect the Indebtedness or foreclosure upon the Enforcement Mortgage based solely on such default in the Prior Mortgage if the Prior Mortgagee shall subsequently commence any other such action. Nothing herein shall be deemed to limit in any way whatsoever Payee's right to enforce this Note or the Enforcement Mortgage, including, but not limited to, Payee's right to commence an action or proceeding to foreclose this mortgage based on a default or violation herein.

6. Maker hereby waives presentment and demand for payment, notice of dishonor, protest and notice of protest of this Note and agrees to pay all costs of collection when incurred, including reasonable attorney's fees (which costs may be added to the amount due under this Note and be receivable therewith) and to perform and comply with each of the terms, covenants and conditions contained in this Note and the Enforcement Mortgage on the part of Maker to be observed or performed.

7. The terms, covenants and conditions of this Note shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of New York.

8. This Note is secured by the Enforcement Mortgage. All of the terms covenants, and conditions of the Enforcement Mortgage are hereby made a part hereof as if fully set forth herein.

9. This Note may not be modified, amended, changed, discharged or terminated orally, but only by an agreement in writing signed by the party against whom the enforcement of the modification, amendment, change, discharge or termination is sought.

10. Maker (and the undersigned representatives of Maker, if any) has full power, authority and legal right to execute and deliver this Note and represents that the obligation evidenced by this Note constitutes a valid and binding obligation of Maker.

11. The words "**hereof**," "**herein**," "**hereunder**," "**hereto**," and other words of similar import refer to this Note in its entirety. The terms "**agree**" and "**agreements**" mean and include "**covenant**" and "**covenants**." The words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation**." All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b)

made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to any document other than this Note are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (e) to Articles, Sections, or Paragraphs are to the respective Articles, Sections or Paragraphs contained in this Note unless expressly indicated otherwise, and (f) made to "**Maker**" or "**Payee**" shall be deemed to be made by or to each person or entity that comprises Maker or Payee, as the case may be, and shall include their respective heirs, executors, administrators, successors and assigns. If there are more than one Maker each shall be separately liable.

12. The Indebtedness shall immediately become due and payable if the Property is used for any other purpose other than uses specified herein without the prior written consent of Payee.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Maker has duly signed this Note on the date at the top of the first page.

MAKER

_____

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to 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 on behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

EXHIBIT C

SUBSTITUTE ENFORCEMENT NOTE
Retail Unit 4

$10,472,000

New York, New York, _____, 201__

FOR VALUE RECEIVED, **SITE 1 RETAIL UNIT 4 OWNER LLC, [a [New York] _____ having an office at _____]** ("**Maker**") promises to pay to the order of **THE CITY OF NEW YORK**, a municipal corporation acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having an office at 100 Gold Street, New York, New York 10038 (the "**City**" or "**Payee**") at the office of Payee or at such other place as may be designated in writing by Payee, the sum of **TEN MILLION FOUR HUNDRED SEVENTY-TWO THOUSAND DOLLARS ($10,472,000)** (the "**Loan**" and together with all other amounts due or obligations owed or to become due or owing to Payee on the Loan, the "**Indebtedness**"). The Indebtedness shall not accrue interest, and no installments of payment by Maker of the Indebtedness shall be required hereunder, except as provided herein. The Indebtedness shall be due and payable in full on **[TWENTY YEARS AFTER MAKER ACQUIRES TITLE TO RETAIL UNIT 4]** (the "**Maturity Date**"), unless otherwise set forth herein.

This Substitute Enforcement Note (this "**Note**") is given in accordance with a certain Land Disposition Agreement dated _____, 2015 between Payee and **New York City Economic Development Corporation** ("**EDC**"), recorded on _____, 2015 in the Office of the City Register, County of New York (the "**City Register's Office**"), CRFN 2015_____ (the "**LDA**"). The amount of the Loan represents a portion of the Land Debt (defined in the LDA) allocated to the real property known by and as street address _____, Block ____, Lot _____ (the "**Property**") under a certain Enforcement Note dated _____, 2015 given by **Site 1 DCA Owner LLC** (the "**Developer**") to Payee (the "**Enforcement Note**") in accordance with the LDA. Payee conveyed the Property as part of the "**Disposition Area**" described in the LDA and a certain deed dated _____, 2015 between Payee as grantor and EDC as grantee, which deed was recorded on _____, 2015 in the City Register's Office, CRFN 2015_____ (the "**City Deed**"). EDC subsequently conveyed the Property as part of said Disposition Area described in the LDA and in a certain deed dated _____, 2015 between EDC as grantor and the Developer as grantee, which deed was recorded on _____, 2015 in the City Register's Office, CRFN 2015_____ (the "**Developer Deed**").

The Developer converted the Disposition Area to a condominium ownership regime (the "**Condominium**") in accordance with Article 9-B of the Real Property Law of the State of New York pursuant to a condominium declaration and by-laws recorded in the City Register's Office on _____, CRFN _____ (the "**Condominium Documents**"). Maker is the owner of the Property by way of a certain deed dated _____, 20__ to Maker as grantee, which deed is to be recorded in the City Register's Office. The Property is designated as unit _____ in the Condominium Documents. Maker hereby acknowledges that the Indebtedness represents purchase price subsidy provided by the City, and, in consideration of such subsidy, Maker shall repay the Indebtedness as provided herein and shall observe and comply with all provisions of the LDA, the City Deed, and the Developer Deed.

1. This Note is secured by a substitute enforcement mortgage of even date herewith made by Maker as mortgagor to Payee as mortgagee covering the estate or interest of Maker in the Property, as described in such substitute enforcement mortgage, and which substitute enforcement mortgage is to be recorded against the Property in the City Register's Office (the "**Enforcement Mortgage**").

2. Maker shall devote the use of the Property solely to family entertainment use, used as such for no less than fifteen (15) years commencing on the date hereof, and after such 15-year period, devoted in perpetuity to a commercial use (the "**Use Requirements**") in accordance with the terms and conditions of the LDA and a certain Operating Agreement dated _____, 2015 between EDC and Site 1 DSA (the "**Operating Agreement**"). Upon Maker's receipt of any approvals and consents given by EDC regarding the uses of the Property, Maker shall promptly forward to Mortgagee copies of all such approvals and consents. Any use of the Property other than as set forth in this Paragraph 2 shall constitute a default (after notice and beyond applicable grace or cure periods) hereunder.

   On the Maturity Date, this Note shall be due and payable in accordance with its terms; provided, however, that if Maker has fully and continuously complied with all Use Requirements throughout the term of this Note and is not otherwise in default hereunder on the Maturity Date, this Note shall be deemed paid in full at such time. Notwithstanding the foregoing; Maker understands, agrees and represents to Payee that nothing herein shall be construed to effect a termination of the Use Requirements and compliance by Maker with the LDA and the Operating Agreement by virtue of this Note being paid or deemed paid on the Maturity Date in accordance with its terms. Maker understands, agrees and covenants that all Use Requirements and all covenants in the LDA regarding the use of the Property are independent covenants that run with the land of the Property in perpetuity and therefore bind Maker as well as all Maker's successors in interest in and to the Property.

3. This Note shall be a standing obligation which shall be without interest and shall not require the payment of installments, except as provided by the terms hereof. During the term of this Note, Maker shall comply with the Use Requirements. Upon any transfer of the Property, this Note must be either fully satisfied or assigned to and assumed by the transferee, pursuant to the terms and conditions contained in this Note and any such transferee/assignee must agree to comply with all of the terms, conditions and obligations contained in this Note.

4. The Indebtedness shall, at the option of Payee, become due on the happening of any default hereunder, or event by which, under the terms of this Note or the Enforcement Mortgage securing this Note, the Indebtedness may or shall become due and payable.

5. All terms and provisions of this Note and the Enforcement Mortgage shall be subject and subordinate to the lien of any permanent mortgage heretofore granted to an institutional lender or an FHA approved lender or any other mortgagee approved by Payee (the "**Prior Mortgagee**") for the purpose of financing the purchase or construction of the improvements of the Property (the "**Prior Mortgage**") and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof. If any action or proceeding of foreclosure shall be instituted by the Prior Mortgagee, Maker shall immediately upon service thereof, deliver to Payee a true copy

of each notice, petition, summons or papers howsoever designated, served in such action or proceeding or in any such action or proceeding. If any default occurs in the Prior Mortgage, including but not limited to, a default in the payment of principal or interest on the Prior Mortgage which remains unpaid beyond any applicable grace period, and should Prior Mortgagee commence an action to foreclose the Prior Mortgage, then any unpaid portion of the Indebtedness shall become due and payable at the option of Payee, provided that if the Prior Mortgagee shall subsequently discontinue its action prior to obtaining judgment, then Payee shall also discontinue any action to collect the Indebtedness and/or foreclose upon the Enforcement Mortgage where the action is based solely on such default in the Prior Mortgage, without prejudice to Payee's right to again commence an action to collect the Indebtedness or foreclosure upon the Enforcement Mortgage based solely on such default in the Prior Mortgage if the Prior Mortgagee shall subsequently commence any other such action. Nothing herein shall be deemed to limit in any way whatsoever Payee's right to enforce this Note or the Enforcement Mortgage, including, but not limited to, Payee's right to commence an action or proceeding to foreclose this mortgage based on a default or violation herein.

6. Maker hereby waives presentment and demand for payment, notice of dishonor, protest and notice of protest of this Note and agrees to pay all costs of collection when incurred, including reasonable attorney's fees (which costs may be added to the amount due under this Note and be receivable therewith) and to perform and comply with each of the terms, covenants and conditions contained in this Note and the Enforcement Mortgage on the part of Maker to be observed or performed.

7. The terms, covenants and conditions of this Note shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of New York.

8. This Note is secured by the Enforcement Mortgage. All of the terms covenants, and conditions of the Enforcement Mortgage are hereby made a part hereof as if fully set forth herein.

9. This Note may not be modified, amended, changed, discharged or terminated orally, but only by an agreement in writing signed by the party against whom the enforcement of the modification, amendment, change, discharge or termination is sought.

10. Maker (and the undersigned representatives of Maker, if any) has full power, authority and legal right to execute and deliver this Note and represents that the obligation evidenced by this Note constitutes a valid and binding obligation of Maker.

11. The words "**hereof**," "**herein**," "**hereunder**," "**hereto**," and other words of similar import refer to this Note in its entirety. The terms "**agree**" and "**agreements**" mean and include "**covenant**" and "**covenants**." The words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation**." All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to any document other than this Note are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (e) to Articles, Sections, or Paragraphs are to the respective Articles, Sections or Paragraphs contained in this Note unless expressly indicated otherwise, and (f) made to "**Maker**" or "**Payee**" shall be deemed to be made by or to each person or entity that comprises Maker or Payee, as the case may be, and shall

include their respective heirs, executors, administrators, successors and assigns. If there are more than one Maker each shall be separately liable.

12. The Indebtedness shall immediately become due and payable if the Property is used for any other purpose other than commercial use without the prior written consent of Payee.

IN WITNESS WHEREOF, Maker has duly signed this Note on the date at the top of the first page.

