CONDOMINIUM OFFERING PLAN

176 EAST 82ND STREET CONDOMINIUM

176 EAST 82ND STREET A/K/A 1444 THIRD AVENUE
NEW YORK, NEW YORK 10028

Nine (9) Residential Units	$	54,125,000
Nine (9) Storage Spaces	$	922,000
One (1) Commercial Unit		(Not Offered)
Total Amount of Offering	$	55,047,000

SPONSOR:

DRK Third Avenue LLC
c/o Nexus Building Development Group Inc.
41 Wooster Street, #2
New York, NY 10013

SELLING AGENT:

CORE Group Marketing LLC
104 Fifth Avenue, 17th Floor
New York, NY 10011

Date of first offering under this Plan is May ____, 2017
This Plan may not be used after May ___, 2018 unless extended by an amendment hereto.

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 PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING WITH THE DEPARTMENT OR ANY OTHER GOVERNMENTAL AGENCY DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENTAL AGENCY HAS APPROVED THIS OFFERING.

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

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

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SPECIAL RISKS

1. Sponsor Working Capital Fund. Sponsor has elected to contribute an additional working capital fund to the Condominium in the amount of $900,000.00 (the "Sponsor Working Capital Fund"). The Sponsor Working Capital Fund is in addition to the Working Capital Fund that will be raised from contributions of Purchasers described in Special Risk 18 below.

(a) Partial Abatement of Common Charges.

Sponsor intends that the Sponsor Working Capital Fund be used to abate a portion of the Common Charges payable by the Residential Unit Owners (inclusive of Residential Units owned by Sponsor for so long as Sponsor owns the same) during each of the first seven (7) years of Condominium Operation. In no event shall the Commercial Unit Owner be entitled to apply any portion of the Sponsor Working Capital Fund to reduce the Common Charges payable by the Commercial Unit Owner.

To abate a portion of the Common Charges that would otherwise be payable by the Residential Unit Owners during the First Year of Condominium Operation, or, if the collection of Common Charges is deferred as provided herein (see Special Risk No.31), the first twelve month period during which the Board is collecting Common Charges from the Unit Owners, Sponsor will contribute to the Sponsor Working Capital Fund the sum of $234,000; for the second year: $198,000; for the third year: $162,000; for the fourth year: $126,000; for the fifth year: $90,000; for the sixth year: $54,000; and for the seventh year: $36,000 (each a "Scheduled Common Charge Contribution" and, collectively, the "Scheduled Common Charge Contributions"). Each Scheduled Common Charge Contribution shall reduce, in part, the Common Charges that would otherwise be payable by each of the Residential Unit Owners (inclusive of Units owned by Sponsor) more particularly set forth on Schedule A-1 herein.

As stated above, the Scheduled Common Charge Contribution to be applied to the Common Charges will decrease each year. Accordingly, Purchasers are advised that the Common Charges will increase each year by a concomitant amount representing the reduced amount of the Scheduled Common Charge Contribution for each of the first seven (7) years. In addition, Residential Unit Owners will also be responsible for any increases in Common Charges adopted by the Board of Managers by reason of increases in the operating expenses of the Condominium, which occur in the ordinary course. In the event that Sponsor elects to defer the imposition of Common Charges, any such deferral *will not reduce* Sponsor's obligation to fund the Scheduled Common Charge Contribution, as provided herein. The Scheduled Common Charge Contribution for the First Year will be applied to reduce the Common Charges payable commencing in the first month during which Common Charges are collected.

(b) Funding of the Scheduled Common Charge Contribution.

The Sponsor Working Capital Fund Contribution will be funded for the periods during which Sponsor continues to own Residential Units by Sponsor (i) making contributions to the Sponsor Working Capital Fund attributable to Residential Units sold pursuant to this Plan at

the closing of each Residential Unit using the sales proceeds received from such Purchaser and (ii) once Common Charges become due and payable, by Sponsor paying the entire amount of the Common Charges, as if there were no Sponsor Working Capital Fund, for each of the Residential Units which it owns, as if there were no Scheduled Common Charge Contribution (unless Sponsor has previously contributed the entire Scheduled Common Charge Contribution for such operating year). Accordingly, for Residential Units that are conveyed subsequent to the month in which Common Charges initially become due and payable (as discussed below) at such Residential Unit Closing, from the closing proceeds, Sponsor shall deposit an amount equal to the Scheduled Common Charge Contribution that is attributable to the subject Unit for the remaining portion of the First Year of Condominium Operation, or, if Sponsor has not previously contributed the entire Scheduled Common Charge Contribution for such operating year, any subsequent year through year seven (as set forth on Schedule A-1 herein). For example, if the Sponsor Working Capital Fund Contribution for the subject Residential Unit for the First Year of Condominium Operation is $20,000 and Purchaser closes three (3) months after the commencement of the imposition of Common Charges, at such closing, Sponsor will deposit the sum of $15,000 into the segregated account set up for the Sponsor Working Capital Fund. The balance of the Sponsor Working Capital Fund Contribution for the subject Residential Unit, *i.e.* $5,000 attributable to the three (3) month period during which Sponsor owned the subject Unit having been received by the Condominium by Sponsor's payment of the entire amount of the Common Charges for the three (3) months of the operating year which elapsed prior to the Closing of such Residential Unit.

Furthermore, notwithstanding any custom to the contrary, at each such Unit Closing where Sponsor has paid the Common Charge for the months prior to the month in which the Closing occurs, the Common Charges shall be adjusted based upon the reduced Common Charges payable by Purchasers, after application of the Scheduled Common Charge Contribution, as set forth on Schedule A-1 herein.

All amounts paid by Sponsor on account of the Sponsor Working Capital Fund Contribution will be deposited in a segregated account in the name of the Condominium entitled the "Special Working Capital Account". Until all Residential Units are sold or Sponsor elects to deposit the balance of the Scheduled Common Charge Contribution, Sponsor will pay entire amount of the Common Charges for the Units owned by Sponsor in the amounts set forth on Schedule A, without the application of the Scheduled Common Charge Contribution. The Board of Managers shall use the funds deposited in the Special Working Capital Account so that the Purchasers will receive an abatement of their Common Charges in the amounts set forth in Schedule A-1 herein.

(c) Deferral in the Collection of Common Charges.

Sponsor has the option to delay the commencement of the collection of Common Charges and pay all Operating expenses of the Condominium as described in this Plan. ***Purchasers should note that the Scheduled Common Charge Contribution will be applied to reduce the Common Charges following the commencement of the imposition of Common Charges subsequent to the First Unit Closing. Accordingly, Purchasers who close following the commencement of the imposition of Common Charges will not receive the full value of the***

Scheduled Common Charge Contribution attributable to their Unit in the amount set forth in Schedule A-1. Any deferral of the payment of Common Charges otherwise permitted pursuant to this Plan shall not reduce the amounts payable by Sponsor for the Sponsor Working Capital Fund, as set forth herein.

(d) Second through Seventh Years of Condominium Operation

For years subsequent to the First Year of Condominium Operation, Sponsor shall contribute the entire amount of the Sponsor Working Capital Fund Contribution for Residential Units which are sold for such year on a date not later than 30 days prior to the anniversary of the First Unit Closing. For Residential Units that remain unsold, unless Sponsor has previously funded the entire amount of the Scheduled Common Charge Contribution for the subject operating year, Sponsor will continue to pay the entire amount of the Common Charges, as if there were no Sponsor Working Capital Fund. In any event, Sponsor will contribute the balance of the Sponsor Working Capital Fund, if any, from closing proceeds received from the sale of the last Unit, but in no event later than the fifth anniversary of the First Unit Closing.

(e) Amendment to the Plan

Sponsor shall file an amendment to the Plan no later than 45 days after the First Unit Closing, or the date on which Common Charges become payable by Purchasers, whichever is first to occur, and within 45 days of the anniversary of the First Unit Closing, to disclose Sponsor's contributions to the Sponsor Working Capital Fund, until all such amounts have been contributed as set forth herein. In the event that any amendment discloses that Sponsor has not made the required contribution to the Sponsor Working Capital Fund, Purchasers who have not yet closed pursuant to their Purchase Agreements shall be entitled to a right of rescission within fifteen (15) days of the Presentation Date of any such amendment.

(f) Contributions to the Sponsor Working Capital Fund.

Pursuant to the Declaration and the By-Laws, contributions to the Sponsor Working Capital Fund shall be deemed as Common Charges due and owing from Sponsor. Accordingly, the Condominium Board shall be entitled to file a Common Charge Lien pursuant to Section 339-2 of the RPL with respect to the same.

No bond or other security is being provided to secure Sponsor's contributions to the Sponsor Working Capital Fund. However, Sponsor represents and warrants that Sponsor has the financial resources to fund all contributions to the Sponsor Working Capital Fund.

For so long as Sponsor owns a Residential Unit, the Board of Managers may not use the Sponsor Working Capital Fund for any purpose other than abating a portion of the Common Charges payable by the Residential Unit Owners in the amounts set forth in Schedule A-1. Once Sponsor no longer owns any of the Residential Units, the Board may use the Sponsor Working Capital Fund in accordance with the By-Laws. Accordingly, at such time when the Sponsor no longer owns a Unit in the Condominium, the Board may determine to use the Sponsor Working Capital Fund for purposes other than reduction of Common Charges as set forth herein.

See Schedule A, Schedule A-1, Schedule B, Footnotes to Schedule B and A-1 and the Section entitled "Working Capital Fund".

2. Contract Deposit. At the time a Purchase Agreement is executed, a Purchaser is required to make a Contract Deposit in an amount equal to ten (10%) percent of the purchase price (the "Initial Contract Deposit"). Within fifteen (15) days following the Presentation Date of the amendment declaring the Plan effective, Purchaser shall make an additional deposit in an amount equal to five (5%) percent of the Purchase Price (the "Additional Contract Deposit" and together with the Initial Contract Deposit, collectively the "Contract Deposit"). In the event Purchaser is in default pursuant to the Purchase Agreement, Sponsor may retain the entire Contract Deposit, in the amount of fifteen (15%) percent of the Purchase Price, as liquidated damages. See Section entitled "Procedure to Purchase".

3. Time is of the Essence. The form of Purchase Agreement requires Purchasers to close on 30 days prior written notice given by Sponsor. In the event that a Purchaser defaults under his or her Purchase Agreement by failing to close as stated in Sponsor's notice, Sponsor may send Purchaser a written notice requiring Purchaser to cure such Purchaser's default by requiring Purchaser to close no less than 30 days following the date such notice is deemed received under the terms of the Purchase Agreement declaring "time of the essence" with regard to the obligations of the Purchaser to close. "Time of the Essence" means that Purchaser shall be required to perform its obligations under the Purchase Agreement on or before the date set forth in Sponsor's default notice setting the Closing. If Purchaser does not close on or before the date set forth in Sponsor's "time of the essence" notice, Sponsor may, at its option, either (i) cancel such Purchase Agreement and retain, as liquidated damages, the Contract Deposit made by the Purchaser, together with interest earned thereon, if any, or (ii) bring an action against such Purchaser for specific performance, in which event Purchaser could be compelled to complete the transaction. See the form of Purchase Agreement in Part II hereof and the Section entitled "Procedure to Purchase" for further discussion.

Additionally, if a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date and Sponsor elects not to cancel the Purchaser's Purchase Agreement as a result of the same, (a) the apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date, and (b) Purchaser will be required to pay to Sponsor an amount equal to 0.04 percent of the entire purchase price of his or her Unit for each day that the Closing is adjourned. (See the Section entitled "Procedure to Purchase" for further discussion.)

4. No Financing Contingency. The Purchase Agreement in the form set forth as Exhibit A in Part II of the Plan is not contingent upon Purchaser obtaining financing nor does this Plan contain any provision requiring Sponsor to provide or aid Purchaser in obtaining financing for the purchase of a Unit. Accordingly, a Purchaser who is unable to tender the balance due at Closing will be in default of his or her Purchase Agreement, entitling Sponsor to retain such Purchaser's down payment and all accrued interest thereon. Sponsor does not make any representation as to the terms or availability of mortgage financing. Prospective Purchasers who need to obtain mortgage financing to complete their purchase of a Unit are advised to consult with a lending institution and/or a mortgage broker prior to executing a Purchase Agreement. See the

Section entitled "Procedure to Purchase" and the Purchase Agreement set forth in Part II of the Plan for further information.

5. No Rescission/Liquidated Damages. The Purchase Agreement between Sponsor and a Purchaser, the form of which is set forth as Exhibit A in Part II of the Plan, in respect of the purchase of a Unit requires the making of a Contract Deposit. The Contract Deposit, and all other amounts paid by Purchaser to Sponsor pursuant to the Purchase Agreement and/or the Plan in connection with the purchase of a Unit, shall be such Purchaser's own funds (and not a third party's). In the event a Purchaser defaults on such Purchaser's obligations under the Purchase Agreement to purchase (by closing title in accordance with the terms of the Plan and the Purchase Agreement) after payment of the Contract Deposit, the Contract Deposit paid or such portion thereof as may have been tendered by Purchaser (together with any interest accrued thereon) may be retained by Sponsor (subject to the terms of the Plan), as liquidated damages, it being acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Contract Deposit (including interest accrued thereon) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorney's fees, and shall be paid by Purchaser to and retained by Sponsor as Sponsor's sole and exclusive remedy. In such case, Purchaser shall have no further liability to Sponsor in respect of the Purchase Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Contract Deposit (or any interest thereon). The retention of the Contract Deposit (including all interest accrued thereon) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. Purchasers are advised that notwithstanding the foregoing, including, without limitation, Sponsor not having the right of specific performance, nothing herein shall be deemed to grant Purchaser any right of rescission and/or any right to the return of all or any portion of a Contract Deposit except as expressly set forth in the Plan. Notwithstanding anything to the contrary herein contained, in the event that Purchasers are granted a right to rescind their Purchase Agreements pursuant to applicable law and regulations, Purchasers shall, in such instance, be entitled to the return of their Contract Deposit. In the event that Escrow Agent does not return a Purchaser's Contract Deposit, Purchaser may commence an action in a court of competent jurisdiction to obtain a determination in a dispute regarding a Contract Deposit. (See Sections entitled "Procedure to Purchase", "Terms of Sale" and "Escrow Trust Fund Requirements" in Part I of the Plan for further discussion.)

6. Minimum Sales Required. Pursuant to existing law and regulation, Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent of the Residential Units offered herein, *i.e.*, two (2) of the Units. Even if the Plan is declared effective based upon the sale of fifteen (15%) percent of the Units, it is still possible that it will be permissible for Sponsor to convert the Building with fewer than the minimum number of Units, if Purchasers counted toward effectiveness do not ultimately purchase their Unit. Notwithstanding the foregoing, in the event that *all* of the Purchasers used for purposes of declaring the Plan effective rescind their Purchase Agreements, Sponsor will be required to re-declare the Plan effective, notwithstanding the fact

that the Declaration may have been recorded. Purchasers should note that, in the current real estate market, banks and other lenders are imposing various restrictions in connection with loans secured by condominium units. Such restrictions include requiring that a certain percentage of the apartments in a building or a group of buildings be sold before the lender will consider making a loan. The minimum such percentage of sold units required to obtain a loan will likely be greater than fifteen (15%) percent.

Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or a group of buildings where the sponsor or holder of unsold units has not sold a substantial percentage of the units in the building or group of buildings, which in some cases, may be as high as 70 percent. Moreover, some lenders will not provide financing in a building or group of buildings in which an investor, other than the original sponsor, has an ownership interest of ten (10%) percent or more.

Accordingly, if the Plan is declared effective based upon the sale of fifteen (15%) percent of the Units, certain lenders may decline to make mortgage loans until additional Units are sold, in which case, a Purchaser may have difficulty obtaining a mortgage loan. Purchasers should also note that lenders may still impose minimum sales requirements before granting a loan well after the First Unit Closing. Therefore, it may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements. (See Section entitled "Effective Date" for further details).

Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed and it may expire before the closing date without the payment by Purchaser of additional fees. In the event that a Purchase Agreement is contingent on financing, and Purchaser's mortgage commitment lapses or expires prior to the closing, and Purchaser has made a good faith effort to extend the commitment, Sponsor must grant Purchaser a right of rescission and a reasonable period of time to exercise such right.

7. No Assurance, Bond or Other Security of Performance of Sponsor Obligations. The assets and borrowing capacity of Sponsor are sufficient to meet the obligations of Sponsor hereunder. Such obligations include the costs of construction, payment of Common Charges, and real estate taxes on account of the Unsold Units, as well as the costs of obtaining a permanent certificate of occupancy. As stated above, Sponsor also represents that it has sufficient financial resources to fund the required contributions to the Sponsor Working Capital Fund, as described herein. No bond or other form of security has been posted by Sponsor to guarantee its performance of its obligations hereunder, and therefore, there is no assurance of Sponsor's obligations hereunder. (See the Section entitled "Rights and Obligations of Sponsor" for further details.)

8. Control of Condominium Board. Sponsor will control the Condominium Board until the earlier of: (i) the Closing of title with purchasers under the Plan to Units having more than 75 percent of the aggregate Common Interests appertaining to all Units, or (ii) five (5) years after the First Closing (the "Initial Control Period").

During the period that Sponsor controls the Condominium Board, Sponsor will have control of maintenance and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners. Sponsor may exercise veto power over expenses for a period ending not more than five (5) years after the First Unit Closing or whenever the unsold units constitute less than 25 percent of the Common Interest. See the Section entitled "Control by Sponsor" for further details. After the Initial Control Period, Sponsor, as owner of Unsold Units, shall have the right to designate one member of the Condominium Board for so long as Sponsor owns at least one Unsold Residential Unit.

Sponsor will continue to have a voice in governance due to its right to designate a specified minority of the Board Members for so long as Sponsor owns one or more Unsold Units. Moreover, Sponsor and any other non-resident Unit Owners will at all times have the same rights as resident Unit Owners to vote on issues that require the approval or consent of Unit Owners (such as the exercise of the Condominium Board's Right of First Refusal to purchase or lease a Unit or to borrow money in excess of $250,000 in any Budget Year, subject to increase in accordance with the Consumer Price Index. (See the Sections entitled "Rights and Obligations of Sponsor" and "Rights and Obligations of the Condominium/Summary of the By-laws.")

9. Sponsor's Veto Powers. Sponsor may exercise veto power over some actions of the Condominium Board until such time when Sponsor owns Units with an aggregate Common Interest in the Common Elements constituting less than 25 percent of the Common Elements of the Condominium, but in no event later than five (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, unless the same are required to comply with applicable laws or regulations, 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 initially employed for the Condominium, or (d) enter into any service or maintenance contract for work or otherwise provide services in excess of those initially contracted for the Condominium, except required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with applicable laws or regulations, remedy any notice of violation or remedy any work order of the Condominium's insurer. (See Section entitled "Control by Sponsor" for further details.)

10. Transfer Taxes. Purchasers shall be obligated to pay the New York City Real Property Transfer Tax and New York State Real Property Transfer Tax (Deed Stamps) which by law are the primary obligation of the seller. The New York City Real Property Transfer Tax (the "City Transfer Tax") is payable at the rate of 1.0 percent for Units where the purchase price is less than $500,000.00 and 1.425 percent of the purchase price in instances where the purchase price is greater than $500,000.00. The New York State Real Estate Transfer Tax (the "State Transfer Tax") is payable at the rate of 0.4 percent regardless of the amount of the purchase price. However, in instances where the transfer taxes which are statutory liability of a seller are paid by

a purchaser, the City and State add the amount of such taxes to the purchase price for purposes of determining the taxes payable. Accordingly, in instances where the purchase price is less than $500,000.00, the effective rate of the City Transfer Tax is 1.014 percent, where the purchase price is greater than $500,000.00, the effective rate of the City Transfer Tax is 1.451 percent. As of the date hereof, the effective rate of the State Transfer Tax will be 0.406 percent for all transactions contemplated herein. In addition, Purchasers who purchase Units having a purchase price of $1,000,000.00 or more will be liable for payment of the New York State Special Additional Transfer Tax, commonly referred to as the "Mansion Tax", which is the responsibility of purchasers pursuant to applicable law. (See the Section entitled "Unit Closing Costs and Adjustments" for additional information).

11. Sponsor's Obligation to Sell Units. Sponsor shall not be required to offer all Units for sale at all times and, subject to the provisions hereof, may withhold all or certain Units from the market as and when Sponsor may elect. In the event that Sponsor elects to withhold certain Units from sale, Sponsor shall amend the Plan to disclose the same. In connection therewith, Sponsor may place one or more signs or other promotional materials on the exterior walls of the Building or in front of the Building or elsewhere on the Common Elements of such size, nature and content as Sponsor shall determine for the purpose of advertising or displaying the availability of any Unsold Unit for sale or lease, without restriction and without being subject to any charge or fee thereof. (See Sections entitled "Terms of Sale" and "Rights and Obligations of Sponsor" for further details.)

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right to rent or lease, rather than sell, the Residential Units offered hereunder, provided however, Sponsor shall not lease any Residential Unit prior to the First Unit Closing. As a result, Purchaser may be acquiring a Residential Unit that has been previously occupied, but unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Residential Unit will be delivered at closing free and clear of all leases and tenancies. In addition, there is no commitment to sell more than the fifteen percent (15%) of the Residential Units necessary to declare the Plan effective. Accordingly, owner-occupants may never gain effective control and management of the Condominium.

Prospective Purchasers should also be aware that they potentially may be living with transient tenants in the Residential Units for an indefinite period. Transient tenants will receive the same Building services and use of the Building's facilities as owner occupants. However, they have no investment in their Units and, therefore, do not share the same economic interests as resident Unit Owners in the maintenance and care of the Building's facilities and amenities. Prospective purchasers should also be aware that Sponsor and any other non-resident Unit Owners may be at odds with resident Unit Owners on expenditures for items like lobby and hallway decorations and capital improvements. (See Sections entitled "Introduction" and "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

12. Contract Deposit Held in Escrow. All Contract Deposits will be held in escrow by Sponsor's counsel, Rosenberg & Estis, P.C., having an office at 733 Third Avenue, New York, N.Y. 10017, pursuant to the escrow provisions contained in the Purchase Agreement set forth as Exhibit A in Part II of the Plan. Such Contract Deposits shall be maintained in a separate interest-

bearing account at Citibank, N.A. ("Citibank"), 666 Fifth Avenue, 5th Floor, New York, New York, in Account No. [redacted]. Contract Deposits in excess of $250,000 are not insured by the Federal Deposit Insurance Corporation ("FDIC"). Contract Deposits will not earn interest when the same are in the non-interest bearing IOLA account prior to being moved to an individual subaccount. While the Contract Deposit is in the non-interest bearing checking account it may not be federally insured even if the Deposit does not exceed $250,000. Under present law, notwithstanding the aggregate balance of an IOLA account, the FDIC insurance coverage for IOLA accounts is $250,000 per depositor. Purchasers hold note that FDIC insurance is limited to $250,000 per depositor per institution, meaning in the event that a Purchaser has other funds on deposit at Citibank, the aggregate FDIC insurance proceeds payable to such Purchaser will be $250,000 on all accounts maintained at Citibank. The foregoing limitation will apply whether the Contract Deposit is in the non-interest bearing IOLA account or an interest-bearing sub-account. Accordingly, to the extent that any Contract Deposit exceeds $250,000, the portion of the Contract Deposit in excess of $250,000 will not be insured and to the extent that any Purchaser has other funds on deposit at Citibank, the portion of such Purchaser's deposits, including the Contract Deposit in excess of $250,000, in the aggregate, will not be insured. Neither Sponsor nor the Escrow Agent shall be liable for the loss of the Contract Deposit in the event that Citibank becomes insolvent. Although Sponsor does not intend to undertake performing custom work or so-called "extras", in the event that Sponsor shall agree to perform any extras, Sponsor may require the additional cost therefor to be paid in advance which payment shall initially be deposited in the Escrow Account. Such payment or contract deposit for extras may be disbursed to Sponsor upon Sponsor's written request provided that Sponsor certifies in such written request that it will use the funds so disbursed to perform the extras. A Purchaser who is entitled to rescission will not be entitled to the refund of any portion of the monies advanced to Sponsor for extras to the extent such funds were expended or advanced for deposits on labor or materials. Within ten (10) days after the return of the Contract Deposit and any advances for "extras," that were not spent by Sponsor, Sponsor shall provide documentation for all amounts for "extras" that were expended. See Section entitled "Escrow and Trust Fund Requirements" for further details. In the event that Sponsor abandons the Plan, a Purchaser who has advanced funds for "extras" will be entitled, in addition to the return of such Purchaser's Contract Deposit, to a refund of all monies advanced by Purchaser for "extras." (See Section entitled "Procedure to Purchase.")

13. First Unit Closing. Based upon the current schedule, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closing of title to the Residential Units to begin on or about October 1, 2017. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Unit Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor. In the event that the First Unit Closing occurs before October 1, 2017, Sponsor may

schedule the closings of title to other units significantly later than such date. Unless a Purchase Agreement contains an outside closing date, Sponsor is not obligated to schedule a closing within any specified time frame or to ensure that closing of title to a Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER THEY PURCHASE A UNIT.