MAKER

_____

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to 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 on behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

ENFORCEMENT MORTGAGE

SITE 1 DSA OWNER LLC

IN FAVOR OF

THE CITY OF NEW YORK

PREMISES AFFECTED BY THIS INSTRUMENT:

BLOCK	LOT
409	56

ON THE TAX MAP OF THE CITY OF NEW YORK, COUNTY OF NEW YORK

RECORD AND RETURN TO:

THE CITY OF NEW YORK
DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT
OFFICE OF LEGAL AFFAIRS
CONTRACTS AND REAL ESTATE DIVISION
100 GOLD STREET -- 5-S2
NEW YORK, NEW YORK 10038

ENFORCEMENT MORTGAGE

THIS MORTGAGE made on the 25th day of November, 2015, by **SITE 1 DSA OWNER LLC**, a Delaware limited liability company having an office at c/o Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, New York 10011 ("**Mortgagor**") in favor of **THE CITY OF NEW YORK**, a municipal corporation acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having its principal office at 100 Gold Street, New York, New York 10038 (the "**City**" or "**Mortgagee**").

1. This Mortgage is given to secure a debt of Mortgagor to Mortgagee in the principal sum of **THIRTY-ONE MILLION NINE HUNDRED THOUSAND DOLLARS ($31,900,000)** (which amount, together with all other amounts due or obligations owed or to become due or owing to Mortgagee hereunder, the "**Indebtedness**") evidenced by and payable in the manner provided in the enforcement note of even date herewith made by Mortgagor as maker to Mortgagee as payee (the "**Note**").

2. Mortgagor hereby mortgages to Mortgagee and grants Mortgagee a security interest in all right, title and interest of Mortgagor in and to the following property (the "**Property**"):

   (a) The land and premises described in Schedule A (the "**Land**");

   (b) Together with all right, title and interest of Mortgagor in and to any and all buildings, improvements and appurtenances now standing or at any time hereafter constructed or placed upon the Land or any part thereof, and all the right, title and interest of Mortgagor in and to all fixtures and articles of personal property now or hereafter attached to, used in the operation of, or located in or about the above described property, together with any and all replacements thereof and additions thereto (the "**Buildings**");

   (c) Together with all right, title and interest, if any, of Mortgagor of, in and to the lands lying in the beds of the streets, roads and avenues, through or across or in front of and adjoining the above described property;

   (d) Together with all easements and rights of way now or hereafter benefiting the above described property;

   (e) Together with (i) all insurance proceeds and (ii) condemnation awards for any taking by a government or agency of the whole or part of the Land or Buildings or any easement in connection therewith, including awards for changes of grades of streets;

   (f) Together with all right, title and interest of Mortgagor in and to all leases (the "**Leases**") affecting the use or occupancy of the Land or Buildings now or hereafter entered into and the rents, issues and profits from the Land and Buildings (the "**Rents**").

3. The Indebtedness secured hereby shall bear interest, if any, and shall be payable as provided by the Note. Notwithstanding the foregoing, the Indebtedness shall, at the option of Mortgagee, become due on the happening of any default hereunder or upon any default or event by which, under the terms of this Mortgage or the Note, the Indebtedness may or shall become due or payable, or on the happening of any default of

any mortgage superior in lien to the Mortgage after the expiration of any applicable grace or cure periods (an "**Event of Default**").

4. The City and New York City Economic Development Corporation ("**EDC**") entered into a land disposition agreement of even date herewith and intended to be recorded against the Property in the Office of the City Register, County of New York (the "**City Register's Office**") (the "**LDA**") and the City as grantor conveyed the Property to EDC as grantee in accordance with the LDA by indenture of deed of even date herewith and intended to be recorded against the Property in the City Register's Office (the "**City Deed**"). Immediately following the foregoing conveyance, EDC as grantor conveyed the Property to Mortgagor as grantee in accordance with the LDA by indenture of deed of even date herewith and intended to be recorded against the Property in the City Register's Office (the "**EDC Deed**"). This Mortgage is being given in accordance with the LDA and as a condition of the foregoing conveyances of the Property on the date hereof. The amount of the Land Debt represents the difference between the consideration paid by Mortgagor on the date hereof upon Mortgagor's taking delivery of the EDC Deed and the appraised value of the Property. Mortgagor shall construct the "**Project**" described in the LDA on the Property, and convert the Property to a condominium ownership regime in accordance with the LDA and also as described hereinafter.

Within 12 months from the date hereof, Mortgagor shall prepare a condominium offering plan (the "**Offering Plan**") for the residential units in the Project that are intended to be condominium units, in form and substance acceptable to the City, pursuant to Article 9-B of the Real Property Law of the State of New York (the "**Condominium Act**"). Mortgagor shall undertake all actions necessary to ensure that the Offering Plan is accepted for filing by the Attorney General of the State of New York and thereafter to be declared effective. Following the conveyance of the Disposition Area from EDC to Mortgagor, but no later than the Completion of Construction (as defined in the LDA), the Project shall be made subject to a condominium declaration and by-laws, each such document satisfactory in all respects to Mortgagee, establishing a condominium ownership regime under the Condominium Act (the "**Condominium Documents**"). The Condominium Documents shall establish sixty (60) condominium units in the Project (the "**Condominium Units**" or the "**Condominium**") as follows: (i) forty-four (44) dwelling units marketed and sold without sale price or purchaser income restrictions (the "**Market Rate Units**"), (ii) eleven (11) dwelling units marketed and sold in accordance with a certain Declaration of Affordable Housing Restrictive Covenants (the "**Affordable Housing Declaration**") to be recorded against such units prior to the first sale of such units (the "**Affordable Units**"), (iii) a unit comprising approximately 16,172 gross square feet the initial use of which following Completion of the Project shall be as a cultural facility, for no less than twenty (20) years (the "**Cultural Facility**") and thereafter and in perpetuity as a community facility in accordance with the terms and conditions of the Operating Agreement of even date herewith between New York City Economic Development Corporation and Mortgagor (the "**Operating Agreement**") (the "**Community Facility Unit**"), (iv) a commercial unit comprising approximately 11,755 gross square feet at grade (except for (1) an elevator lobby leading to the podium 2nd and 3rd floors and (2) an elevator lobby leading to the below grade commercial space ("**Retail Unit 1**"), (v) a commercial unit comprising approximately 19,733 gross square feet, consisting of the elevator lobby and the space that it accesses at the 2nd and 3rd floors of the podium ("**Retail Unit 2**"), (vi) a commercial unit comprising approximately 4,308 gross square feet at the top floor of the north volume of the building ("**Retail Unit 3**") and (vii) a commercial unit comprising approximately 17,808 gross square at below grade (including the lobby which leads to it), which shall be

devoted to a family entertainment use, used as such for no less than fifteen (15) years and thereafter devoted to a commercial use in accordance with the terms and conditions of the Operating Agreement ("**Retail Unit 4**") (Retail Unit 1, Retail Unit 2, Retail Unit 3 and Retail Unit 4, collectively, the "**Retail Units**"). Each Condominium Unit will also include its respective share of the common elements in the Project. After the Condominium is formed, the Project will continue to comprise the improvements constructed on the Disposition Area.

Upon the Completion of Construction (as defined in the LDA),

Retail Unit 1 shall be conveyed to Site 1 Retail Unit 1 Owner LLC ("**Retail Unit 1 Owner**"), Retail Unit 2 shall be conveyed to Site 1 Retail Unit 2 Owner LLC ("**Retail Unit 2 Owner**"), Retail Unit 3 shall be conveyed to Site 1 Retail Unit 3 Owner LLC ("**Retail Unit 3 Owner**"), the Community Facility Unit shall be conveyed to Site 1 CF Unit Owner LLC (the "**Community Facility Owner**") and Retail Unit 4 shall be conveyed to Site 1 Retail Unit 4 Owner LLC (the "**Retail Unit 4 Owner**").

This Mortgage shall be released from the Market Rate Units upon the issuance by Mortgagee of a Certificate of Completion pursuant to the LDA for the Residential Area (defined in the LDA) of the Project. This Mortgage shall be released from each of Retail Unit 1, Retail Unit 2 and Retail Unit 3 upon delivery to Mortgagee of (a) a temporary or permanent Certificate of Occupancy issued by the City's Department of Buildings (in either case, a "**Certificate of Occupancy**") for each such Condominium Unit, and (b) an architect's certificate of completion, issued by the architect for the Project (a "**Certificate of Substantial Completion**"), approved by HPD in form and substance, as evidence of completion of each such Condominium Unit substantially in accordance with the Approved Plans (defined in the LDA). Mortgagor shall also deliver to Mortgagee a Certificate of Occupancy and a Certificate of Substantial Completion for each of the Community Facility Unit and Retail Unit 4.

All Retail Units shall comply with the commercial space requirements set forth in the Operating Agreement and the Community Facility Unit shall comply with the community facility requirements set forth in said Operating Agreement.

At such time as this Mortgage has been released from the Market Rate Units and Retail Unit 1, Retail Unit 2 and Retail Unit 3, the Land Debt shall be apportioned solely to the Affordable Units, the Community Facility Unit and Retail Unit 4 in the amounts set forth in Schedule B hereof. Each of the Community Facility Unit Owner and the Retail Unit 4 Owner shall execute a substitute enforcement note (the "**Substitute Enforcement Note**") substantially in the forms annexed respectively to the Note. The Substitute Enforcement Note executed by the Community Facility Owner shall be secured by a substitute enforcement mortgage (the "**Substitute Enforcement Mortgage**") substantially in the form set forth in Exhibit B hereof and the Substitute Enforcement Note executed by the Retail Unit 4 Owner shall be secured by a Substitute Enforcement Mortgage substantially in the form set forth in Exhibit C hereof.

In addition to the foregoing, upon the issuance by Mortgagee of a Certificate of Completion for the Residential Area, Mortgagor shall market and sell the Affordable Units in accordance with the LDA, a certain Declaration of Affordable

Housing Restrictive Covenants recorded by Mortgagor as declarant and recorded against the Affordable Units in the City Register's Office (the "**Affordable Housing Declaration**") and a certain Administering Agent Agreement between Mortgagor and an administering agent approved by HPD and recorded against the Affordable Units in the City Register's Office (the "**Administering Agent Agreement**"). Each purchaser who is approved by the Administering Agent to purchase and occupy an Affordable Unit in accordance with the Affordable Housing Declaration shall execute a Substitute Enforcement Note substantially in the form annexed to the Note, which Substitute Enforcement Note shall be secured by a Substitute Enforcement Mortgage substantially in the form set forth in Exhibit A hereof. Upon conveyance of each of the Affordable Units, this Mortgage will be released as to each such unit and the Land Debt shall be apportioned between each such unit and the balance of the Affordable Units subject to this Mortgage as set forth on Schedule B hereof.

All Substitute Enforcement Notes and Substitute Enforcement Mortgages shall be on terms and conditions satisfactory to Mortgagee and in accordance with the terms of the Project.

5. Mortgagor warrants the title to the Property, subject to the matters set forth in the title policy insuring Mortgagor's title, and represents that it is the record owner of the Land.