In the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six (6) months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) such amended budget exceeds the projected budget set forth herein by 25 percent or more. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Unit; or (ii) the projected date of closing of title to the first Unit occurs later than October 1, 2018, which is twelve (12) months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, Purchasers will be entitled to rescind their Purchase Agreements for a period of no less than fifteen (15) days of the Presentation Date of any amendment disclosing such delay, if the First Unit Closing is to occur more than twelve (12) months beyond the original date of the projected First Unit Closing. Any Purchasers electing rescission pursuant to such offer will have their Contract Deposit and any interest accrued thereon returned. Purchaser's rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date", no closing of title to any Residential Unit will take place prior to the Plan being declared effective. See also the Section entitled "Description of Property and Improvements" for further discussion.

14. No Reserve Fund Contributed by Sponsor. The Building will be newly constructed. Accordingly, no reserve for repairs has been established by Sponsor. The budget for the first year of operation includes a replacement reserve of $28,385.00. Subject to the rights of Sponsor as provided herein, the Board of Managers may in the future elect to create a reserve fund through an increase in Common Charges or a Special Assessment. Amounts deposited in the "replacement reserve" or "reserve fund" may be used solely for capital expenditures. Since the Building is new, Sponsor does not anticipate that any capital expenditures will be required during the first five (5) years of Condominium operation. The "replacement reserve" or "reserve fund" will be available for use by the Board of Managers as such funds are deposited. For so long as Sponsor controls the Board of Managers, the "replacement reserve" or "reserve fund" may not be used to reduce Common Charges. Neither the Department of Law, nor any other government agency, has passed upon the adequacy of the "replacement reserve" or "reserve fund". Subject to the rights of Sponsor as provided herein, the Board of Managers may in the future elect to increase the replacement reserve or create a reserve fund by increasing the Common Charges or impose a special assessment. See Section entitled "Reserve Fund" for additional information.

15. Working Capital Fund; Adjustments at Closing. At the initial closing of each Unit, a Purchaser will be required to pay a one-time payment to the Condominium in an amount equal to two (2) months' Common Charges as a contribution to the Condominium's Working Capital Fund. Customary adjustments will be made between Sponsor and the Board of Managers as of the date of the First Unit Closing. Customary adjustments shall include prepaid insurance

premiums and service contracts, water and sewer charges and payroll expenses. To the extent that such adjustments result in a net credit in favor of Sponsor, such credit shall be paid to Sponsor in twelve (12) consecutive monthly payments with interest at the rate of ten (10%) percent per annum or, at the option of Sponsor, Sponsor shall be entitled to a credit against the Common Charges due from Sponsor on account of the Unsold Units. It is impossible to determine the amount of any net adjustment in favor of Sponsor. Accordingly, no provision for this has been made in the budget set forth in Schedule B for any such payment to Sponsor or credit in favor of Sponsor. If the net adjustment at closing is in favor of Sponsor, it may be necessary to increase the initial Common Charges payable by the Unit Owners for a limited period of time in order to reimburse Sponsor for any such prepaid adjustable items. In the event that, as of the First Unit Closing, the net adjustments with the Condominium, are in favor of Sponsor, the Plan will be amended to disclose the amount of such adjustments and any concomitant increase in Common Charges required to pay the same. (Please refer to the Sections entitled "Unit Closing Costs and Adjustments" and "Working Capital Fund and Adjustments" for further details.)

16. Real Estate Taxes. Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subject to, any lien arising from the non-payment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay the *pro rata* share (in the proportion that Common Interest allocated to the Unit owned by such Unit Owner bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges. Article VI, Section 6.1.1 of the By-Laws authorizes the Board of Managers to collect the real estate taxes as a portion of the Common Charges until such time when the Units are individually assessed.

Sponsor has been advised by its tax counsel that the current practice of the New York City Department of Finance is to allocate the aggregate tax assessment for the entire Property existing as of the date of the recording of the Declaration among all Units. The real estate tax estimates for each Residential Unit were calculated on the assumption that the real estate taxes for each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's percentage interest in the Common Elements appurtenant to each Unit bears to the aggregate Common Interest, which is the method to be used by the Board of Managers to determine the escrow amount to be paid by a Unit Owner prior to the time that the Units are separately assessed for real estate tax purposes. Notwithstanding the foregoing, pursuant to applicable requirements, the Department of Finance is permitted to allocate the real estate taxes among the Units (in the relative proportion that the Purchase Price of each Unit bears to the Purchase Price of all Units). Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate the assessed valuation among the Residential Units in proportion to the purchase price of each Residential Unit relative to the purchase prices of all Residential Units rather than its percentage interest in the Common Elements, and, if so, Residential Units having the same percentage interest may pay different real estate taxes. Sponsor has been advised that as of the date hereof, the New York City Department of Finance has been allocating real estate taxes in condominiums on the basis of the allocation of the common elements. Sponsor anticipates, based upon the advice of its Real Estate Tax Counsel, that in arriving at the assessed valuation for each Residential Unit, the Residential

Section will first be assessed as an entirety. This assessment for the entire residential portion of the Building will then be apportioned among the Residential Units. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE METHOD OF ALLOCATION, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL BE AS SET FORTH ABOVE.

Prospective purchasers should note that increases in a property's assessed valuation resulting from changes in its market value (other than changes resulting from new construction or alteration of an existing improvement) are phased in over five (5) tax fiscal years in annual increments of twenty (20%) percent each. Any further increase in assessed valuation during such five-year period resulting from a still higher market value is similarly phased in over an additional five-year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the five-year period is called the "actual" assessed valuation, and the amount of the incremental assessed valuation upon which taxes are actually computed for each fiscal tax year during such five-year period is called the "transitional" assessed valuation.

17. Limited Warranty. The Housing Merchant Implied Warranty set forth in Section 777 of the New York General Business Law does not apply to this offering. The Building is being constructed pursuant to a construction management agreement with Nexus Building Development Group, Inc. ("Nexus"), having an address at 41 Wooster Street, No. 2, New York, New York 10012. Nexus is controlled by Yaniv Cohen and is an affiliate of Sponsor. Sponsor's contract with the Contractor provides that the Contractor warrants against all construction defects for a period of one (1) year following the issuance of a temporary certificate of occupancy. In addition, Sponsor is purchasing a manufacturer's warranty for the roof materials which provide that such materials are guaranteed to be free of defects for ten (10) years. In addition, certain Building equipment will be subject to manufacturer's warranties. Notwithstanding any of the limitations on warranties contained in this Plan, any conflicts shall be resolved in favor of Sponsor's obligations to construct the Building in accordance with the plans and specifications as filed with and approved by the New York City Department of Buildings and all applicable laws and regulations. In addition, any conflicts between the warranties described above and the limitations contained herein, shall be resolved in favor of the description of warranties set forth above. At Closing, Sponsor shall assign the aforementioned warranties to the Board of Managers. Each Purchaser will receive, at Closing, the manufacturer's warranties for the appliances located in their Units. (See Section entitled "Rights and Obligations of Sponsor" for further information.)

18. Interim Service Period. Prospective Purchasers are advised that until the later of: (i) six (6) months after the First Unit Closing; or (ii) the closing of title to and occupancy of at least 50 percent of the Residential Units, some of the services and facilities described in the Plan may not be available including, but not limited to, access to the common roof deck terrace, the exercise room and laundry room (located in the cellar of the Building), and the Storage Spaces (located in the sub cellar of the Building). Such facilities and services will all be available on or before a date that is six (6) months following the First Unit Closing, and the same will be made available by Sponsor to the Purchasers of Units even in the event that Sponsor elects to rent one or more of the Unsold Units (which may not occur before the First Unit Closing). The Common Charges payable by the Unit Owners reflect the costs to operate the Building when fully occupied.

However, as stated in Special Risk 31(c) below, Sponsor may elect to waive all or a portion of the Common Charges prior to the date on which the Building is fully occupied may be reduced accordingly to reflect the corresponding diminished expenses of the Condominium. (See "Description of Property and Improvements" in Part I of the Plan for further discussion.)

19. Additional Building Work. The construction of a building is a complex process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption, construction dust, debris and inconvenience. Thus, for a period of time following the First Unit Closing (through, including and beyond the closing of title to any particular Residential Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; and (ii) individual Residential Unit Owners within their Residential Units (to perform custom renovations, etc.) and the Commercial Unit Owner within the Commercial Unit. During the First Year of Operation, construction workers, related personnel of Sponsor and others will be at the Property from time to time performing work, making adjustments and performing various other tasks related to the completion of construction, fitting out of, and moving into, the Residential Units, the Commercial Unit and other portions of the Building which may compromise the security of the Building from time to time. Various systems, including but not limited to, the water supply, air-conditioning, heating, cooling, ventilating and elevator, may require more than a year after any particular Unit closing to complete and may be disrupted temporarily from time to time. The elevator may be taken out of service from time to time to facilitate renovation for at least a year following the First Unit Closing, and from time to time thereafter, as needed, in connection with renovation being performed in Residential Units by the Unit Owners thereof. Various other adjustments, to windows and elevator and other systems, may require twelve (12) months or more after the First Unit Closing to complete. Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, or painting, until that particular floor is fully occupied by a Unit Owner or, if additional renovation within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create noisy and otherwise disruptive conditions in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Residential Unit Owners may not be available until such other portions of the Building are completed and fully operational.

Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued or disrupted. Further, the Condominium Board and/or Sponsor 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 permanent certificate(s) of occupancy have been obtained therefor. Even where such alterations are permitted, the Board of Managers and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance may be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Residential Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided being only good faith

estimates. In the event that the First Unit Closing is delayed twelve (12) months or more, Purchasers will receive a right of rescission and a reasonable period to exercise such right which period shall be no less than fifteen (15) days.

20. Prohibition against Advertising. Purchasers are prohibited from listing their Units for resale with any broker or otherwise advertising, promoting or publicizing the availability of their Units for sale prior to the closing of title thereto. (See the Section entitled "Terms of Sale" for further discussion and the Purchase Agreement in Part II of the Plan for further information.)

21. Waiver of Diplomatic or Sovereign Immunity. 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. In addition, any Foreign Government Purchaser will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Board an amount equal to two (2) years' estimated Common Charges. (See Section entitled "Procedure to Purchase" for further discussion).

22. Commercial Unit. (a) The Commercial Unit will include space located on the first floor. Subject to the limitations described in the paragraph (b) below, the Commercial Unit may be used by the Commercial Unit Owner for any lawful purpose, provided however, in no event shall Sponsor amend the plans and specifications for the Building so as to facilitate the use of the Commercial Unit for any of the Prohibited Uses set forth in subparagraph (b) below. The Commercial Unit will continue to be owned by an affiliate of Sponsor and is not currently being offered for sale pursuant to this Plan. In the event the Commercial Unit is offered for sale, the Plan will be amended accordingly. As of the date hereof, Sponsor has not yet entered into a lease agreement for the Commercial Unit. At such time when Sponsor enters into a lease agreement for the Commercial Unit, the Plan will be amended accordingly.

(c) The Declaration prohibits certain commercial uses including, but not limited to: the repair, servicing or maintenance of any vehicles, machinery or equipment or the operation of an "automobile repair shop"; a funeral home or mortuary; a massage parlor or sex club or for the sale or display of pornographic or obscene material; a drug or alcohol treatment center, a shelter for homeless persons, an AIDS treatment center, a facility housing or treating criminal or mentally disturbed persons; for any obscene or pornographic purpose or any other commercial sex establishment including the sale or viewing of any pornographic or obscene goods, wares, printed materials, videos, digital video discs, movies or other digital transmission; the sale of illegal drugs or marijuana; massage parlor, abortion clinic, any automobile service, fueling, washing or repair operation; or a dry cleaner other than a "drop off" dry cleaner;

(d) Sponsor shall not, during the Initial Control Period, exercise its voting rights to cause the Declaration and By-Laws to be amended to allow any or all of the foregoing prohibited uses. The use of the Commercial Unit may generate noise or other disturbances over which the Residential Unit Owners will have no control. The Commercial Unit may operate 24 hours per day, 365 days per year. The Commercial Unit Owner shall have the right to subdivide and combine portions of the Commercial Unit (if the same was previously divided), subject to the provisions of the Declaration and the By-Laws.