6. This Mortgage shall be deemed of no further force and effect upon the date of payment by Mortgagor to Mortgagee of the Indebtedness or in accordance with the Note, and neither party thereafter shall have any further rights or obligations hereunder against the other. Mortgagee shall, on or after such date, upon written request by Mortgagor, execute a satisfaction or discharge of this Mortgage.

7. Mortgagor shall, within ten (10) days after request by Mortgagee and at Mortgagor's expense, furnish Mortgagee with a statement, duly acknowledged and certified, setting forth the amount of the Indebtedness and whether any offsets or defenses exist against the Indebtedness. At Mortgagor's request, Mortgagee shall verify such statement promptly.

8. Any notices, demands, certifications, requests, communications or the like ("**Notices**") required or permitted to be given under this Mortgage, unless otherwise specifically provided in this Mortgage, shall be in writing and shall be delivered personally or given by regular, certified, or registered mail, correct postage prepaid, to the addresses first set forth above, or such other addresses as the parties may for themselves designate in writing for the purpose of receiving Notices hereunder. Notices to Mortgagee shall be marked "Attention: Deputy Commissioner, Office of Development." Notices shall be deemed given when actually, personally delivered and receipted or when received.

9. All terms and provisions of the Note and this Mortgage shall be subject and subordinate to the lien of any Holder (as such term is defined in the LDA) approved by Mortgagee, and to all extensions, renewals, refinancings, consolidations, recastings and modifications thereof that do not have the effect of increasing the principal indebtedness and/or debt service on such loans (collectively, the "**Superior Mortgages**"), and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof. If any action or proceeding of foreclosure shall be instituted by the holder(s) of the

Superior Mortgage(s), Mortgagor shall immediately upon service thereof deliver to Mortgagee a true copy of each notice, petition, summons or paper howsoever designated, served in such action or proceeding, if Mortgagee is not a named party to such action or proceeding.

10. Mortgagor shall maintain or cause to be maintained, the Property in good condition, order and repair and shall neither commit nor suffer to be committed any waste thereof. Mortgagor shall promptly, but in no event later than two (2) months after the issuance thereof, comply with all requirements or order or notice of violation of law or ordinance issued by any governmental authority claiming jurisdiction over the Property. Mortgagor shall promptly repair, restore, replace or rebuild any part of the Property now or hereafter covered by this Mortgage which may be damaged or destroyed by any casualty whatsoever (including any casualty for which insurance was not obtained or obtainable) or which may be affected by any eminent domain proceeding, taking or deed in lieu thereof; provided that, if such casualty shall be covered by insurance policies, Mortgagor's obligation to repair, replace or rebuild such portion of the Property shall be contingent upon Mortgagee, and/or the holders of the Superior Mortgages, as their interests may appear, paying Mortgagor the insurance proceeds, or such portion thereof as shall be sufficient to complete such repair, replacement or rebuilding, whichever is less. Mortgagor shall not, without the prior written consent of Mortgagee, initiate, join in or consent to any restrictive covenant, zoning ordinance or other public or private restrictions limiting or defining the uses which may be made of the Property or any part thereof. Nothing herein shall be deemed to require Mortgagor to restore the Property with funds in excess of insurance proceeds it has received provided that said restoration shall return the Property to its former functioning utility.

11. No building or improvement on the Property shall be removed or demolished without the prior written consent of Mortgagee. No building or improvement on the Property shall be structurally altered at a cost which is in excess of 2 1/2% of the replacement cost of such altered building or improvement, as determined by the casualty insurer insuring the Property, nor shall any fixture or article of personal property covered by this Mortgage be removed at any time without such consent unless actually replaced by an article of equal value and suitability for the proper use and enjoyment of the Property, owned by Mortgagor free and clear of all security interests, liens and encumbrances except this Mortgage and the Superior Mortgages.

12. The whole of the Indebtedness shall immediately become due and payable at the option of Mortgagee upon any default in payment pursuant to this Mortgage, and/or the Note after ten days when due, and/or upon any default in the covenants of Mortgagor set forth in this Mortgage after thirty days notice of such default. In the event of default, interest shall be payable on the accelerated Indebtedness at the rate of 6% over the prime rate of interest.

13. The terms covenants and conditions of this Mortgage shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of New York.

14. Mortgagor is executing this Mortgage solely to subject its interest in the Property to the lien of this Mortgage. Mortgagee agrees that it will look solely to the Property for the payment of the Note, and no other property or assets of Mortgagor shall be subject to levy, execution or other enforcement procedures for the satisfaction of the remedies of Mortgagee, or for any payment required to be made under the Note or this Mortgage or for the performance of any of the covenants or warranties contained herein or therein;

provided that the foregoing provisions of this paragraph shall not (i) constitute a waiver of any obligation evidenced by the Note or secured by this Mortgage other than any personal liability or obligation of Mortgagor, (ii) limit the right of the holder of the Note to name Mortgagor as a party defendant in any action or suit for judicial foreclosure and sale under this Mortgage so long as no judgment in the nature of a personal monetary judgment shall be enforced against Mortgagor or (iii) affect in any way the validity of the Note or all or any obligations evidenced by the Note or secured by this Mortgage.

15. All the terms, covenants and conditions of the Note, the LDA, the City Deed, the EDC Deed, and the Operating Agreement and the Affordable Housing Declaration (upon the recording of the Affordable Housing Declaration in the City Register's Office) are hereby made a part hereof as if fully set forth herein. Any default after the giving of any required notice and/or the lapse of any applicable cure period by Mortgagor in the any of the terms and conditions contained in such documents shall be deemed a default hereunder.

16. Mortgagor represents that all existing leases were made in the ordinary course of Mortgagor's business and do not violate the terms of this Mortgage or the Note. Mortgagor shall not enter into any future Leases affecting the Property without the prior written consent of Mortgagee except for Leases made in the normal course of business, the provisions of which do not violate any terms of the Note or this Mortgage. Mortgagor, as further security for the payment of the Indebtedness, hereby assigns and transfers to Mortgagee all Rents and the right, title and interest of Mortgagor in and under all Leases, and Mortgagor grants to Mortgagee the right to enter upon and take possession of the Property for purposes of collecting the Rents and to let the Property or any part thereof. So long as no Event of Default shall exist in compliance with any provision hereof or of any other or further instrument now or at any time hereafter executed with respect to this Mortgage, Mortgagee waives its right to enter upon and take possession of the Property for purpose of collecting the Rents and Mortgagor may collect the assigned Rents as the same fall due, but upon the occurrence or during the continuation of any such Event of Default, at such time as Mortgagee in its sole discretion may fix by written notice, all right of Mortgagor to collect or receive the Rents shall wholly terminate. Following such notice Mortgagee may retain and apply the Rents at its option either toward payment of the Indebtedness in such priority and proportions as Mortgagee, in its discretion, shall deem proper, or to the Taxes (as hereinafter defined) upon, or the operation, maintenance and repair of, the Property. "**Taxes**" shall mean all taxes, assessments (and installments of any assessments that are payable in installments), water rates, sewer rents, and other charges, including without limitation, vault charges and license fees for the use of vaults, chutes, and similar areas adjoining the Property, now or hereafter levied or assessed.

All Rents which Mortgagor shall be permitted to collect hereunder shall be received by it in trust to pay the usual and reasonable operation expenses, and the Taxes upon, the Property and the sums due on the Indebtedness as they become due and payable as provided in the Note or in this Mortgage. Mortgagor shall not, without Mortgagee's prior written consent (i) further assign the whole or any part of the Rents or accept any installment of the Rents for a period more than one month in advance or change the general nature of the occupancy, (ii) make, or suffer to be made, any Leases or terminate, surrender, accept the surrender of, or modify, any Leases if thereby the security for the Indebtedness would be impaired, other than Leases in the normal course of business, subject to the provisions of this paragraph or (iii) suffer any act or thing which would impair the security for the Indebtedness or Mortgagee's lien upon the Property or the interest of Mortgagee under this paragraph. In addition to the rights which Mortgagee may have

herein, in the event of any Event of Default under this Mortgage, Mortgagee, at its option, may require Mortgagor to pay monthly in advance to Mortgagee, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Property as may be in possession of Mortgagor. Upon default in any such payment, Mortgagor will vacate and surrender possession of such part of the Property to Mortgagee, or to such receiver and, in default thereof, Mortgagor may be evicted by summary proceedings or otherwise. Nothing contained in this paragraph shall be construed as imposing on Mortgagee any of the obligations of Mortgagor as landlord or lessor under the Leases.

17. Mortgagee, in any action to foreclose this Mortgage or upon the actual or threatened waste to any part of the Property or upon the occurrence of any default hereunder, shall be at liberty, without notice, to apply for the appointment of a receiver of the Rents, and shall be entitled to the appointment of such receiver as a matter of right, without regard to the adequacy of any security for the Indebtedness or the solvency or insolvency of any person then liable for the payment of the Indebtedness. Such receiver shall have, in addition to all his rights and powers under law and custom, all the rights and powers granted to such receiver or Mortgagee under the provisions of paragraph 16 hereof.

18. If a default in the performance of any of the covenants of Mortgagor herein occurs, Mortgagee may, at its discretion, remedy the same and for such purpose shall have the right to enter upon the Property or any portion thereof without thereby becoming liable to Mortgagor or any person in possession thereof holding under Mortgagor. If Mortgagee shall remedy such a default or appear in, defend, or bring any action or proceeding to protect its interest in Property and/or the lien of the Mortgage or to foreclose this Mortgage or collect the Indebtedness, the costs and expenses thereof (including reasonable attorneys' fees to the extent permitted by law), with interest as provided in this paragraph, shall be paid by Mortgagor to Mortgagee upon demand. All such costs and expenses incurred by Mortgagee in remedying such default or in appearing in, defending or bringing any such action or proceeding shall be paid by Mortgagor to Mortgagee upon demand, with interest at the maximum interest rate which Mortgagor may by law pay and Mortgagee may by law collect, from the date that such costs or expenses were incurred by Mortgagee to the date of payment to Mortgagee. All such costs and expenses incurred by Mortgagee pursuant to the terms of this Mortgage, with interest, shall be secured by this Mortgage and shall be a lien against the Property prior to any right, title or interest in or to, or claim upon, the Property attaching or accruing subsequent to the lien of this Mortgage.

19. All the terms, covenants and conditions of this Mortgage shall run with the land and shall apply to, bind and inure to the benefit of Mortgagor and Mortgagee and their respective successors and assigns and all subsequent holders of the Note, and all subsequent owners, encumbrances, tenants and subtenants of the Property or any part thereof or interest therein, except to the extent expressly provided to the contrary herein.

20. All remedies provided in this Mortgage are distinct from and cumulative to any other right or remedy under the Note, the LDA, the City Deed, the EDC Deed, the Operating Agreement, the Affordable Housing Declaration (upon the recording of the Affordable Housing Declaration in the City Register's Office), or any other agreement or instrument between Mortgagor and Mortgagee executed simultaneously or in connection herewith, or afforded by law or equity, and may be exercised concurrently, independently or successively. Any forbearance by Mortgagee in exercising any right or remedy hereunder,

or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

21. This Mortgage may not be modified, amended, changed, discharged or terminated orally, but only by an agreement in writing signed by the party against whom the enforcement of the modification, amendment, change, discharge or termination is sought.

22. Mortgagor warrants and represents that Mortgagor (and the undersigned representatives of Mortgagor, if any) has full power, authority and legal right to execute and deliver this Mortgage and the Note and to mortgage all right, title and interest of Mortgagor in and to the Property pursuant to the terms hereof and to keep and observe all of the terms, covenants and conditions of this Mortgage and the Note on Mortgagor's part to be performed.

23. This Mortgage may be executed in one or more duplicate originals bearing the same date.

24. This Mortgage does not cover real property principally improved or to be improved by one or more structures containing in the aggregate not more than six residential dwelling units, each having their own separate cooking facilities.

25. The words "**hereof**," "**herein**," "**hereunder**," "**hereto**," and other words of similar import refer to this Mortgage in its entirety. The terms "**agree**" and "**agreements**" mean and include "**covenant**" and "**covenants**." The words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation**." All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to any document other than this Mortgage are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (e) to Articles, Sections, paragraphs are to the respective Articles or Sections contained in this Mortgage unless expressly indicated otherwise, and (f) made to "**Mortgagor**" or "**Mortgagee**" shall be deemed to be made by or to each person or entity that comprises Mortgagor or Mortgagee, as the case may be, and shall include their respective heirs, executors, administrators, successors and assigns. If there are more than one Mortgagor each shall be separately liable.

26. This Mortgage is both a real property mortgage and a "**security agreement**" as defined in the Uniform Commercial Code. The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Mortgagor in the Property. Mortgagor shall, from time to time at the request of Mortgagee, execute, acknowledge and deliver any financing statement, renewal, affidavit, certificate, continuation statement or other instrument as Mortgagee may request in order to perfect, preserve, continue, extend or maintain the security interest under, and the priority of this Mortgage, and Mortgagee is hereby authorized to file financing statements under the Uniform Commercial Code without the signatures of the present or any future owner of the Property and Mortgagor hereby authorizes and irrevocably appoints Mortgagee attorney-in-fact of Mortgagor, to execute, deliver and file such other financing statements and instruments for said purpose as Mortgagee may require. Furthermore, Mortgagor shall pay to Mortgagee on demand all costs and expenses incurred by Mortgagee in connection with preparation, execution, recording, filing and refiling of any such instrument or document.

27. Within five (5) days of a written demand of Mortgagee, Mortgagor, at its sole cost and without expense to Mortgagee, shall give, perform, execute, acknowledge and deliver each and every such further act, deed, conveyance, mortgage, assignment, notice of assignment, transfer and assurance, that Mortgagee may from time to time require to (a) correct, better assure, or confirm the property and rights hereby conveyed, transferred, assigned or mortgaged to Mortgagee, or intended to be so conveyed, transferred, assigned or mortgaged, or (b) convey, transfer, assign or mortgage to the Mortgagee the property and rights which Mortgagor may at any time be bound to convey, transfer, assign or mortgage to Mortgagee, or (c) carry out the intention or to facilitate the performance of the terms of this Mortgage.

28. Subject to the provisions of Paragraph 7 hereof, Mortgagee shall be entitled to the appointment without notice of a receiver in any action to foreclose this Mortgage. Such receiver shall be bound by the provisions hereof with respect to the application of any payments received in connection with the Secured Indebtedness.

29. Mortgagor represents that Mortgagor has read this Mortgage, received a completely filled in copy of it and has duly signed this Mortgage as of the date at the top of the first page.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be executed on its behalf by its duly authorized officer as of the date first above written.

SITE 1 DSA OWNER LLC

BY: _____
Scott Rabacs
Authorized Signatory

APPROVED AS TO FORM BY
NYC CORPORATION COUNSEL
UNTIL OCTOBER 31, 2016
By: /s/ Howard Friedman
Acting Corporation Counsel

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the 24 day of November in the year 2015 before me, the undersigned, a Notary Public in and for said State, personally appeared SCOTT RABACS, 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 on behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

E VICKY KRYONERIS
NOTARY PUBLIC, State of New York
No. 01KR6089084
Qualified in Nassau County
Commission Expires March 17, 2019

SCHEDULE A

The Property

All that certain plot, piece and parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, County, City and State of New York, designated on the Tax Map of the City of New York as of **September 17, 2015** as:

Block	Lot
409	56

SCHEDULE B

Condominium Unit	Indebtedness Allocation Amount
11 Affordable Units Total*	$1,100,000
* Per Affordable Unit	$100,000
Community Facility Unit	$20,328,000
Retail Unit 4	$10,472,000
TOTAL	$31,900,000

EXHIBIT A

SUBSTITUTE ENFORCEMENT MORTGAGE
Affordable Housing Unit

THIS SUBSTITUTE ENFORCEMENT MORTGAGE (this "**Mortgage**") is made on the _____ day of _____, 20___, by _____, an individual(s) residing at _____, _____, New York, New York 100__, his/her successors and assigns ("**Mortgagor**"), and **THE CITY OF NEW YORK**, a municipal corporation acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having an office at 100 Gold Street, New York, New York 10038 (the "**City**" or "**Mortgagee**").

1. Mortgagor's predecessor-in-interest **SITE 1 DSA OWNER LLC** ("**Site 1 DSA**") gave to Mortgagee a certain enforcement mortgage dated _____, 2015, securing a debt in the amount of _____ evidenced by a certain Enforcement Note of even date with said enforcement mortgage. Said enforcement mortgage was recorded against the real property described therein, of which the Property described herein is a part, on _____ in the Office of the City Register, County of New York (the "**City Register's Office**"), CRFN 20_____ (the "**Enforcement Mortgage**"). The Enforcement Mortgage was given to Mortgagee in accordance with a certain land disposition agreement dated _____, 2015 between New York City Economic Development Corporation ("**EDC**"), which was recorded on _____ in the City Register's Office, CRFN 20_____ (the "**LDA**"), a certain deed between Mortgagee and EDC dated _____, 2015 and recorded on _____ in the City Register's Office, CRFN 20_____ (the "**City Deed**"), and a certain deed between EDC and Site 1 DSA dated _____, 2015 and recorded on _____ in the City Register's Office, CRFN 20_____ (the "**EDC Deed**"). Mortgagor acquired the Property described below in accordance with the LDA and a certain Declaration of Affordable Housing Restrictive Covenants dated _____, 2015 and recorded against said Property and certain additional real property recorded on _____ in the City Register's Office, CRFN 20_____ (the "**Affordable Housing Declaration**"). This Mortgage secures the amount of **ONE HUNDRED THOUSAND DOLLARS ($100,000)** (the "**Secured Indebtedness**").. The Secured Indebtedness represents a portion of the land subsidy provided by Mortgagee that is payable according to and in the manner provided in the promissory note having the same date as this Mortgage, which promissory note was made by Mortgagor as maker to Mortgagee as payee (the "**Enforcement Note**"). Mortgagee has not provided any additional subsidy funds, including without limitation any conditional grant, whether secured or unsecured, to Mortgagor, besides the Secured Indebtedness. The Secured Indebtedness shall be due and payable in full on **[SIXTY YEARS AFTER THE DATE OF THIS SUBSTITUTE MORTGAGE]** (the "**Maturity Date**"), unless otherwise set forth herein or in the Enforcement Note.

2. Mortgagor is the owner of Condominium Unit ___ as described in that certain Declaration establishing the Essex Crossing Site One Condominium dated _____ and recorded in the City Register's Office at CRFN _____, and more particularly described on Schedule A attached hereto. Mortgagor hereby mortgages to Mortgagee all right, title and interest of Mortgagor in the Unit and the Unit's undivided interests in and to the following property (the "**Property**"):

   (a) The land and premises described in Schedule A hereof (the "**Land**");

(b) All buildings and improvements on the Land (the "**Buildings**");

(c) Together with all of Mortgagor's rights, title and interest in and to any land lying in the bed of the streets in front of and adjoining the Land to the center lines of such streets;

(d) Together with all fixtures and personal property which now are or which may be attached to or used or useful in connection with the Buildings;

(e) Together with (i) all insurance proceeds and (ii) condemnation awards for any taking by a government or agency of the whole or part of the Land or Buildings or any easement in connection therewith, including awards for changes of grades of streets;

(f) Together with all right, title and interest of Mortgagor in and to all leases and other agreements affecting the use or occupancy of the Land or Buildings now or hereafter entered into and the rents, issues and profits from the Land and Buildings.

3. Mortgagor and/or Mortgagor's successors and assigns shall, in accordance with the LDA and the Affordable Housing Declaration and for so long as it owns and occupies an Affordable Unit, (i) continuously occupy its Affordable Unit as Mortgagor's sole primary residence, (ii) reside and sleep in such Affordable Unit not less than two hundred seventy (270) days per year (if Mortgagor is on active military duty, each day spent away from the dwelling unit for active military duty shall be counted as a day spent in the Affordable Unit for the purpose of this requirement), (iii) not sublease the Affordable Unit, except as specifically authorized in the Affordable Housing Declaration, or permit the Affordable Unit to be used for transient occupancy or occupied by any person who is not an Eligible Buyer (defined in the Affordable Housing Declaration), (iv) identify the Affordable Unit as Mortgagor's sole address/residence on any tax return, voter registration, driver's license or other permit to operate a motor vehicle, and other document or application stating Mortgagor's address or residence, (v) not **[**own**][**acquire**]** or lease any other residential property in, or within a one hundred (100) mile radius of, New York City (and if Mortgagor acquires any such residential property through inheritance, Mortgagor shall sell such property within one year from the date that the estate transfers title to Mortgagor), and (vi) annually complete and submit to the Administering Agent an Owner Occupancy Certification set forth in Appendix II hereof. On the date hereof, Mortgagor executed an Owner Occupancy Affidavit in the form set forth in Appendix I hereof. The foregoing requirements are, collectively, the "**Owner Occupancy Requirements**".

On the Maturity Date of the Enforcement Note, the Secured Indebtedness shall be due and payable in accordance with the terms of the Enforcement Note; provided, however, that if Mortgagor has fully and continuously complied with all Owner Occupancy Requirements throughout the term of the Note and is not otherwise in default hereunder or under the Enforcement Note, then on the Maturity Date the Note shall be deemed paid in full. Notwithstanding the foregoing; Morttagor understands, agrees and represents to Mortgagee that nothing in the Enforcement Note or herein shall be construed to effect a termination of the Owner Occupancy Requirements and compliance by Mortgagor with the Affordable Housing Declaration by virtue of the Enforcement Note being paid or deemed

paid on the Maturity Date in accordance with its terms. Mortgagor understands, agrees and covenants that all Owner Occupancy Requirements and all covenants of the Affordable Housing Declaration are independent covenants that run with the land of the Property in perpetuity and therefore bind Mortgagor as well as all Mortgagor's successors in interest in and to the Property, in accordance with the LDA and the Affordable Housing Declaration recorded against the Property.