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

(f) In addition to the foregoing, the Commercial Unit Owner and its tenants shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, and an easement, in all cases, subject to Law and the Condominium Documents:

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

(2) to amend the Certificate of Occupancy of the Building with respect to the use or number of Commercial Units, provided, however, the Declaration and By-Laws of the Condominium prohibit the Commercial Unit Owner from amending the Certificate of Occupancy for the Building in any manner so as to specifically permit the prohibited uses set forth above;

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

(4) subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior facade and/or the windows of the Commercial Unit, including, without limitation, any storefronts, and (ii) create additional means of egress and ingress to such Commercial Unit (provided however that such additional means of ingress and egress shall in no event encroach on the Residential Common Elements);

(5) to make all arrangements for the prompt repair and restoration of the Commercial Unit to the extent the Commercial Unit is damaged or destroyed by fire or other casualty;

(6) Schedule B and the Declaration provide that certain expenses are not allocated between the Commercial Unit and the Residential Units, in the aggregate, in accordance with the respective interest in the Common Elements of the Commercial Unit and the Residential Units. The allocation has been made based upon the anticipated and projected use of certain services or supplies. *e.g.,* the Declaration does not require the Condominium to supply cooking gas to the Commercial Unit, so no portion of the cost therefor has been allocated to the Commercial Unit. In the event that the Commercial Unit are to be occupied by a tenant or owner that will require the use of cooking gas *(i.e.* an establishment for the preparation of food), it will be the responsibility of the Commercial Unit Owner, or its tenant to contract with the public utility to obtain cooking gas for the Commercial Unit. See Footnotes to Schedule B for additional information; and

(7) The Condominium Board, at the request of Sponsor or the Commercial Unit Owner, will enter into recognition and non-disturbance agreement with any tenant with who Sponsor or the Commercial Unit Owner has entered into a lease for the Commercial Unit or any portion thereof. Under the terms of the recognition agreement, the tenant will acknowledge that its lease is subject and subordinate to the Declaration and the By-laws. Such agreement will further provide that while the Condominium Board can foreclose its lien in the event of a default by the Commercial Unit Owner, if the tenant(s) pay, on a continuing basis, rent due under its lease to the Condominium Board, the Condominium Board will agree that the rights of the tenant under the lease(s) will not be disturbed in the event of a default by the Commercial Unit Owner. Please refer to the Section of the Plan entitled "Commercial Unit"; Article 7 of the Declaration and Article 9 of the By-laws of the Condominium contained in Part II of the Plan.

23. Special Allocation of Common Charges. As permitted by the New York Condominium Act, Section 339(m), the Condominium Declaration, the By-Laws and the budget for the First Year of Condominium Operation provide that the Commercial Unit Owner will not be liable for its' *pro rata* portion of the expenses of the Condominium. Instead, the Commercial Unit Owner, in the aggregate, will pay 12.60 percent of the Common Charges. The allocation of the cost of services is predicated upon the non-use or disproportionately lower usage of such services by the owner of the Commercial Unit. The Commercial Unit Owner will not receive cooking gas and will have limited use of certain common areas of the Building. The Commercial Unit Owner is also responsible for the removal of all refuse generated by the occupant of the Commercial Unit. Budget for the First Year of Condominium Operation provides that the Commercial Unit Owner will pay a portion of the cost of cooking gas, in spite of the fact there is not currently cooking facilities in the Unit. In the event the Commercial Unit Owner elects not to install any equipment, *i.e.*, a range in a pantry kitchen or a clothes dryer, or in the alternative the Commercial Unit Owner installs separate service for the provision of cooking gas, the By-laws provide that the Commercial Unit Owner may notify the Board of Managers and will not be liable for the cost of cooking gas. The lavatory facilities located in the Commercial Unit are supplied by

the same water line that supplies the Residential Units and the Commercial Unit Owner have been allocated a portion of the water and sewer charges and hot water costs in accordance with its interest in the Common Elements. In the event that the Commercial Unit are used as a restaurant, medical office or other use other than for lavatories or for a pantry kitchen, which creates a demand for additional water or additional hot water, the By-laws require the Commercial Unit Owner to install a water heater to produce the hot water required for the Commercial Unit and to install a separate water meter and pay for the cost of such additional water usage. The Declaration gives the Board of Managers certain rights to conduct an audit regarding the usage of water and hot water in the Commercial Unit and the power to reallocate the portion of water charges allocated to one or both of the Commercial Unit Owner, or if such water is separately metered or the hot water is furnished from equipment other than the equipment that generates hot water for the Residential Units, the Commercial Unit Owner shall not be liable to pay for water or hot water in the Common Charges attributable to the Commercial Unit. See Schedule B and the accompanying footnotes for further information and Section 15.1 of the Declaration.

24. No Limit on Number of Purchasers who Purchase for Investment Rather than for Occupancy. There is no limit on the number of Unit Owners who may purchase for investment rather than personal occupancy. Consequently, there always may be a substantial percentage of Unit Owners who are non-residents. This Plan may not result in the creation of a condominium in which a majority of the units are owned by owner-occupants or investors unrelated to Sponsor. Persons who do not reside in the Condominium may have different objectives than resident. Purchasers for their own occupancy may never gain control of the Board of Managers pursuant to the terms of this Plan. See Section entitled "Introduction".

25. Square Footage Exceeds Usable Area. Each Unit consists of the area measured horizontally from the exterior faces of exterior walls and from the center lines of walls separating one unit from another unit or Common Elements as indicated in the Condominium plans and from the lot line at party walls separating one building from another and measured vertically from the top of the sub-floor to the underside of the floor construction above except that a Residential Unit shall not include the Common Elements contained therein. THIS MEANS THAT THE LISTED AREAS ARE LARGER THAN THE ACTUAL FLOOR AREA OF THE UNITS. The variations reflect the correction of errors in certain computations performed in connection with the preparation of the information to be included in the Plan. Sponsor has not done any work to modify the configuration of the Units which would affect the square footage thereof subsequent to the date of the Plan. In any case, the Units are sold in accordance with the Plan, subject only to performance of work agreed to in writing upon the execution of a Purchase Agreement or a duly executed amendment thereto, or as otherwise specifically disclosed in the Plan. Prior to submitting the Declaration of Condominium to the City Surveyor's office for recording, Sponsor will revise the square footage of the Units so that the same conform to the square footage noted on the revised Schedule A.

26. Window Guard Requirements. It is the responsibility of each Residential Unit Owner to notify the Board of Managers in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in 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 all applicable laws relating to window guards and, if necessary,

install, operate and maintain, at the Residential Unit Owner's expense, any additional equipment required by applicable law in effect from time to time. Sponsor makes no representation, warranty or assurance whether Residential Unit Owners will comply with the foregoing obligations. Please refer to Sections of the Plan entitled "Rights and Obligations of Unit Owners" and the "Board of Managers" in Part I of the Plan for further details.

27. Income Taxes Payable by the Condominium. Sponsor has been advised that the Condominium may not qualify as a homeowners association under Section 528 of the Internal Revenue Code. Assuming the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election to be a homeowners association, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion prepared by Sponsor's counsel and set forth in Part I of the Plan, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the non-membership, and possibly membership, income, 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 and/or Unincorporated Business Tax. Schedule B, Budget for the First Year of Condominium Operation, does not contemplate any substantial income which might be taxable and accordingly does not specifically budget any amounts for taxes for non-membership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification. Please refer to the Attorney's Income Tax Opinion and the Section entitled "Income Tax - Deductions to Residential Owners and Tax Status of Condominium" in Part I of the Plan for further discussion.

28. Certificate of Occupancy. No closing shall take place and no Unit will be sold until a temporary or permanent certificate of occupancy has been obtained for such Unit or the Building, respectively. In the event that a closing occurs subsequent to the issuance of a temporary certificate of occupancy (a "TCO"), but prior to the issuance of a permanent certificate of occupancy (a "PCO"), it will remain the obligation of the Sponsor to, obtain such PCO, at its sole cost and expense, and such PCO must be obtained within two (2) years from date of the First Unit Closing. Please see Section entitled "Rights and Obligations of Sponsor".

Purchasers are advised that in New York City, newly constructed and recently renovated buildings are sometimes offered as condominium projects without a PCO covering the entire building but with only a 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 a TCO and a PCO are issued by the 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 which is generally 90 to 180 days after the date of issuance thereof. When a TCO expires and is not renewed, it may be difficult or impossible to purchase insurance, refinance, or sell units. In New York City, it is customary for sponsors to commence unit closings when a TCO is issued.

Sponsor herein anticipates that closing will commence after the issuance of a TCO, but prior to the issuance of a PCO.

Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof and ultimately for obtaining a PCO for the entire building within two (2) years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the PCO within such two-year period. Work performed by Unit Owners in their respective Units subsequent to Closing may prevent or delay the issuance of a PCO. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the PCO for the entire building, and shall exercise all commercially reasonable efforts to obtain the PCO within such two year period, provided, however, such Sponsor shall not be required to commence litigation, while keeping the TCO in force and effect at all times. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor from completing any Work required to obtain a PCO. Furthermore, because Sponsor and individual Unit Owners may be permitted to undertake renovations to individual units prior to the procurement of a PCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the PCO, however, in the event that the PCO is delayed for more than two (2) years because one or more Unit Owners (other than Sponsor) have performed work in their Unit(s) which work has not been signed off by the New York City Department of Buildings, Sponsor may, at Sponsor's option, forfeit the escrow deposited to secure the PCO to the Condominium Board, and thereafter, the Condominium Board shall be liable to secure the PCO.

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 available on the DOB website at: http://www.nyc.gov/html/dob/downloads/ pdf/co factsheet.pdf. (See Section entitled "Rights and Obligations of Sponsor").

29. Title. The Plan provides that Sponsor will convey marketable title to the Units to Purchasers. The Plan contains certain limitations, which provide that, subsequent to the date on which the Plan is declared effective, in the event there exists an exception to title that prevents Sponsor from conveying marketable title to the Units, Sponsor may abandon the Plan if such exception to title cannot be cured by payment of a liquidated sum, which shall not exceed 0.5 percent of the total purchase price payable for all Units offered for sale hereunder and Sponsor shall not be required to commence litigation to resolve any such title objections that may prevent Sponsor from conveying marketable title to Units to Purchasers. (See Section entitled "Terms of Sale").

30. Certification of Sponsor's Principals Executed Solely for Martin Act Purposes. As required by the applicable regulations, Sponsor and principals of Sponsor have executed a certification of this Plan, which appears in Part II hereof. 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 the Condominium on their behalf) in connection with or arising solely by reason of such principals' execution of the Certification of Sponsor and Principals, absent liability pursuant to another statute or the

successful assertion of a claim to "pierce the corporate veil." See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al., 106 A.D. 3rd 542 (1st Dept. May 16, 2013). See the Section entitled "Rights and Obligations of Sponsor."

31. Special Rights of Sponsor. (a) Sponsor shall have an exclusive easement (i) to erect, use, lease, maintain, repair, replace and operate (A) antennae, satellite dishes and other communications equipment, and (B) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding Residential Limited Common Elements 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 Owner and/or Permitted Users. Sponsor reserves the right to install additional mechanical equipment (including fireplace flues) 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. (See the Sections of the Plan entitled "Changes in Prices and Units" for details.)

(c) Sponsor is reserving the right to delay the collection of Common Charges, or a portion thereof, for a period to be determined by Sponsor, in Sponsor's reasonable discretion. During any such period of delay (a "Common Charge Abatement Period"), Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any replacement reserve payments required by lenders. Such expenses shall not include expenses that are the responsibility of individual Unit Owners such as real estate taxes, utility charges, etc. At such time when the collection of Common Charges commences, there will be no assessment for any line item in the budget for the Condominium contained herein. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to amend the budget for the Condominium as required by law and the applicable regulations. In the event that Sponsor elects to defer the collection of Common Charges or a portion thereof, Sponsor shall disclose such fact in the closing notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan to inform subsequent Purchasers that a Common Charge Abatement Period has occurred. Such amendment shall also disclose the anticipated duration of the Common Charge Abatement Period. In addition, those Purchasers who close on their Units subsequent to the expiration of the Common Charge Abatement Period shall not receive any credit of other reduction in the Common Charges payable by them. Prior to the expiration of the Common Charge Abatement Period, Sponsor will send written notice to all

Unit Owners of the expiration thereof at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan. See Section entitled "Rights and Obligations of Sponsor".

(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 comparable or better quality as recognized by industry standards for performance, efficiency, and duration of useful life. Any such material and adverse modification, addition or change will be reflected in a duly filed amendment to the Plan. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less is not a material and/or adverse change. (See the Sections of the Plan entitled "Changes in Prices and Units" for details.)

(e) No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or any Residential Rules and Regulations (other than those required by Law) shall be effective (a) against Sponsor unless Sponsor has given its prior written consent, or (b) to adversely affect the 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.)