4. Except as provided otherwise in this Mortgage or the Enforcement Note, the Enforcement Note shall become due and payable to the extent of the Applicable Percentage of any Resale Profits or Refinancing Profits from the resale or refinancing of of the Property by Mortgagor.

For the purposes of this provision:

"**Applicable Percentage**" shall mean 10% for any resale or refinancing of the Property.

"**Resale Profits**" shall mean the amount by which the Total Consideration (as defined below) that Mortgagor receives on the transfer of the Property exceeds the original cash purchase price Mortgagor paid, in accordance with the Affordable Housing Declaration, when acquiring the Property, minus the following: the reasonable costs incurred by Mortgagor in purchasing the Property and the reasonable costs incurred by Mortgagor in selling the Property to a purchaser determined to be an "**Eligible Buyer**" and approved as such under the Affordable Housing Declaration, in each case, including reasonable attorney's fees and disbursements, reasonable brokerage fees, title search and title policy fees, reasonable processing fees of the lender, transfer and stamp taxes, usual and reasonable fees and expenses in connection with financing or satisfying a residential condominium unit loan, including, without limitation, credit report fees, legal fees, points, etc.

"**Refinancing Profits**" shall mean the amount by which the increased debt resulting from a new loan obtained by Mortgagor, for which Mortgagor has given a mortgage to the lender providing such new loan to Mortgagor, exceeds the amount paid by Mortgagor in purchasing the Property.

"**Total Consideration**" shall mean the cash and non-cash consideration that Mortgagor receives for the Property, including cash, real property and personal property.

The Secured Indebtedness shall become immediately due and payable if Mortgagor conveys the Property to any party other than an Eligible Buyer in accordance with the Affordable Housing Declaration, this Mortgage, the Enforcement Note and the Owner Occupancy Requirements. It shall be a default hereunder if Mortgagor, or the owner from whom Mortgagor purchased the Property, misrepresents to Mortgagee anything whatsoever relating to the Resale Profits, the Refinancing Profits, the Total Consideration of any resale or refinancing of the Property, or compliance with the Owner Occupancy Requirements.

5. The payment of the Enforcement Note shall remain the obligation of Mortgagor and each seller regardless of whether the consideration for the transfer shall be cash, purchase money mortgage or such other non-cash consideration.

6. INTENTIONALLY DELETED.

7. All terms and provisions of the Enforcement Note and this Mortgage shall be subject and subordinate to the lien of any permanent mortgage heretofore granted to an institutional lender or an FHA approved lender or any other mortgagee approved by Mortgagee (the "**Prior Mortgagee**") for the purpose of financing the purchase of the Property (the "**Prior Mortgage**") and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof. If any action or proceeding of foreclosure shall be instituted by the Prior Mortgagee, Mortgagor shall immediately upon service thereof, deliver to Mortgagee a true copy of each notice, petition, summons or papers howsoever designated, served in such action or proceeding or in any such action or proceeding. If any default occurs in the Prior Mortgage, including but not limited to, a default in the payment of principal or interest on the Prior Mortgage which remains unpaid beyond any applicable grace period, and should the Prior Mortgagee commence an action to foreclose the Prior Mortgage, then any unpaid portion of the Secured Indebtedness shall become due and payable at the option of Mortgagee, provided that if the Prior Mortgagee shall subsequently discontinue its action prior to obtaining judgment, then Mortgagee shall also discontinue any action to foreclose this mortgage where the action is based solely on such default in the Prior Mortgage, without prejudice to Mortgagee's right to again commence an action in foreclosure hereof based solely on such default in the Prior Mortgage if the Prior Mortgagee shall subsequently commence any other such action. Provided further, that, following any such default under the Prior Mortgage and the commencement of any such foreclosure action, if (a) the Property is sold to Eligible Buyer(s), and the Prior Mortgagee shall thereafter discontinue any foreclosure action or; (b) the Prior Mortgagee acquire the Property through a deed in lieu of foreclosure and shall sell the Property to Buyer(s); then such Buyer(s)may purchase the Property subject to the terms hereof, no default hereunder shall be deemed to have occurred and Mortgagee shall discontinue any action to foreclose this Mortgage. Nothing herein shall be deemed to limit in any way whatsoever Mortgagee's right to enforce this Mortgage or the Enforcement Note, including, but not limited to, Mortgagee's right to commence an action or proceeding to foreclose this mortgage based on a default or violation herein.

8. Mortgagor will keep the Property insured against loss by fire and other risks as required by the Prior Mortgagee, or as required by Mortgagee if there is no Prior Mortgage. Mortgagor shall also name Mortgagee as a loss payee, subordinate in payment to the Prior Mortgagee. Except to the extent required otherwise by the Prior Mortgagee, the proceeds of insurance shall be assigned to and be payable to Mortgagee and shall be applied to rebuilding unless Mortgagee determines rebuilding is infeasible, in which event the proceeds shall be distributed as follows: (i) to the Prior Mortgagee to the extent of its interest, (ii) to Mortgagor to the extent of Mortgagor's equity in the Property ("**Mortgagor's Equity**") which shall be equal to the initial cash down-payment paid by Mortgagor and aggregate amortization of principal paid by Mortgagor to the Prior Mortgagee; (iii) to Mortgagee up to the full amount of the Secured Indebtedness, (vi) to Mortgagor to the extent of the remaining balance.

9. Except to the extent required otherwise by the Prior Mortgagee, if any part of the Property is condemned for public use of any nature, any proceeds or award shall be assigned to and be payable to Mortgagee to be applied as follows: (i) to the Prior Mortgagee to the extent of its interest, (ii) to Mortgagor to the extent of Mortgagor's Equity, (iii) to Mortgagee up to the full amount of the Secured Indebtedness, (iv) to Mortgagor to the extent of the remaining balance.

10. The Unit and the Property may not be removed or demolished or structurally altered in any way without the prior written consent of Mortgagee.

11 Mortgagor will keep the Property in good repair.

12. Mortgagor warrants the title to the Property.

13. Mortgagor warrants and represents that Mortgagor (and the undersigned representatives of Mortgagor, if any) has full power, authority and legal right to execute and deliver this Mortgage and the Enforcement Note and to mortgage all right, title and interest of Mortgagor in and to the Property pursuant to the terms hereof and to keep and observe all of the terms, covenants and conditions of this Mortgage and the Enforcement Note on Mortgagor's part to be performed.

14. Mortgagor shall, during the term of this Mortgage, comply with the Owner Occupancy Requirements.

15. Upon any transfer of the fee title in and to the Property, the Secured Indebtedness shall be paid to the extent of any Resale Profits or Refinancing Profits and this Enforcement Mortgage shall be assigned to and assumed by any such transferee, pursuant to the terms and conditions contained in this Enforcement Mortgage and any such transferee/assignee must agree to comply with the Owner Occupancy Requirements in perpetuity in accordance with the Paragraph 3 hereof, the LDA and the Affordable Housing Declaration, and comply with all the terms, conditions and obligations contained in this Mortgage and the Enforcement Note.

16. The Secured Indebtedness shall, at the option of Mortgagee, become due on the happening of any default, including but not limited to any failure to comply with the Owner Occupancy Requirements, the Affordable Housing Declaration, or with any other provisions of this Mortgage, or event by which, under the terms of this Mortgage or the Enforcement Note, the Secured Indebtedness may or shall become due and payable.

17. The Secured Indebtedness secured hereby shall be without interest and shall not require the payment of installments, except as provided for by the terms of the Enforcement Note.

18. Unless Mortgagee has commenced a proceeding to foreclose this Mortgage prior to such date, this Mortgage shall be deemed of no further force and effect upon the repayment in full of the Secured Indebtedness and the satisfaction of the Enforcement Note. Mortgagee shall, on or after such date, upon written request by Mortgagor, execute a satisfaction or discharge of this Mortgage.

19. Mortgagor shall, within ten (10) days after request by Mortgagee and at Mortgagor's expense, furnish Mortgagee with a statement, duly acknowledged and certified, setting

forth the amount of the Secured Indebtedness and whether any offsets or defenses exist against the Secured Indebtedness.

20. Any notices, demands, certifications, requests, communications or the like required or permitted to be given under this Mortgage, unless otherwise specifically provided in this Mortgage, shall be in writing and shall be delivered personally or given by regular, certified, or registered mail, correct postage prepaid, to the addresses first set forth above, or such other addresses as the parties may for themselves designate in writing for the purpose of receiving Notices hereunder. Notices shall be deemed given when actually, personally delivered and receipted or when deposited with the post office registry clerk or an official U.S. post box.

21. The terms, covenants and conditions of this Mortgage shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of New York.

22. This Mortgage is subject to the terms, covenants and conditions of the Enforcement Note to the same extent and effect as if fully set forth herein.

23. This Mortgage may not be modified, amended, changed, discharged or terminated orally, but only by an agreement in writing signed by the party against whom the enforcement of the modification, amendment, change, discharge or termination is sought.

24. The words "**hereof**," "**herein**," "**hereunder**," "**hereto**," and other words of similar import refer to this Mortgage in its entirety. The terms "**agree**" and "**agreements**" mean and include "**covenant**" and "**covenants**." The words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation**." All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to any document other than this Mortgage are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (e) to Articles, Sections, paragraphs are to the respective Articles or Sections contained in this Mortgage unless expressly indicated otherwise, and (f) made to "**Mortgagor**" or "**Mortgagee**" shall be deemed to be made by or to each person or entity that comprises Mortgagor or Mortgagee, as the case may be, and shall include their respective heirs, executors, administrators, successors and assigns. If there are more than one Mortgagor each shall be separately liable.

25. This Mortgage is both a real property mortgage and a "**security agreement**" as defined in the Uniform Commercial Code. The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Mortgagor in the Property. Mortgagor shall, from time to time at the request of Mortgagee, execute, acknowledge and deliver any financing statement, renewal, affidavit, certificate, continuation statement or other instrument as Mortgagee may request in order to perfect, preserve, continue, extend or maintain the security interest under, and the priority of this Mortgage, and Mortgagee is hereby authorized to file financing statements under the Uniform Commercial Code without the signatures of the present or any future owner of the Property and Mortgagor hereby authorizes and irrevocably appoints Mortgagee attorney-in-fact of Mortgagor, to execute, deliver and file such other financing statements and instruments for said purpose as Mortgagee may require. Furthermore, Mortgagor shall pay to Mortgagee on demand all costs and expenses incurred by

Mortgagee in connection with preparation, execution, recording, filing and refiling of any such instrument or document.

26. Within five (5) days of a written demand of Mortgagee, Mortgagor, at its sole cost and without expense to Mortgagee, shall give, perform, execute, acknowledge and deliver each and every such further act, deed, conveyance, mortgage, assignment, notice of assignment, transfer and assurance, that Mortgagee may from time to time require to (a) correct, better assure, or confirm the property and rights hereby conveyed, transferred, assigned or mortgaged to Mortgagee, or intended to be so conveyed, transferred, assigned or mortgaged, or (b) convey, transfer, assign or mortgage to the Mortgagee the property and rights which Mortgagor may at any time be bound to convey, transfer, assign or mortgage to Mortgagee, or (c) carry out the intention or to facilitate the performance of the terms of this Mortgage.