32. Marketing Materials. In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like (collectively, the "Furnishings") 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 Furnishings will be located within any portion of the Building or Residential Units. The presence of Furnishings in any photograph or likeness contained in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Residential Units that differ from the designations utilized on the Floor Plans of the Residential Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. In no event, however, shall any designations, labels or nomenclature used in marketing materials conflict with the legally permitted uses 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. See the "Description of Property" contained in Part II of the Plan.

33. Terraces. The Residential Unit Owner that owns Unit PH will be responsible for all maintenance and non-structural alterations of the Terrace appurtenant to Unit PH, subject to applicable laws, the Condominium Documents, including Rules and Regulations imposed by the Condominium Board from time to time regarding installations, plantings, furnishings, etc. Such

Residential Unit Owner is responsible for keeping such Terrace free of snow, ice, and water accumulations to the extent that failure to so do will damage the Building or injure others. Repairs and replacements to structural elements of the Terrace will be done by the Condominium Board with all costs and expenses thereof charged to all Residential Unit Owners as a Common Expense. Residential Unit Owner alterations to the Terrace are subject to review and approval of the Condominium Board and compliance with any applicable terms and conditions. (See the Section of the Plan entitled "Introduction" subsection "Features of Condominium Ownership" for details.)

34. Mortgage Recording Tax Credit. 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 then-existing mortgage(s). Alternatively, Sponsor may require that such Purchaser cause its lender to accept from Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to such mortgage loan as determined by Sponsor. Upon such assignment, the portion of the mortgage loan assigned by Sponsor will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor alone will be entitled to the benefits of such exemption and Purchaser shall pay the amount equal to the mortgage recording tax saved as a result of such exemption directly to Sponsor. Purchaser shall also be obligated to pay any and all costs or fees in connection with such assignment, including legal fees for preparation of the assignment, recording and filing fees. (See the Section of the Plan entitled "Closing Costs and Adjustments" for details.)

35. Natural Finishes: Wood and Stone. Purchasers should note that wood finishes are natural products (including, without limitation, wood flooring, furniture, cabinetry, and molding) and are subject to certain risks, which include, but are not limited to: cracks or openings between the floor boards, squeaks, cupping, knots, mineral streaks, warping, splitting, denting, and/or delamination. Additionally, wood finishes 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, and (iii) in the appearance of finishes (including wood staining, gloss, and/or matte finishes). 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. It is recommended that protective felt pads and protective sheeting (such as plywood or masonite) 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 finishes 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" and "Description of Property" for further details.)

Purchasers should also note that that natural stone, including, but not limited to marble and granite, inherently has variations in color and veining, within a range, from samples and displays, and within installations, to the extent used, in floors, walls, counters, backsplashes, etc. Further, Unit Owners are advised that marble and stone are porous materials that can crack and scratch with use and should be professionally maintained and sealed regularly to protect their surfaces, preserve their beauty, and minimize staining and discoloration.

INTRODUCTION

Nature of the Transaction

DRK Third Avenue LLC (the "Sponsor"), hereby presents this offering plan (the "Plan") for the establishment of condominium ownership of the land (the "Land") together with the building being erected thereon known as and having a street address of 176 East 82nd Street a/k/a 1444 Third Avenue, New York, New York (the "Building", the "Land", and the appurtenances thereto are being referred to herein collectively as the "Property") pursuant to the terms of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"). The Property will be submitted to the provisions of the Condominium Act by recording of the Declaration by Sponsor in the City Register's Office. From and after the date of recording the Declaration, Sponsor will be the owner of the Units until each is sold or conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

The property is designated as Block 1510, Lot 40, on the Tax Map of the City of New York. Sponsor acquired title to the Property in July 2012.

The Condominium will be known as the "176 EAST 82ND STREET CONDOMINIUM" and is being referred to herein as the "Condominium." Sponsor has filed plans for the construction of a new Building. After the completion of construction, the Building will be ten (10) stories above ground plus a cellar and sub-cellar. The Condominium will contain nine (9) residential units (the "Residential Units"), nine (9) Storage Spaces (the "Storage Spaces"), which will each be licensed to one of the Residential Units pursuant to a license agreement in the form set forth in Part II of the Plan, and one (1) commercial unit (the "Commercial Unit"). Sponsor is offering the Residential Units and licenses for the Storage Spaces offered for sale herein. All of the Residential Units are presently vacant and it is Sponsor's intention to offer the same for sale vacant and not subject to any leases, tenancies or rights of occupancy. Prior to the acceptance date of the Plan, Sponsor has not entered into Purchase Agreements or accepted any deposits or advances of funds for the Residential Units hereof offered for sale herein.

The acquisition of the site and the construction of the Building have been financed by acquisition, building and project loans made by Esquire Bank, having an address at 320 Old Country Road, Garden City, New York 11530 ("Sponsor's Lender"). The aggregate amount of the loans extended to Sponsor from Esquire Bank for the construction of the Building is $6,350,000.

The Condominium Offering Plan

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the Units in the Condominium. 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 (the "Department of Law") and serving such amendment on Purchasers and Unit Owners.

The Plan is presented in two (2) parts (contained in one volume), which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed description of the Property and the floor plans for the Residential Units, discussed in the Plan, certifications of Sponsor and certain experts. Copies of the Plan, including all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection by prospective purchasers and their attorneys without charge and for copying at a reasonable charge at the office of Sponsor. All of these documents are important and should be carefully read by prospective purchasers. Prospective purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase a Unit. The Plan may be borrowed upon payment of a $300.00 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition, ordinary wear and tear excepted, or (ii) the execution by the prospective purchaser of a Purchase Agreement subsequently accepted by Sponsor.

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

Offering of Units for Sale

Sponsor hereby offers nine (9) Residential Units for sale under the Plan. Sponsor is also offering license agreements for nine (9) Storage Spaces to purchasers of Units. The prices for each of the Units offered under the Plan are listed in the Section entitled Schedule A - Offering Prices and Related Information (Schedule A). The form of Storage Space License Agreement to be entered into at Closing appears as Exhibit J in Part II of this Plan. The Storage Spaces will be offered for sale at Sponsor's discretion and will not necessarily be offered on a first-come first-served basis. However, in the event that not all of the Storage Spaces are sold, Sponsor reserves the right to sell more than one (1) Storage Space to a Residential Unit Owner.

THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Sponsor reserves the right to offer the Units in such order of priority as it may determine, and to withhold one or more Units at Sponsor's sole discretion. In addition, Sponsor has the right to limit the number of Units sold to any Purchaser and to make bulk sales of Units. There will be no modifications or extras for any Residential Unit unless set forth in the Purchase Agreement for such Residential Unit

Features of Condominium Ownership

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

Primary responsibility for operating the Condominium rests with the Board of Managers which is elected by the Unit Owners. (See Sections entitled "Board of Managers" and "Rights and Obligations of Condominium Board.")

Each Unit Owner will be solely responsible for the cost of maintenance and interior repairs of his or her Unit, and for maintaining casualty insurance with respect to the personal property within his or her Unit and liability insurance with respect to occurrences in or about his or her Unit. A Unit Owner is required to pay monthly Common Charges, in accordance with Sections 339(i) and (m) of the Condominium Act, which Common Charges are assessed by the Board of Managers for the operation and maintenance of the Condominium. Each Unit Owner is obligated to comply with the Declaration, the By-Laws and the Rules and Regulations of the Condominium and other policies implemented by the Board of Managers, as may be permitted by the Declaration and the By-Laws.

Fire and liability insurance covering the Common Elements is included with other items as part of the Common Charges (see "Schedule B - Projected Budget for First Year of Condominium Operation" for more details). After the closing of title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment and personal property situated within his or her Unit, as well as liability insurance with respect to occurrences in or about the Unit. A summary of the By-laws which shall govern the operation of the Condominium will be found in the section entitled "Rights and Obligations of Board of Managers; Summary of By-laws." A complete set of the By-laws are in Part II of this Plan.

Subject to certain conditions contained in the By-laws, each Unit Owner may mortgage his or her Unit with such lender and in such amount as he chooses. However, Sponsor makes no representations about the availability of mortgage financing for any Unit. There are no limitations or restrictions upon the rights of Sponsor to mortgage Unsold Units. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

A Unit Owner may decorate the interior of his or her Unit in any way he or she desires, subject to compliance with the By-laws, the Rules and Regulations and applicable law, and will be solely responsible for the cost of maintenance and interior repairs to his or her 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 his or her Unit be subjected to any lien arising from the non-payment of real estate taxes assessed against other Units. In the opinion of counsel to Sponsor, which opinion is set forth in full in Part II of the Plan, a Unit Owner who itemizes deductions may be eligible, under present law, to deduct from his or her income for income tax purposes, his or her real estate taxes and the interest paid on his or her mortgage, subject to certain exceptions and limitations discussed in the "Attorney's Income Tax Opinion" set forth in the Section entitled, "Opinion of Counsel regarding Deductibility of Taxes". (See also the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium.") Also, each Unit Owner will pay for all electricity which he or she utilizes within his or her own Unit for lighting, heating, hot water, air-conditioning and appliances, the charges for which will be billed directly to the Unit Owner by Con Edison.

With certain exceptions, any sale or lease of a Unit, will be subject to a right by the Condominium Board to acquire or lease such Unit or to produce a third party to acquire or lease such Unit on the same terms as were offered to the owner of such Unit. Sponsor and its successors may sell or lease any Unsold Unit, without any restriction or limitation. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners - Sales and Leases of Units."

Generally, the cost of operating the Building will be borne entirely by the Unit Owners in proportion to their respective Common Interests. 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. Typically, Common Charges will increase as cash requirements rise due to inflation and other factors. Such charges will be assessed against Unit Owners in proportion to their respective Common Interests in accordance with Sections 339-I and 339-m of the Condominium Act. The estimated Common Charges for each Unit offered hereunder for the first year of condominium operation are set forth in Schedule A.

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

There are no limitations on who may purchase Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, an association, a trust or any other entity which is permitted to take title pursuant to New York law.

In the event that Sponsor elects to withhold certain Units from sale, Sponsor will amend the Offering Plan to disclose the same. 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 (a) a Purchase Agreement for any Unit, and (b) a Purchase Agreement or Purchase Agreements, as the case may be, for more than one Unit to any one person or entity; provided, however, that, in either event, Sponsor shall not discriminate against any person because of his or her race, creed, color, sex, 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 contract deposit thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or who is incompetent under law.

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 EXECUTING A PURCHASE AGREEMENT TO PURCHASE A CONDOMINIUM UNIT.

DEFINITIONS

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

"Additional Contract Deposit" shall mean the additional deposit in an amount equal to five (5%) percent of the Purchase Price payable on the fifteenth (15th) day following the Presentation Date of the amendment declaring the Plan effective.

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

"Building" shall mean the building and improvements including above and below grade segments, and situated on the Land.

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

"By-laws" shall mean the By-laws governing the operation of the Condominium, which are set forth as Exhibit D to the Declaration, as the same may be amended from time to time pursuant to the terms thereof.

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

"Closing of Title" or "Closing" shall mean the date upon which, among other things, a Unit and its appurtenant Common Interest is conveyed to a Purchaser by the delivery by Sponsor to a Purchaser of a deed upon payment by a Purchaser to Sponsor of the balance of the purchase price for the Unit.

"Commercial Unit" shall mean the one (1) Unit designated in the Declaration as the Commercial Unit, as the same may be divided or combined in accordance with the Declaration and By-laws.

"Commercial Unit Owner" shall mean an owner of the Commercial Unit, as the same may hereafter be subdivided.

"Common Charge Abatement Period" a period, that may be determined in the sole discretion of Sponsor, during which Sponsor agrees to abate all or a portion of the Common Charges that would otherwise be payable by the Unit Owners.

"Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, *pro rata,* in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-laws or in the First Year's Budget) to meet the Common Expenses.

"Common Charge Contribution" shall mean the annual contribution to the operating expenses of the Building to be drawn from the Sponsor Working Capital Fund during each of the first seven (7) years of Condominium Operation as set forth in Schedule A-1, provided however, at such time when Sponsor shall no longer own any of the Residential Units in the Condominium, the Sponsor Working Capital Fund may be applied as otherwise permitted pursuant to the By-Laws.

"Common Elements" shall mean the Property, other than the Units themselves, being comprised of the General Common Elements and the 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 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 the Common Interest percentages appurtenant to all Units equals 100 percent. The Common Interest attributable to each Unit is set forth on Exhibit B annexed to the Declaration.

"Condominium" shall mean the "176 East 82nd Street Condominium" which will be established pursuant to the terms of the Declaration and which will be governed pursuant to the terms of the By-laws.