27. Subject to the provisions of Paragraph 7 hereof, Mortgagee shall be entitled to the appointment without notice of a receiver in any action to foreclose this Mortgage. Such receiver shall be bound by the provisions hereof with respect to the application of any payments received in connection with the Secured Indebtedness.

28. This Mortgage may be executed in one or more duplicate originals bearing the same date.

29. Mortgagor represents that Mortgagor has read this Mortgage, received a completely filled in copy of it and has duly signed this Mortgage as of the date at the top of the first page.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be executed on its behalf by its duly authorized officer as of the date first above written.

MORTGAGOR

_____

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to 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 on behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE A

APPENDIX I

Owner Occupancy Affidavit

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

_____, being duly sworn, under penalty of perjury, deposes and says:

1. As of the date hereof, I am purchasing a condominium dwelling unit (the **"Home"**) in the building known by the street address _____ (the "**Property**").

2. I have never owned (or held shares in a cooperative corporation that owned) any other residential property that was developed or assisted through a local, state, or federal homeownership program.

3. I intend to occupy the Home as my primary residence.

4. In connection with my purchase of the Home, I signed legal documents in which I promised to continuously occupy the Home as my sole primary residence in perpetuity (the **"Owner Occupancy Requirements"**). Among other things, the Owner Occupancy Requirements:

   (i) require me to reside and sleep at the Home not less than 270 calendar days per year (unless I am on active military duty, in which case each night I spend away from the Home for this purpose will be counted as a night spent in the Home, or enter into an authorized sublease as described below),

   (ii) prohibit me from subleasing the Home for more than a cumulative total of 18 months in any 5 year period, prohibit me from subleasing the Home to anyone whose income exceeds a specified limit, limit the rent that I may charge for any sublease, and prohibit me from allowing the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the shares allocated to the Home,

   (iii) require me to indicate the Home as my sole address/residence on any tax return, voter registration, driver's license or other permit to operate a motor vehicle, and any other document or application stating my address or residence, and

   (iv) prohibit me from acquiring, owning or leasing any other residential property in, or within a 100 mile radius of, New York City (and require me to sell any such residential property that I acquire through inheritance within one year from the date that the estate transfers title to me).

5. I give this affidavit in order to induce the City of New York, acting by and through its Department of Housing Preservation and Development ("**HPD**") to permit my purchase of the Home [and provide certain subsidies benefitting the Property. I understand that

HPD is relying upon my representation that I will comply with the Owner Occupancy Requirements.

6. I understand that HPD may require me to provide an annual certification or affidavit regarding my compliance with the Owner Occupancy Requirements and that HPD may use any lawful means to investigate my compliance with the Owner Occupancy Requirements.

7. I understand that a misstatement or misrepresentation in this Affidavit may result in civil or criminal penalties and that any violation of the Owner Occupancy Requirements may result in legal action against me or the imposition of additional fees, charges, or special assessments in connection with the Apartment.

_____
Name:

Sworn to before me on
the ___ day of ___, 20__

_____
Notary Public

APPENDIX II

Owner Occupancy Certification

I, _____, certify, represent, and warrant the following to the Department of Housing Preservation and Development ("**HPD**") of the City of New York (the "**City**"):

1. I am the owner (the "**Owner**") of the condominium unit ____ in the building known by the street address _____ (the "**Home**").

2. I am bound by agreements with the City that require me to occupy the Home.

3. In the year preceding execution of this certification:

   a. The Home has been my sole primary residence, except as set forth in Section 3.b below.

   b. Check the applicable statement:

   __ I have not subleased the Home or permitted the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the Home.

   __ I have subleased the Home, but (i) I did so with the approval of the Administering Agent, (ii) the subtenant was an Eligible Buyer, as such term is defined in the Declaration of Affordable Housing Restrictive Covenants recorded against the Home (the "**Affordable Housing Declaration**"), (iii) the rent charged to the subtenant was less than or equal to the Monthly Housing Costs, as such term is defined in the Affordable Housing Declaration, and (iv) I have not subleased the Home for a cumulative total of more than 18 months out of the past five years.

   b. Check the applicable statement:

   __ I resided and slept in the Home not less than 270 days.

   __ I spent part or all of the year on active military duty and spent __ days away from the Home for this purpose. The total of the number of days that I spent away from the Home on active military duty and the number of days that I resided and slept in the Apartment is not less than 270 days.

   __ I resided and slept in the Home for approximately _____ days and subleased the Home for approximately _____ days.

   d. I have not permitted the Home to be used for transient occupancy or occupied by household that would not be eligible to purchase the Home.

   e. Any tax returns that I filed with any governmental entity identified the Home as my only address/residence.

f. If I am registered to vote, the Home is the only address/residence listed on my voter registration form.

g. If I have a driver's license or other permit to operate a motor vehicle, the Home is the only address/residence indicated on that license or permit.

h. If I filled out and/or filed any other document or application stating my address or residence, such document or application identified the Home as my only address/residence.

i. Check the applicable statement:

__ I have not acquired, owned or leased any other residential property in, or within a 100 mile radius of, New York City.

__ I acquired residential property in, or within a 100 mile radius of, New York City through inheritance and have sold or will sell such property within one year from the date that the estate transferred title to me. Aside from the property that I acquired through inheritance, I have not acquired, owned or leased any other residential property in, or within a 100 mile radius of, New York City.

4. I understand that this certification will be filed with, and become part of the official records of, the Department of Housing Preservation and Development of the City of New York.

_____ _____

Owner Date

EXHIBIT B

SUBSTITUTE ENFORCEMENT MORTGAGE
Community Facility Unit

THIS SUBSTITUTE ENFORCEMENT MORTGAGE (this "**Mortgage**") is made on the _____ day of _____, 20___, by **SITE 1 CF UNIT OWNER LLC, a New York _____ having an office at** _____ (together with all successors and assigns, "**Mortgagor**"), in favor of **THE CITY OF NEW YORK**, a municipal corporation acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having an office at 100 Gold Street, New York, New York 10038 (the "**City**" or "**Mortgagee**").

1. Mortgagor's predecessor-in-interest **SITE 1 DSA OWNER LLC** ("**Site 1 DSA**") gave to Mortgagee a certain enforcement mortgage dated _____, 2015, securing a debt in the amount of _____ evidenced by a certain Enforcement Note of even date with said enforcement mortgage. Said enforcement mortgage was recorded against the real property described therein, of which the Property described herein is a part, on _____ in the Office of the City Register, County of New York (the "**City Register's Office**"), CRFN 20_____ (the "**Enforcement Mortgage**"). The Enforcement Mortgage was given to Mortgagee in accordance with a certain land disposition agreement dated _____, 2015 between New York City Economic Development Corporation ("**EDC**"), which was recorded on _____ in the City Register's Office, CRFN 20_____ (the "**LDA**"), a certain deed between Mortgagee and EDC dated _____, 2015 and recorded on _____ in the City Register's Office, CRFN 20_____ (the "**City Deed**"), and a certain deed between EDC and Site 1 DSA dated _____, 2015 and recorded on _____ in the City Register's Office, CRFN 20_____ (the "**EDC Deed**"). This Mortgage secures the amount of **TWENTY MILLION THREE HUNDRED TWENTY-EIGHT THOUSAND DOLLARS ($20,328,000)** (the "**Secured Indebtedness**"). The Secured Indebtedness represents funds provided by the City of New York payable according to and in the manner provided in the promissory note having the same date as this Mortgage, made by Mortgagor as maker to Mortgagee as payee (the "**Enforcement Note**"). The Secured Indebtedness shall be due and payable in full on **[FORTY YEARS AFTER THE DATE OF THIS SUBSTITUTE MORTGAGE]** (the "**Maturity Date**"), unless otherwise set forth herein or in the Enforcement Note.

2. Mortgagor is the owner of Condominium Unit ___ as described in that certain Declaration establishing the Essex Crossing Site One Condominium dated _____ and recorded in the City Register's Office at CRFN _____, and more particularly described on Schedule A attached hereto (the "**Unit**"). Mortgagor hereby mortgages to Mortgagee all right, title and interest of Mortgagor in the Unit and the Unit's undivided interests in and to the following property (the "**Property**"):

   (a) The land and premises described in Schedule A hereof (the "**Land**");

   (b) All buildings and improvements on the Land (the "**Buildings**");

(c) Together with all of Mortgagor's rights, title and interest in and to any land lying in the bed of the streets in front of and adjoining the Land to the center lines of such streets;

(d) Together with all fixtures and personal property which now are or which may be attached to or used or useful in connection with the Buildings;

(e) Together with (i) all insurance proceeds and (ii) condemnation awards for any taking by a government or agency of the whole or part of the Land or Buildings or any easement in connection therewith, including awards for changes of grades of streets;

(f) Together with all right, title and interest of Mortgagor in and to all leases and other agreements affecting the use or occupancy of the Land or Buildings now or hereafter entered into and the rents, issues and profits from the Land and Buildings.

3. Mortgagor shall observe and comply with the following use requirements of the Property, in accordance with the LDA and a certain Operating Agreement dated _____, 2015 between EDC and Site 1 DSA (the "**Operating Agreement**"):

(a) for a period of twenty (20) years commencing on the date of this Mortgage, the Property shall be devoted to and used as a cultural facility (the "**Cultural Use Period**").

(b) from the expiration of the Cultural Use Period (i.e., beginning on the first day following the twentieth (20th) anniversary of the date of this Note), the Property shall be devoted to and used in perpetuity as a community facility (the "**Community Facility Use Period**").

The Cultural Use Period and the Community Facility Use Periods are, collectively, the "**Use Requirements**". Upon Mortgagor's receipt of any approvals and consents given by EDC regarding the uses of the Property, Mortgagor shall promptly forward to Mortgagee copies of all such approvals and consents. Any use of the Property other than as set forth in this Paragraph 3 shall constitute a default (after notice and beyond applicable grace or cure periods) hereunder.

On the Maturity Date, the Secured Indebtedness shall be due and payable in accordance with the terms of the Enforcement Note; provided, however, that if Mortgagor has fully and continuously complied with all Use Requirements throughout the term of the Enforcement Note and is not otherwise in default thereunder on its Maturity Date, the Enforcement Note shall be deemed paid in full at such time. Notwithstanding the foregoing; Mortgagor understands, agrees and represents to Mortgagee that nothing the Enforcement Note or herein shall be construed to effect a termination of the Use Requirements and compliance by Mortgagor with the LDA and the Operating Agreement by virtue of the Enforcement Note being paid or deemed paid on its Maturity Date in accordance with its terms. Mortgagor understands, agrees and covenants that all Use Requirements and all covenants in the LDA regarding the use of the Property are independent covenants that run with the land of the Property in perpetuity and therefore bind Mortgagor as well as all Mortgagor's successors in interest in and to the Property.