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

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

"Contract Deposit" shall mean all deposits, down-payments, advances or payments made by Purchasers prior to the closing of each individual transaction, including without limitation.

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

"Department of Law" shall mean the New York State Department of Law.

"Effective Date" shall mean the date upon which Sponsor has declared the Plan effective pursuant to the provisions of the General Business Law.

"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 the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety or the Property.

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

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

"First Year of Condominium Operation" or "First Year" shall mean the first year in which Building operates as a Condominium. "Floor Plans" shall mean the floor plans of the Units certified by a professional engineer or licensed architect, filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

"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.

"Initial Contract Deposit" shall mean the initial deposit tendered by Purchaser at such time when Purchaser executes and submits a Purchase Agreement.

"Initial Control Period" shall mean the period ending on the earlier of: (i) the closing of title with purchasers under the Plan to Units having at least 75 percent of the aggregate Common Interest appertaining to all Units, or (ii) five (5) years after the First Closing.

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of The City of New York as Block 1510, Lot 40, and more particularly described on Exhibit A to the Declaration.

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

"Managing Agent" shall mean the managing agent or manager of the Building at the time in question.

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

"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 prospective Purchasers and Unit Owners following acceptance of the Plan or an amendment thereto for filing the Department of Law.

"Property" shall mean the Land, the Building (and any structures attached thereto), 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 pursuant to the Plan.

"Purchaser" shall mean a purchaser of a Unit under a Purchase Agreement.

"Residential Common Interest" shall mean the interest in the Residential Limited Common Elements allocated to each Residential Unit.

"Residential Unit" shall mean any Unit designated as a Residential Unit in the Declaration, and all such Residential Units are, collectively, referred to as the "Residential Units" and intended to be used as residences.

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

"Roof Terrace" shall mean the terrace located on the roof which is a Residential Common Element for the use of all Residential Unit Owners.

"Rules and Regulations" shall mean the rules and regulations made in accordance with the By-laws.

"Schedule A" shall mean the section of the Plan entitled Schedule A - Offering Prices and Related Information."

"Schedule A-1" shall mean the section of the Plan entitled Schedule A-1, which sets forth the Scheduled Working Capital Fund Contribution, for each of the first seven (7) years of condominium operation to be paid from the Sponsor Working Capital Fund.

"Schedule B" shall mean the section of the Plan entitled "Schedule B - Budget for First Year of Condominium Operation." Schedule B is sometimes referred to herein as the "First Year's Budget."

"Schedule B-1" shall mean the section of the Plan entitled "Schedule B-1 – Estimated Cost of Heat and Electricity for Individual Residential Units."

"Scheduled Common Charge Contribution(s)" shall mean the portion of the Sponsor Working Capital Fund to be drawn by the Residential Board during each of the first seven (7) years of Condominium Operation to be applied to the payment of Residential Common Expenses.

"Selling Agent" shall mean CORE Group Marketing LLC, a real estate broker licensed in the State of New York, retained by Sponsor to procure sales of the Residential Units.

"Sponsor" shall mean DRK Third Avenue LLC.

"Sponsor Working Capital Fund" shall mean the monies to be contributed to the Condominium by Sponsor to abate a portion of the Common Charges that would otherwise by payable by the Residential Unit Owners, as provided herein, subject however to the right of the Board of Manager to such the proceeds of such fund for other expenses as is permitted pursuant to the By-Laws of the Condominium.

"Storage Space(s)" shall mean the Storage Spaces each of which will be available for license to a Unit Owner.

"Terrace" shall mean the terrace adjacent to the Penthouse Unit which will be designated in the Declaration as a Limited Common Element appurtenant to such Unit.

"Unit" shall mean any space 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 owner of a Unit. All such owners of Units are, collectively, referred to as "Unit Owners."

"Unsold Unit" shall mean those Residential Units not sold to a Purchaser under this Plan, including any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or its designee at the time in question, or a Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more principals of Sponsor is a member.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Location

The Condominium is located at 176 East 82nd Street a/k/a 1444 Third Avenue, on the west side of the west side of the street, situated between 81st and 82nd Streets in the Borough of Manhattan, City of New York. The Building is located on the tax lot presently known as Block 1510, Lot 40. The site has an area of approximately 2,555 square feet.

Property and Improvements - General Description

The Condominium will be housed in a building constructed on the Land pursuant to an alteration permit which will contain elements of the building which previously occupied the Land.

It will be composed of ten (10) stories above ground, a sub-cellar, cellar, and a Roof Terrace for use by all of the Residential Unit Owners. The Building will contain nine (9) Residential Units and nine (9) Storage Spaces, each of which may be licensed by a Unit Owner pursuant to the terms of a license agreement in the form set forth in Part II of the Plan. There will also be one (1) Commercial Unit located on the ground floor, excluding that portion of the ground floor facing East 82nd Street where the entrance lobby for the Residential Units will be located. The Commercial Unit and the storage area located at the basement level is not offered for sale pursuant to this Plan.

There will be a Roof Terrace located on the roof of the Building for the use of the Residential Unit Owners, only. The Roof Terrace will be a Residential Common Element for use solely by the Residential Unit Owners, their guests and invitees on a non-exclusive basis. The cost of maintaining the Roof Terrace will be a Residential Common Expense paid for by all Residential Unit Owners.

The Storage Spaces will be located in the sub-cellar of the Building and will be wire cages ranging from approximately 86 to 146 square feet. Licenses for the use of the Storage Spaces will be offered for sale pursuant to this Plan. The Storage Spaces may be owned and transferred only to those persons who also own a Residential Unit in the Condominium.

Detailed descriptions of the Residential Units are set forth in the Declaration and in the Description of Property contained in Part II of the Plan. The Building will be constructed in accordance with plans and specifications drawn by ODA Architecture P.C. In addition, TSF Engineering PC has been retained as the mechanical engineer to prepare the estimates contained in Schedules B and B-1 herein below.

Except as otherwise provided herein, each Residential Unit offered for sale by Sponsor is completely equipped and contains all major fixtures and appliances normally associated with a residential condominium unit. Each Unit will contain a refrigerator-freezer, range, microwave oven, dishwasher, and a clothes washer and dryer. Each Residential Unit will contain a ceiling mounted unit (each a "Heat Pump Unit") which will provide heat and air conditioning to the unit. The Heat Pump Unit will be controlled by the Residential Unit Owner and the cost of the electricity required to operate such Heat Pump Unit will be the responsibility of each of the Residential Unit Owners, individually. The estimated cost of operation of the Heat Pump Units is set forth in Schedule A-1, Estimated Cost of Unit Operation during the First Year of Condominium Operation. Part II of this Plan contains a detailed, comprehensive description of the Property and outlines specifications more fully and specifically defining the Building, its construction, facilities and amenities. Purchasers are strongly advised to read the report in Part II of the Plan. Please refer to the Section entitled "Description of Property and Building Condition."

The construction of the Building, including the Residential Units and the Commercial Unit, will be completed substantially in accordance with the Plans and Specifications, and otherwise in accordance with the Zoning Resolution, the Building Code of The City of New York and all other applicable Legal Requirements. 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 in Part II of the Plan, items of substantially equal or better quality. Moreover, Sponsor shall not be obligated to correct and shall have no liability or responsibility to any Purchaser for, and no Purchaser shall be entitled to any reduction in or credit against the purchase price of his or her Residential Unit or otherwise relieved from performing his or her obligations under the Agreement as a result of minor or insubstantial inaccuracy or error in the floor plans or specifications for such Residential Unit as set forth in Part II of the Plan. Notwithstanding the foregoing, any material change shall be set forth in an amendment to the Plan, and no such amendments, modifications or substitutions may be made if the same would materially adversely affect any Purchaser who has delivered a Purchase Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices exists), and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer any materially adversely affected Purchaser(s) the right, for at least fifteen (15) days, to rescind their Purchase Agreements and receive a refund of their Contract Deposit, together with all interest earned thereon. Any such changes that are not both material and adverse will not give rise to a right of rescission.

The location in the Building, and the size, layout and approximate square footages of the Units are shown on the floor plans duplicated in Part II of the Plan. Such floor plans are subject to the rights of Sponsor or its successor-in-interest to combine two (2) or more Unsold Units, to add additional Units by subdividing Unsold Units or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Units, as further described in Part I, in the Section entitled Procedure to Purchase, provided, however, that any material change shall be set forth in an amendment to the Plan, that no material adverse change will be made in the size (*i.e.*, decrease), configuration or layout of a Unit for which Purchase Agreement, which has been countersigned by Sponsor and returned to the Purchaser, unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices exists), and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the materially adversely affected Purchaser(s) the right, for at least fifteen (15) days, to rescind their Purchase Agreements and receive a refund of their Contract Deposit, together with all interest earned thereon.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved of any obligations under the Purchase Agreement, by virtue of an immaterial inaccuracy or error in the floor plans.

The Building incorporates sophisticated mechanical equipment designed to provide for the physical comfort and convenience of the Building's occupants. During normal operation of this

equipment, some occupants of Residential Units adjacent to or in the vicinity of the equipment floors and equipment areas of the Building may perceive noise and/or vibration from the equipment. The sole obligation of Sponsor and the Board with respect to such noise and/or vibration shall be to install and operate such equipment in a manner consistent with commercially reasonable practices in typical luxury residential buildings and in compliance with applicable Legal Requirements, including the New York City Building Code.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closings of title to Residential Units to begin on or about October 1, 2017. Prospective Purchasers should note, however, that the Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six (6) months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25 percent or more; or (ii) the First Closing does not occur within twelve (12) months after October 1, 2017, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than fifteen (15) days after the Presentation Date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Contract Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. Notwithstanding the forgoing, in no event shall any Purchaser be deemed to have waived any rights available to a Purchaser pursuant to Article 23-A of the General Business Law. As set forth in the Section of this Plan entitled "Effective Date" no closing of title to any Unit will take place prior to the Plan being declared effective.

Common Elements

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

existence, maintenance or safety of the Property. The windows of the Building are common elements of the Condominium and will be maintained by the Board of Managers, provided however, any maintenance or replacements required due to the negligence of the Unit Owners will be the responsibility of such Unit Owners. The Common Elements are divided into the following separate categories: (i) the General Common Elements, which are, generally, those Common Elements which serve or benefit all of the Units or Unit Owners; and (ii) the Limited Common Elements, which are, generally, those Common Elements which serve or benefit exclusively certain Residential Units or Residential Unit Owners. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it is appurtenant. For a detailed description of the Common Elements, see Exhibit D in Part II of the Plan and Article 6 of the Declaration (Exhibit H in Part II of the Plan).

General Common Elements

The General Common Elements consist of all Common Elements other than the Limited Common Elements, and include, among other things, the following: (i) the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration); (ii) all foundations, foundation walls, roofs (except as otherwise expressly provided in the Declaration), footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs and ceilings; (iii) all passages and corridors, mechanical and other utility rooms, all fire staircases, landings and stairs, areas and spaces located in the Building, which are not Limited Common Elements or included in any Unit; (iv) any ventilation supply system consisting of motors, ductwork, fans and controls and return piping, serving or benefiting any combination of the Residential Units (or Storage Spaces); (v) all mechanical equipment and associated piping and controls and all utilities and mechanical and electrical transfers and equipment serving or benefiting any combination of the Residential Units or Storage Spaces; (vi) all electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panel boards, conduits, wires, meters, transformers and panel boards serving or benefiting any combination of the Residential Units, the Commercial Unit or the Storage Spaces, excluding, however, all such items located within a Unit and serving only that Unit; (vii) all storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), excluding, however, all such items located within a Unit and serving only that Unit; (viii) all electric service rooms, gas and water meter rooms, Building storage rooms (other than Storage Spaces), telephone rooms and other service, mechanical and utility rooms serving or benefiting any combination of the Residential Units, the Commercial Unit or the Storage Spaces; (ix) all other facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of any combination of the Residential Units, the Commercial Unit or the Storage Spaces; (x) all security monitors and equipment and other security facilities serving or benefiting any combination of the Residential Units, the Commercial Unit or the Storage Spaces; (xi) the elevator servicing the Building, including the shafts, elevator equipment, elevator pit and entrances and appurtenant facilities; (xii) all security monitors and equipment and other security facilities serving or benefiting any combination of the Residential Units, the Commercial Unit or the Storage Spaces; and (xiii) all other parts of the Property either existing for the common use of any combination of the Residential Units, the Commercial Unit or the Storage Spaces, or their

respective Unit Owners or that are necessary or convenient for the existence, maintenance, operation or safety of the Property. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it appertains. For a detailed description of the Common Elements, see Article 6 of the Declaration (Exhibit H in Part II of the Plan).