4. All terms and provisions of the Enforcement Note and this Mortgage shall be subject and subordinate to the lien of any permanent mortgage heretofore granted to an institutional lender or an FHA approved lender or any other mortgagee approved by Mortgagee (the "**Prior Mortgagee**") for the purpose of financing the purchase or construction of the improvements of the Property (the "**Prior Mortgage**") and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof. If any action or proceeding of foreclosure shall be instituted by the Prior Mortgagee, Mortgagor shall immediately upon service thereof, deliver to Mortgagee a true copy of each notice, petition, summons or papers howsoever designated, served in such action or proceeding or in any such action or proceeding. If any default occurs in the Prior Mortgage, including but not limited to, a default in the payment of principal or interest on the Prior Mortgage which remains unpaid beyond any applicable grace period, and should Prior Mortgagee commence an action to foreclose the Prior Mortgage, then any unpaid portion of the Secured Indebtedness shall become due and payable at the option of Mortgagee, provided that if the Prior Mortgagee shall subsequently discontinue its action prior to obtaining judgment, then Mortgagee shall also discontinue any action to foreclose this mortgage where the action is based solely on such default in the Prior Mortgage, without prejudice to Mortgagee's right to again commence an action in foreclosure hereof based solely on such default in the Prior Mortgage if the Prior Mortgagee shall subsequently commence any other such action. Provided further, that, following any such default under the Prior Mortgage and the commencement of any such foreclosure action, if (a) the Property is sold to purchaser(s) agreeing to comply with all provisions contained herein ("**Eligible Purchaser(s)**"), and the Prior Mortgagee shall thereafter discontinue any foreclosure action or; (b) the Prior Mortgagee acquires the Property through a deed in lieu of foreclosure and shall sell the Property to Eligible Purchaser(s), no default hereunder shall be deemed to have occurred and Mortgagee shall discontinue any action to foreclose this Mortgage. Nothing herein shall be deemed to limit in any way whatsoever Mortgagee's right to enforce this Mortgage or the Enforcement Note, including, but not limited to, Mortgagee's right to commence an action or proceeding to foreclose this mortgage based on a default or violation herein.

5. Mortgagor will keep the Property insured against loss by fire and other risks as required by the Prior Mortgagee, or as required by Mortgagee if there is no Prior Mortgage. Mortgagor shall also name Mortgagee as a loss payee, subordinate in payment to the Prior Mortgagee. Except to the extent required otherwise by the Prior Mortgagee, the proceeds of insurance shall be assigned to and be payable to Mortgagee and shall be applied to rebuilding unless Mortgagee determines rebuilding is infeasible, in which event the proceeds shall be distributed as follows: (i) to the Prior Mortgagee to the extent of its interest, (ii) to Mortgagor to the extent of Mortgagor's equity in the Property ("**Mortgagor's Equity**") which shall be equal to the amount of equity advanced by Mortgagor or Site 1 DSA for the construction and operation of the Property and aggregate amortization of principal paid by Mortgagor to the Prior Mortgagee; (iii) to Mortgagee up to the full amount of the Secured Indebtedness, (vi) to Mortgagor to the extent of the remaining balance.

6. Except to the extent required otherwise by the Prior Mortgagee, if any part of the Property is condemned for public use of any nature, any proceeds or award shall be assigned to and be payable to Mortgagee to be applied as follows: (i) to the Prior Mortgagee to the extent of its interest, (ii) to Mortgagor to the extent of Mortgagor's Equity as defined in paragraph 5, (iii) to Mortgagee up to the full amount of the Secured Indebtedness, (iv) to Mortgagor to the extent of the remaining balance.

7. The Unit and the Property may not be removed or demolished or structurally altered in any way without the prior written consent of Mortgagee.

8. Mortgagor will keep the Property in good repair.

9. Mortgagor warrants the title to the Property.

10. Mortgagor warrants and represents that Mortgagor (and the undersigned representatives of Mortgagor, if any) has full power, authority and legal right to execute and deliver this Mortgage and the Enforcement Note and to mortgage all right, title and interest of Mortgagor in and to the Property pursuant to the terms hereof and to keep and observe all of the terms, covenants and conditions of this Mortgage and the Enforcement Note on Mortgagor's part to be performed.

11. The Secured Indebtedness shall become due and payable if the Property is used for any other purpose other than the community facility uses specified herein without the prior written consent of Mortgagee.

12. Upon any transfer of the Property, this Mortgage must be either discharged or assigned to and assumed by the transferee, pursuant to the terms of this Mortgage and the Enforcement Note. In the event of such an assignment and assumption, such transferee/assignee must comply with the terms hereof during the remaining term of this Mortgage and comply with all of the terms, conditions and obligations contained in this Mortgage and in the Enforcement Note.

13. The whole of the Secured Indebtedness shall immediately become due and payable at the option of Mortgagee upon any default in payment pursuant to this Mortgage, and/or the Enforcement Note, and/or upon any default in the covenants of Mortgagor set forth in this Mortgage or in the absence of the assignment and assumption provided for in Paragraph 12 hereof, upon the date this Mortgage become due and payable.

14. The Secured Indebtedness secured hereby shall be a standing obligation which shall be without interest and shall not require the payment of installments, except as provided for by the terms of the Enforcement Note.

15. Unless Mortgagee has commenced a proceeding to foreclose this Mortgage prior to such date, this Mortgage shall be deemed of no further force and effect upon the repayment in full of the Secured Indebtedness and the satisfaction of the Enforcement Note. Mortgagee shall, on or after such date, upon written request by Mortgagor, execute a satisfaction or discharge of this Mortgage.

16. Mortgagor shall, within ten (10) days after request by Mortgagee and at Mortgagor's expense, furnish Mortgagee with a statement, duly acknowledged and certified, setting forth the amount of the Secured Indebtedness and whether any offsets or defenses exist against the Secured Indebtedness.

17. Any notices, demands, certifications, requests, communications or the like required or permitted to be given under this Mortgage, unless otherwise specifically provided in this Mortgage, shall be in writing and shall be delivered personally or given by regular, certified, or registered mail, correct postage prepaid, to the addresses first set forth above, or such

other addresses as the parties may for themselves designate in writing for the purpose of receiving Notices hereunder. Notices shall be deemed given when actually, personally delivered and receipted or when deposited with the post office registry clerk or an official U.S. post box.

18. The terms, covenants and conditions of this Mortgage shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of New York.

19. This Mortgage is subject to the terms, covenants and conditions of the Enforcement Note to the same extent and effect as if fully set forth herein.

20. This Mortgage may not be modified, amended, changed, discharged or terminated orally, but only by an agreement in writing signed by the party against whom the enforcement of the modification, amendment, change, discharge or termination is sought.

21. The words "**Mortgagor**" and "**Mortgagee**" shall include its successors and assigns. If there are more than one Mortgagor or Mortgagee the words "**Mortgagor**" and "**Mortgagee**" used in this Mortgage shall be read as if written in the plural.

22. Subject to the provisions of Paragraph 4 hereof, Mortgagee shall be entitled to the appointment without notice of a receiver in any action to foreclose this Mortgage. Such receiver shall be bound by the provisions hereof with respect to the application of any payments received in connection with the Secured Indebtedness.

23. This Mortgage may be executed in one or more duplicate originals bearing the same date.

24. Mortgagor states that Mortgagor has read this Mortgage, received a completely filled in copy of it and has duly signed this Mortgage as of the date at the top of the first page.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be executed on its behalf by its duly authorized officer as of the date first above written.

SITE 1 CF UNIT OWNER LLC

_____

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to 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 on behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE A

EXHIBIT C

SUBSTITUTE ENFORCEMENT MORTGAGE
Retail Unit 4

THIS SUBSTITUTE ENFORCEMENT MORTGAGE (this "**Mortgage**") is made on the _____ day of _____, 20___, by **SITE 1 RETAIL UNIT 4 LLC,** a Delaware limited liability company having an office at c/o Taconic Investment Partners LLC, 111 Eighth Avenue, Suite 1500, New York, New York 10011 (together with all successors and assigns, "**Mortgagor**"), in favor of **THE CITY OF NEW YORK**, a municipal corporation acting by and through its **DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT**, having an office at 100 Gold Street, New York, New York 10038 (the "**City**" or "**Mortgagee**").

1. Mortgagor's predecessor-in-interest **SITE 1 DSA OWNER LLC** ("**Site 1 DSA**") gave to Mortgagee a certain enforcement mortgage dated _____, 2015, securing a debt in the amount of _____ evidenced by a certain Enforcement Note of even date with said enforcement mortgage. Said enforcement mortgage was recorded against the real property described therein, of which the Property described herein is a part, on _____ in the Office of the City Register, County of New York (the "**City Register's Office**"), CRFN 20_____ (the "**Enforcement Mortgage**"). The Enforcement Mortgage was given to Mortgagee in accordance with a certain land disposition agreement dated _____, 2015 between New York City Economic Development Corporation ("**EDC**"), which was recorded on _____ in the City Register's Office, CRFN 20_____ (the "**LDA**"), a certain deed between Mortgagee and EDC dated _____, 2015 and recorded on _____ in the City Register's Office, CRFN 20_____ (the "**City Deed**"), and a certain deed between EDC and Site 1 DSA dated _____, 2015 and recorded on _____ in the City Register's Office, CRFN 20_____ (the "**EDC Deed**"). This Mortgage secures the amount of **TEN MILLION FOUR HUNDRED SEVENTY-TWO THOUSAND DOLLARS ($10,472,000)** (the "**Secured Indebtedness**"). The Secured Indebtedness represents funds provided by the City of New York payable according to and in the manner provided in the promissory note having the same date as this Mortgage, made by Mortgagor as maker to Mortgagee as payee (the "**Enforcement Note**"). The Secured Indebtedness shall be due and payable in full on **[TWENTY YEARS AFTER THE DATE OF THIS SUBSTITUTE MORTGAGE]** (the "**Maturity Date**"), unless otherwise set forth herein or in the Enforcement Note.

2. Mortgagor is the owner of Condominium Unit ___ as described in that certain Declaration establishing the Essex Crossing Site One Condominium dated _____ and recorded in the City Register's office at CRFN _____, located at _____, _____, New York (the "**Unit**"). Mortgagor hereby mortgages to Mortgagee all right, title and interest of Mortgagor in the Unit and the Unit's undivided interests in and to the following property (the "**Property**"):

   (a) The land and premises described in Schedule A hereof (the "**Land**");

   (b) All buildings and improvements on the Land (the "**Buildings**");

   (c) Together with all of Mortgagor's rights, title and interest in and to any land lying in the bed of the streets in front of and adjoining the Land to the center lines of such streets;

(d) Together with all fixtures and personal property which now are or which may be attached to or used or useful in connection with the Buildings;

(e) Together with (i) all insurance proceeds and (ii) condemnation awards for any taking by a government or agency of the whole or part of the Land or Buildings or any easement in connection therewith, including awards for changes of grades of streets;

(f) Together with all right, title and interest of Mortgagor in and to all leases and other agreements affecting the use or occupancy of the Land or Buildings now or hereafter entered into and the rents, issues and profits from the Land and Buildings.