The Residential Common Elements shall include the following: (i) the lobby and entrance area located on the ground floor and entered from 82nd Street; (ii) all passages, corridors, storage rooms (excluding the Storage Spaces), housekeeping areas, mechanical and other rooms, areas and spaces (including their respective floors, ceilings and enclosing walls) located in the Building; (iii) smoke detection alarm system, telephone system and cable television system; (iv) all Building storage rooms (excluding the Storage Spaces), telephone rooms and other service, mechanical and utility rooms; (v) all security monitors and equipment and other security facilities; (vi) all other systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines); (vii) the condenser water system and related support structure including the cooling tower; (viii) hot water and condensed water systems; (ix) all plumbing fixtures, equipment for distribution of cold water and equipment for distribution of hot water, including pumps, valves, pressure reducers, meters and water heaters, excluding, however, all such items located within a Unit and serving only that Unit; and (x) rooftop terrace.

The Residential Common Elements shall also include amenities for the use of the Residential Unit Owners including the exercise room and the laundry room (both located in the cellar of the Building) and the storage room (located in the sub-cellar of the Building). Electric and manual gym equipment will be installed in the exercise room at the sole cost and expense of Sponsor. The foregoing amenities may not be available as of the First Unit Closing, but the same will be available no later than six (6) months after the First Unit Closing. The storage room will contain nine (9) Storage Spaces.

Limited Common Elements

The Unit Owner of Unit PH will have exclusive use and enjoyment of the Terrace adjacent to such Unit as a Limited Common Element. The Unit Owner of Unit PH shall have the responsibilities set forth in the By-laws.

The Unit Owner of Unit PH shall have the exclusive use of the Terrace appurtenant thereto, which will be designated as a Limited Common Element, appurtenant to Unit PH, subject to the right of the Condominium Board to regulate its use in accordance with the By-laws and the Rules and Regulations; and such Unit Owner shall be responsible for all normal maintenance, repairs and replacements to such Terrace, including the repair and maintenance of the portion of the roof surface on which such Terrace is located (the "Terrace Area"), the repair of leaks on the Terrace Area, and the replacement of the roof surface on the Terrace Area when necessary. However, the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to that portion of the Terrace Area located below the roof surface shall be charged to the Unit Owner of Unit PH as a Common Expense.

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

No construction of any kind may be undertaken or performed on the Terrace without the prior consent of the Condominium Board, which consent may be granted or withheld in the absolute discretion of such Condominium Board. Any such construction as may be approved by the Board shall be subject to compliance by the Unit Owner undertaking the same with all Legal Requirements, including, but not limited to, required permits from the New York City Department of Buildings and the obtaining variances, if any, that may be required in order for such construction to be performed. A purchaser of Unit PH is advised that in the event that the Board should oppose an application for a variance, then such application may be denied. If the Unit Owner of Unit PH is allowed by the Board to perform any type of construction on the Terrace appurtenant to such Unit, then the authorizing Board(s) shall have the authority to regulate or impose conditions with regard to any one or more of the following aspects of such approved construction: (a) time periods during which construction work may occur; (b) the manner in which construction debris shall be handled and removed from the Terrace where construction is occurring; (c) measures which must be taken to prevent any compromising of the security of the Units and the Building during construction; (d) measures which must be taken to prevent or minimize any interruption of Building services and/or amenities during construction; and (e) liability and other insurance that will be required of the Unit Owner and each of such Unit Owner's contractors in connection with any approved construction in, on or affecting a Terrace.

The Board, and its employees and agents, shall have an easement and unlimited access to the Terrace for the purpose of making inspections and repairs, though such inspections and repairs shall be scheduled at reasonable times and upon reasonable notice, unless the inspection or repair is required due to an emergency.

The Terrace appurtenant to Unit PH may be used solely for passive recreational purposes. Applicable law and regulations currently prohibit barbecuing on terraces.

In addition, there will be nine (9) Storage Spaces located in the sub-cellar of the Building, which are available for license to persons who own a Unit in the Condominium. The Storage Spaces may be used only for storage purposes, in compliance with all applicable laws and without causing the dissemination of noxious odors, dirt or other sanitary problems. No materials which pose a health or safety threat or which create a nuisance may be stored in a Storage Space.

Services and Facilities

Generally, all services normally associated with the operation and maintenance of a luxury residential condominium will be provided to Residential Unit Owners at no additional cost other than Common Charges; these are described below in the Section entitled "Building Standard Services and Facilities." Notwithstanding the foregoing, however, the Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

Standard Facilities

Building Standard Services and Facilities (provided to all Residential Unit Owners at no additional cost other than the Common Charges payable by Residential Unit Owners):

(i) Elevator Service. The elevator will be automatically operated and will be in service, 24 hours per day, seven (7) days per week.

(ii) Communications Facilities and Intercom Service. Each Residential Unit will be equipped with an internal telephone system. This system will enable the occupants of each Residential Unit to communicate directly with entry vestibule on the ground floor of the Building lobby. In addition, each Residential Unit will contain a connection to a central intercom system through the internet. Each telephone within the Unit may be used for connection to the intercom system.

(iii) Mail. All incoming mail will be delivered by the United States Postal Service to locked mail boxes.

(iv) Lobby Attendants. The Schedule for First Year of Operation contemplates that there will be an attendant in the lobby of the facing East 82nd Street, which will provide entrance and access to the Residential Units.

(v) Maintenance Personnel. There will be one part-time maintenance worker who will be responsible to clean the common areas of the Building and to remove the garbage and materials to be recycled.

(vi) Refuse Disposal. There will be recycling bins and a refuse chute located within each residential Unit. Each chute will be incorporated into the kitchen millwork and lead directly to an automatic compacting facility in the sub-cellar of the Building where refuse will be automatically compressed. As required by applicable code, each trash chute is sprinkled. Building staff will transfer the compressed refuse to the sidewalk as needed pending collection by the City of New York Department of Sanitation. Recycling bins in each Residential Unit will be emptied as necessary by the residents of the Building.

(vii) Laundry Room. There will be a laundry room located in the cellar of the Building that will contain two (2) commercial washing machines and two (2) commercial dryers. The laundry room is for the exclusive use of the Residential Unit Owners.

(viii) Security Procedures. All entrances to the Building will be monitored by a camera and/or electronic alarm systems. No representation or warranty is made and no assurance is given that the security systems and procedures of the Building will prevent personal injury or damage to or loss of personal property.

(ix) Cable Television Service. A cable television system is available for the use of the Unit Owners. Each Residential Unit will have cable connection in the living room and in each bedroom. The charges for primary connections and subsequently monthly fees related to the service will be determined by, and payable directly to, Time Warner Cable of New York by the Unit Owner. Additional cable service (*e.g.*, Home Box Office or Showtime) will also be available from Time Warner Cable of New York for an additional charge on the same basis.

(x) Internet Service. Each Residential Unit will contain a high speed internet connection.

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

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

No representation or warranty is made as to the continued operation or existence of any of the foregoing services or facilities and neither Sponsor nor the Condominium Board shall have any liability with respect to or arising from any Unit Owner's, tenant's or occupant's use of any of the foregoing or the amount of the fees charged therefor.

Purchasers are advised that during the six (6) month period following the First Unit Closing and beyond, various systems including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may be incomplete and may be disrupted temporarily and from time to time. See the Special Risks entitled "Interim Service Period" and "Additional Building Work" above.

Sponsor and its successors-in-interest shall have the right, until the tenth anniversary of the First Closing, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (*e.g.*, with respect to any sales programs for Unsold Units) or otherwise.

LOCATION AND AREA INFORMATION

Location

The Property is situated at 176 East 82nd Street, also known as 1444 Third Avenue, in the Borough of Manhattan, City of New York, which is located on the west side of Third Avenue between 81st and 82nd Streets, at the corner of East 82nd Street. The Property is zoned C1-9. The zoning resolution of the City of New York permits a wide variety of uses in zone C1-9 including residential occupancy, hotels primarily for transient occupancy, together with a wide range of retail, office, amusement, service, custom manufacturing, and related uses normally found in a central business district or regional commercial centers, but excludes non-retail uses which generate a large volume of trucking. Sponsor has no other development projects, in the immediate vicinity of the Condominium, which would impact the views from the Units in the Condominium. Sponsor is also not aware of any development of the adjacent parcels, which are not owned by Sponsor, which is currently planned.

Surrounding Area; Shopping, Commercial and Recreational Facilities

The Condominium is located in the Upper East Side and is surrounded by some of Manhattan's most distinctive and lively neighborhoods. Near the Building there are, in addition to similar luxury residences Central Park, museums, art galleries, schools, churches, banks and a preeminent collection of the world's finest retail establishments. Shopping on world-famous Madison Avenue is in close proximity to the Building. Gourmet stores such as Eli's, Graces Market, Dean & Deluca, Agata & Valentina, and Citarella are all located in close proximity to the Building. Among the nearby museums are the Metropolitan Museum of Art, Whitney Museum of American Art, Frick Collection, Guggenheim Museum, and Museum of Modern Art.

Schools

Numerous private schools, public schools and parochial schools are easily accessible from the Building. The public schools in the area include P.S. 6 at 45 East 81st Street, P.S. 290 Manhattan School at 311 East 82nd Street and Yorkville Community School at 421 East 88th Street. Certain public school programs require that parents apply for admission for their children. Sponsor makes no representation as to which public school the children who live in the Building will attend. The private schools in the area include The Spence School at 22 East 91st Street, The Dalton School at 108 East 89th Street, The Buckley School at 113 East 73rd Street, The Ramaz School at 125 East 85th Street, and The Caedmon School at 416 East 80th Street.

Transportation

New York City is served by three major airports – LaGuardia Airport, Kennedy International Airport and Newark International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and West 33rd Street and Grand Central Station, located at Lexington Avenue and 42nd Street. Transportation to and from the Building, and throughout New York City is available by taxi, limousine, and private automobile. Public transportation via subways and buses is also readily available.

The 4, 5 and 6 subway lines are within walking distance located at 86th and 77th Streets, and will soon be supplemented by the Second Avenue subway line. The first phase of the Second Avenue subway is expected to be completed by December 2016 which extends the 4 Line train from its current terminal at 57th Street and 7th Avenue to the new 2nd Avenue, 72nd, 86th and 96th Street stations.

Bus service is also convenient to the Building. The M101, M102, M15, M79 and M86 bus lines all pass within several blocks of the Building.

Police, Fire, Water, Sanitation, Snow Removal and Road Maintenance

These services are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Unit Owners to The City of New York. The nearest police precinct headquarters is located on 85th Street between Lexington and Third Avenues. Fire protection is provided from Fire Station Engine No. 22, Ladder 13 is located at 159 East 85th Street, New York, New York. Water is provided by the City of New York and charges for the Units will be metered and paid by Unit Owners as a Common Expense of the Condominium.

Medical and Religious Facilities

The area is served by numerous hospitals and medical facilities located proximate to Premises, including New York Hospital, Cornell Medical Center, Memorial Sloan Kettering, Lenox Hill Hospital, New York University Medical Center, Mt. Sinai Medical Center and Columbia Presbyterian Medical Center. There are houses of worship of most major denominations in the vicinity of the Building.