3. Mortgagor shall devote the use of the Property solely to family entertainment use, used as such for no less than fifteen (15) years commencing on the date hereof, and after such 15-year period, devoted in perpetuity to a commercial use in accordance with the terms and conditions of the LDA and a certain Operating Agreement dated _____, 2015 between EDC and Site 1 DSA (the "**Operating Agreement**"). Upon Mortgagor's receipt of any approvals and consents given by EDC regarding the uses of the Property, Mortgagor shall promptly forward to Mortgagee copies of all such approvals and consents. Any use of the Property other than as set forth in this Paragraph 3 shall constitute a default (after notice and beyond applicable grace or cure periods) hereunder.

On the Maturity Date, the Secured Indebtedness shall be due and payable in accordance with the terms of the Enforcement Note; provided, however, that if Mortgagor has fully and continuously complied with all Use Requirements throughout the term of the Enforcement Note and is not otherwise in default thereunder on the Maturity Date, the Enforcement Note shall be deemed paid in full at such time. Notwithstanding the foregoing; Mortgagor understands, agrees and represents to Mortgagee that nothing in the Enforcement Note or herein shall be construed to effect a termination of the Use Requirements and compliance by Mortgagor with the LDA and the Operating Agreement by virtue of the Enforcement Note being paid or deemed paid on its Maturity Date in accordance with its terms. Mortgagor understands, agrees and covenants that all Use Requirements and all covenants in the LDA regarding the use of the Property are independent covenants that run with the land of the Property in perpetuity and therefore bind Mortgagor as well as all Mortgagor's successors in interest in and to the Property.

4. All terms and provisions of the Enforcement Note and this Mortgage shall be subject and subordinate to the lien of any permanent mortgage heretofore granted to an institutional lender or an FHA approved lender or any other mortgagee approved by Mortgagee (the "**Prior Mortgagee**") for the purpose of financing the purchase or construction of the improvements of the Property (the "**Prior Mortgage**") and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof. If any action or proceeding of foreclosure shall be instituted by the Prior Mortgagee, Mortgagor shall immediately upon service thereof, deliver to Mortgagee a true copy of each notice, petition, summons or papers howsoever designated, served in such action or proceeding or in any such action or proceeding. If any default occurs in the Prior Mortgage, including but not limited to, a default in the payment of principal or interest on the Prior Mortgage which remains unpaid beyond any applicable grace period, and should Prior

Mortgagee commence an action to foreclose the Prior Mortgage, then any unpaid portion of the Secured Indebtedness shall become due and payable at the option of Mortgagee, provided that if the Prior Mortgagee shall subsequently discontinue its action prior to obtaining judgment, then Mortgagee shall also discontinue any action to foreclose this mortgage where the action is based solely on such default in the Prior Mortgage, without prejudice to Mortgagee's right to again commence an action in foreclosure hereof based solely on such default in the Prior Mortgage if the Prior Mortgagee shall subsequently commence any other such action. Provided further, that, following any such default under the Prior Mortgage and the commencement of any such foreclosure action, if (a) the Property is sold to a purchaser(s) agreeing to comply with all provisions contained herein ("**Eligible Purchasers**"), and the Prior Mortgagee shall thereafter discontinue any foreclosure action or; (b) the Prior Mortgagee acquire the Property through a deed in lieu of foreclosure and shall sell the Property to Eligible Purchaser(s); then such Eligible Purchaser(s) may purchase the Property subject to the terms hereof, no default hereunder shall be deemed to have occurred and Mortgagee shall discontinue any action to foreclose this Mortgage. Nothing herein shall be deemed to limit in any way whatsoever Mortgagee's right to enforce this Mortgage or the Enforcement Note, including, but not limited to, Mortgagee's right to commence an action or proceeding to foreclose this mortgage based on a default or violation herein.

5. Mortgagor will keep the Property insured against loss by fire and other risks as required by the Prior Mortgagee, or as required by Mortgagee if there is no Prior Mortgage. Mortgagor shall also name Mortgagee as a loss payee, subordinate in payment to the Prior Mortgagee. Except to the extent required otherwise by the Prior Mortgagee, the proceeds of insurance shall be assigned to and be payable to Mortgagee and shall be applied to rebuilding unless Mortgagee determines rebuilding is infeasible, in which event the proceeds shall be distributed as follows: (i) to the Prior Mortgagee to the extent of its interest, (ii) to Mortgagor to the extent of Mortgagor's equity in the Property ("**Mortgagor's Equity**") which shall be equal to the amount of equity advanced by Mortgagor or Site 1 DSA for the construction and operation of the Property and aggregate amortization of principal paid by Mortgagor to the Prior Mortgagee; (iii) to Mortgagee up to the full amount of the Secured Indebtedness, (vi) to Mortgagor to the extent of the remaining balance.

6. Except to the extent required otherwise by the Prior Mortgagee, if any part of the Property is condemned for public use of any nature, any proceeds or award shall be assigned to and be payable to Mortgagee to be applied as follows: (i) to the Prior Mortgagee to the extent of its interest, (ii) to Mortgagor to the extent of Mortgagor's Equity as defined in paragraph 5, (iii) to Mortgagee up to the full amount of the Secured Indebtedness, (iv) to Mortgagor to the extent of the remaining balance.

7. The Property may not be removed or demolished or structurally altered in any way without the prior written consent of Mortgagee.

8. Mortgagor will keep the Property in good repair.

9. Mortgagor warrants the title to the Property.

10. Mortgagor warrants and represents that Mortgagor (and the undersigned representatives of Mortgagor, if any) has full power, authority and legal right to execute and deliver this Mortgage and the Enforcement Note and to mortgage all right, title and interest of Mortgagor in and to the Property pursuant to the terms hereof and to keep and observe all

of the terms, covenants and conditions of this Mortgage and the Enforcement Note on Mortgagor's part to be performed.

11. The Secured Indebtedness shall become due and payable if the Property is used for any other purpose other than the commercial use specified herein without the prior written consent of Mortgagee.

12. Upon any transfer of the Property, this Mortgage must be either discharged or assigned to and assumed by the transferee, pursuant to the terms of this Mortgage and the Enforcement Note. In the event of such an assignment and assumption, such transferee/assignee must comply with the terms hereof during the remaining term of this Mortgage and comply with all of the terms, conditions and obligations contained in this Mortgage and in the Enforcement Note.

13. The whole of the Secured Indebtedness shall immediately become due and payable at the option of Mortgagee upon any default in payment pursuant to this Mortgage, and/or the Enforcement Note, and/or upon any default in the covenants of Mortgagor set forth in this Mortgage or in the absence of the assignment and assumption provided for in Paragraph 12 hereof, upon the date this Mortgage become due and payable.

14. The Secured Indebtedness secured hereby shall be a standing obligation which shall be without interest and shall not require the payment of installments, except as provided for by the terms of the Enforcement Note.

15. Unless Mortgagee has commenced a proceeding to foreclose this Mortgage prior to such date, this Mortgage shall be deemed of no further force and effect upon either: (i) the repayment in full of the Secured Indebtedness and the satisfaction of the Enforcement Note; or (ii) the termination of the Use Requirements. Mortgagee shall, on or after such date, upon written request by Mortgagor, execute a satisfaction or discharge of this Mortgage.

16. Mortgagor shall, within ten (10) days after request by Mortgagee and at Mortgagor's expense, furnish Mortgagee with a statement, duly acknowledged and certified, setting forth the amount of the Secured Indebtedness and whether any offsets or defenses exist against the Secured Indebtedness.

17. Any notices, demands, certifications, requests, communications or the like required or permitted to be given under this Mortgage, unless otherwise specifically provided in this Mortgage, shall be in writing and shall be delivered personally or given by regular, certified, or registered mail, correct postage prepaid, to the addresses first set forth above, or such other addresses as the parties may for themselves designate in writing for the purpose of receiving Notices hereunder. Notices shall be deemed given when actually, personally delivered and receipted or when deposited with the post office registry clerk or an official U.S. post box.

18. The terms, covenants and conditions of this Mortgage shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of New York.

19. This Mortgage is subject to the terms, covenants and conditions of the Enforcement Note to the same extent and effect as if fully set forth herein.

20. This Mortgage may not be modified, amended, changed, discharged or terminated orally, but only by an agreement in writing signed by the party against whom the enforcement of the modification, amendment, change, discharge or termination is sought.

21. The words "**hereof**," "**herein**," "**hereunder**," "**hereto**," and other words of similar import refer to this Mortgage in its entirety. The terms "**agree**" and "**agreements**" mean and include "**covenant**" and "**covenants**." The words "**include**" and "**including**" shall be interpreted as if followed by the words "**without limitation**." All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to any document other than this Mortgage are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (e) to Articles, Sections, paragraphs are to the respective Articles or Sections contained in this Mortgage unless expressly indicated otherwise, and (f) made to "**Mortgagor**" or "**Mortgagee**" shall be deemed to be made by or to each person or entity that comprises Mortgagor or Mortgagee, as the case may be, and shall include their respective heirs, executors, administrators, successors and assigns. If there are more than one Mortgagor each shall be separately liable.

22. This Mortgage is both a real property mortgage and a "**security agreement**" as defined in the Uniform Commercial Code. The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Mortgagor in the Property. Mortgagor shall, from time to time at the request of Mortgagee, execute, acknowledge and deliver any financing statement, renewal, affidavit, certificate, continuation statement or other instrument as Mortgagee may request in order to perfect, preserve, continue, extend or maintain the security interest under, and the priority of this Mortgage, and Mortgagee is hereby authorized to file financing statements under the Uniform Commercial Code without the signatures of the present or any future owner of the Property and Mortgagor hereby authorizes and irrevocably appoints Mortgagee attorney-in-fact of Mortgagor, to execute, deliver and file such other financing statements and instruments for said purpose as Mortgagee may require. Furthermore, Mortgagor shall pay to Mortgagee on demand all costs and expenses incurred by Mortgagee in connection with preparation, execution, recording, filing and refiling of any such instrument or document.

23. Within five (5) days of a written demand of Mortgagee, Mortgagor, at its sole cost and without expense to Mortgagee, shall give, perform, execute, acknowledge and deliver each and every such further act, deed, conveyance, mortgage, assignment, notice of assignment, transfer and assurance, that Mortgagee may from time to time require to (a) correct, better assure, or confirm the property and rights hereby conveyed, transferred, assigned or mortgaged to Mortgagee, or intended to be so conveyed, transferred, assigned or mortgaged, or (b) convey, transfer, assign or mortgage to the Mortgagee the property and rights which Mortgagor may at any time be bound to convey, transfer, assign or mortgage to Mortgagee, or (c) carry out the intention or to facilitate the performance of the terms of this Mortgage.

24. Subject to the provisions of Paragraph 4 hereof, Mortgagee shall be entitled to the appointment without notice of a receiver in any action to foreclose this Mortgage. Such receiver shall be bound by the provisions hereof with respect to the application of any payments received in connection with the Secured Indebtedness.

25. This Mortgage may be executed in one or more duplicate originals bearing the same date.

26. Mortgagor represents that Mortgagor has read this Mortgage, received a completely filled in copy of it and has duly signed this Mortgage as of the date at the top of the first page.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be executed on its behalf by its duly authorized officer as of the date first above written.

MORTGAGOR

_____

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to 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 on behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

Schedule A