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

SCHEDULE A
176 EAST 82ND STREET CONDOMINIUM
176 EAST 82ND STREET, NEW YORK, NEW YORK
FIRST YEAR OF CONDOMINIUM OPERATION
October 1, 2017-September 30, 2018

Unit (Note 1)*	Bdrm/Office/ Bths (Note 2)	Unit. Sq. Ftg. (Note 3)	Ext. Sq. Ftg.** (Note 3)	% of Common Interest (Note 4)	% of Common Interest, Residential Only (Note 4)	Offering Price (Note 5)	Monthly Common Charges w/out Sponsor Worley Capital Fund (Note 6)	Annual Common Charges w/out Sponsor Worley Capital Fund (Note 6)	Monthly Common Charges w/ Sponsor Working Capital Fund (Note7)	Annual Common Charges w/ Sponsor Worley Capital Fund (Note 7)	Real Estate Taxes Monthly (Note 8)	Real Estate Taxes Annually (Note 8)
Retail Space - ground floor	N/A	2,000	0	12.60%		$ 7,000,000.00	$ 1,260.02	$ 15,120.25	$1,260.02	$ 15,120.25	$ 6,142.50	$ 73,710.00
201	4/3.5	2,371	0	8.90%	10.18%	$ 4,750,000.00	$ 2,555.86	$ 30,670.34	$ 570.76	$ 6,849.14	$ 4,338.75	$ 52,065.00
301	4/3.5	2,371	0	9.05%	10.35%	$ 4,825,000.00	$ 2,598.68	$ 31,184.17	$ 580.43	$ 6,965.17	$ 4,411.88	$ 52,942.50
401	4/3.5	2,371	0	9.20%	10.53%	$ 4,900,000.00	$ 2,643.14	$ 31,717.63	$ 589.79	$ 7,077.43	$ 4,485.00	$ 53,820.00
501	4/3.5	2,371	0	9.35%	10.70%	$ 5,000,000.00	$ 2,685.95	$ 32,231.46	$ 599.45	$ 7,193.46	$ 4,558.13	$ 54,697.50
601	4/3.5	2,371	0	9.50%	10.87%	$ 5,100,000.00	$ 2,728.77	$ 32,745.28	$ 609.12	$ 7,309.48	$ 4,631.25	$ 55,575.00
701	4/3.5	2,371	0	9.65%	11.04%	$ 5,200,000.00	$ 2,771.59	$ 33,259.11	$ 618.79	$ 7,425.51	$ 4,704.38	$ 56,452.50
801	4/3.5	2,371	0	9.80%	11.21%	$ 5,350,000.00	$ 2,814.41	$ 33,772.94	$ 628.46	$ 7,541.54	$ 4,777.50	$ 57,330.00
901	4/3.5	2,371	0	9.95%	11.38%	$ 5,500,000.00	$ 2,857.23	$ 34,286.76	$ 638.13	$ 7,657.56	$ 4,850.63	$ 58,207.50
1001	4/3.5	2,465	700	12.00%	13.74%	$ 6,500,000.00	$ 3,448.42	$ 41,381.07	$ 769.12	$ 9,229.47	$ 5,850.00	$ 70,200.00
		23,433		**100.00%**	**100.00%**	**$ 54,125,000.00**	**$ 26,364.08**	**$ 316,369.00**	**$ 6,864.08**	**$ 82,369.00**	**$ 48,750.00**	**$ 585,000.00**

Storage Units	Sq. Ft.	
ST-1	93	$ 93,000.00
ST-2	95	$ 95,000.00
ST-3	95	$ 95,000.00
ST-4	95	$ 95,000.00
ST-5	96	$ 96,000.00
ST-6	86	$ 86,000.00
ST-7	88	$ 88,000.00
ST-8	128	$ 128,000.00
ST-9	146	$ 146,000.00
Total Sq. Ft.	**922**	$ 922,000.00

*Notes follow.
** No portion of the square footage is allocable to any room which does not constitute habitable space per the NYC Building Code.

NOTES TO SCHEDULE A

1. Prospective Purchasers should refer to the Floor Plans included in Part II of the Plan for the dimensions and layouts of Units.

2. Each Unit and the outdoor space adjacent thereto should be inspected to determine its actual dimensions, layout as a physical condition prior to executing a Purchase Agreement. The square foot area and dimensions of the Units listed in Schedule A or on the Floor Plans or in the Declaration may vary within reasonable construction tolerances. None of the Units contain any spaces designated as living space which do not comply with the light and air requirements of the New York City Zoning Resolution. The method of calculating the square footage of the Units does not accurately represent the interior space in the Unit and exaggerates the square footage of the Units. No such variation will affect a Purchaser's obligations under the Purchase Agreement or the Plan unless the net square foot area of the Unit as set forth on Schedule A determined in accordance with the methodology described herein is materially diminished (excluding interior partitions). Sponsor's sole obligation if the net square foot area of the Unit is diminished materially shall be to refund to Purchaser the Contract Deposit made under the Purchase Agreement.

3. The percentage interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(1)(iv) of the Condominium Act, is based upon the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all of the Units, but such proportion reflects the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements. Each Residential Unit is also assigned an interest in the Residential Common Elements, which is based upon the approximate proportion that the floor area of each Residential Unit at the date of the Declaration bears to the then aggregate floor area of all of the Residential Units, but such proportion also reflects the substantially exclusive advantages enjoyed by one or more but not all of the Residential Units in that portion of the Building containing the Residential Units, including the facilities appurtenant thereto.

4. Pursuant to Section 339-m of the RPL, the portion of Common Charges paid by the Commercial Unit Owner is less than the Common Interest attributable to the Commercial Unit. The Condominium Declaration and the By-laws provide that the Unit Owners which own the Commercial Unit will pay 12.60 percent of certain Common Expenses of the Condominium that will benefit the Commercial Unit Owner. The Common Charges payable by the Commercial Unit Owner reflect that the Commercial Unit will either not benefit from or use certain building services paid for by the Common Charges. For example, the Commercial Unit Owner will not have access to the lobby that serves as the entrance to the Residential Units and therefore, will not be required to share in the payroll expense for the lobby attendants. In addition, the Commercial Unit Owner is responsible to maintain the sidewalk in front of the Commercial Unit and will be responsible for the removal of its own refuse. Sponsor's Expert, Camelot Realty Group LLC, has certified that the portion of the Common Charges allocated to the Commercial Unit Owner fairly reflects the cost of services provided to the Commercial Unit.

5. The purchase prices and other terms of sale of Units may be negotiated by Sponsor and therefore may be changed. Accordingly, Purchasers may pay different purchase prices for similar 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 entitled "Unit 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 Unit at the time of the Closing of title. 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.

6. The estimates contained in this Schedule A were computed by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be the year from October 1, 2017 through September 30, 2018, and are based on such Condominium Budget Experts estimate of the receipts and expenses of the Building for the projected year. The actual first year of Condominium operation may commence before or after October 1, 2017.

The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert. The estimated Common Charges in this column reflect the Common Changes that would be payable in the event that the Sponsor had not elected to provide for a subsidy of the Common Charges for the first seven (7) years of Condominium Operation, as set forth in Footnote 7 below. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on his or her Unit, mortgage payments due with respect to a loan or loans, if any, obtained to finance the purchase of his or her Unit, the cost of electricity and natural gas supplied to his or her Unit, the cost of any insurance which he may wish to obtain for his or her Unit (and which Sponsor strongly urges each Unit Owner to obtain) and the cost of interior repairs and decorations to his or her Unit.

7. The value of the Property for real estate tax purposes is determined annually by the Department of Finance of the City of New York. Under current New York State law, increases in a property's assessed valuation due to changes in its market value are to be phased in over five (5) years in equal annual increments of twenty (20%) percent increases in value that result from physical alterations and improvements rather than general market conditions, are not phased in. Any further increase in the assessed value during such five-year period resulting from a still higher market value is to be similarly phased in over an additional five-year period. The full increased assessed value targeted to be paid at the end of five (5) years is called the "actual assessed valuation." The "transitional assessed valuations" represents the aggregate of all increments being phased in for a given tax year, plus any "physical" increases. Real estate taxes for a given tax year are based upon the lower of either the actual or transitional assessed valuation. That lower figure is referred to as the "taxable assessed valuation."

No representation is made or warranty given as to whether or not there will be (i) a further increase in the assessed valuation of the Property during the five (5) year phase-in period, (ii) an increase in the tax rate, or (iii) a change in the method of determining the assessed fiscal year

valuation, *i.e.*, for 2017/2018 and 2018/2019. Based upon the opinion of Tuchman Korngold Weiss Lippman and Gelles, LLP, the estimated assessed valuation for 2017/2018 for the entire property is $2,750,000 and the assessed valuation for 2018/2019 is projected to be $4,750,000. The estimated post-construction taxes for the Residential Units, in the aggregate, are $617,500. There is no assurance that the New York City Department of Finance will allocate taxes among the Units in proportion to their respective Common Interest. Upon determination of individual tax lots and individual Unit assessments, the New York City Department of Finance authorities may allocate taxes between the Units in proportion to each Unit's purchase price rather than its Common Interest, and, if so, Units having the same Common Interest may pay different real estate taxes. However, in the event that at time of closing the Units have not been separately assessed, the Condominium will be authorized to make payment of all real estate taxes on the Property and will assess and collect the amount thereof from all Unit Owners in proportion to the Common Interest allocated to each Unit.

There can be no assurance that the tax rate for the Residential Units will not exceed $13.00 per $100 of assessed value of the Property. Assessed valuations and property tax rates are subject to review and change by the taxing authorities.

Section 581 of the Real Property Tax Law provides that real property owned on a condominium basis shall be assessed for real estate tax purposes at a sum not exceeding the assessment which would be placed thereon if the property were not owned on a condominium basis. Section 339-y of the Condominium Act provides in part that each Unit and its Common Interest shall be separately assessed for tax purposes and that in no event shall the aggregate of the assessment of the Units plus their Common Interest exceed the total valuation of the Property were the property assessed as one parcel.

See the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" in Part I and the "Attorney's Income Tax Opinion" in Part I for a discussion concerning the deductibility of real estate taxes paid with respect to a Unit. Inasmuch as the taxes for the Units will vary in future years, the amount of the tax deduction available to the Unit Owners on account of real estate taxes will likewise vary.

Once the Units are separately assessed by the New York City tax authorities, real estate taxes will be payable directly to the taxing authority on the following basis:

Annual Assessment Due Dates ($40,000 or less quarterly)	July 1, October 1, January 1 and April 1
More than $40,000	Semi-annually (July 1 and January 1)

8. These figures represent the aggregate estimated carrying charges which include estimated Common Charges and estimated real estate taxes, which reflect the reduction in the Common Charges payable by the Residential Unit Owners subsequent to the application of the credit funded by Sponsor Working Capital Fund. The total carrying costs do not include costs for individual Unit Owner expenses such as maintenance and repairs of the interior of the Unit, insurance, electricity, and debt service on any financing arranged to purchase the Unit.

SCHEDULE A-1
SCHEDULE OF DISTRIBUTIONS
FOR SPONSOR WORKING CAPITAL FUND

Unit	% of Residential Common Interest	Sponsor Working Capital Fund	Year 1 Monthly Contribution	Year 1 Annual Contribution	Year 2 Monthly Contribution	Year 2 Annual Contribution	Year 3 Monthly Contribution	Year 3 Annual Contribution	Year 4 Monthly Contribution	Year 4 Annual Contribution
		$900,000		26%		22%		18%		14%
201	10.18%	$91,620	$1,985.10	$23,821.20	$1,679.70	$20,156.40	$1,374.30	$16,491.60	$1,068.90	$12,826.80
301	10.35%	$93,150	$2,018.25	$24,219.00	$1,707.75	$20,493.00	$1,397.25	$16,767.00	$1,086.75	$13,041.00
401	10.53%	$94,770	$2,053.35	$24,640.20	$1,737.45	$20,849.40	$1,421.55	$17,058.60	$1,105.65	$13,267.80
501	10.70%	$96,300	$2,086.50	$25,038.00	$1,765.50	$21,186.00	$1,444.50	$17,334.00	$1,123.50	$13,482.00
601	10.87%	$97,830	$2,119.65	$25,435.80	$1,793.55	$21,522.60	$1,467.45	$17,609.40	$1,141.35	$13,696.20
701	11.04%	$99,360	$2,152.80	$25,833.60	$1,821.60	$21,859.20	$1,490.40	$17,884.80	$1,159.20	$13,910.40
801	11.21%	$100,890	$2,185.95	$26,231.40	$1,849.65	$22,195.80	$1,513.35	$18,160.20	$1,177.05	$14,124.60
901	11.38%	$102,420	$2,219.10	$26,629.20	$1,877.70	$22,532.40	$1,536.30	$18,435.60	$1,194.90	$14,338.80
1001	13.74%	$123,660	$2,679.30	$32,151.60	$2,267.10	$27,205.20	$1,854.90	$22,258.80	$1,442.70	$17,312.40
		$ 900,000.00	**$ 19,500.00**	**$ 234,000.00**	**$ 16,500.00**	**$ 198,000.00**	**$ 13,500.00**	**$ 162,000.00**	**$ 10,500.00**	**$ 126,000.00**

Year 5 Monthly Contribution	Year 5 Annual Contribution	Year 6 Monthly Contribution	Year 6 Annual Contribution	Year 7 Monthly Contribution	Year 7 Annual Contribution
	10%		6%		4%
$789.75	$9,477.00	$473.85	$5,686.20	$315.90	$3,790.80
$794.25	$9,531.00	$476.55	$5,718.60	$317.70	$3,812.40
$798.75	$9,585.00	$479.25	$5,751.00	$319.50	$3,834.00
$803.25	$9,639.00	$481.95	$5,783.40	$321.30	$3,855.60
$807.75	$9,693.00	$484.65	$5,815.80	$323.10	$3,877.20
$813.00	$9,756.00	$487.80	$5,853.60	$325.20	$3,902.40
$817.50	$9,810.00	$490.50	$5,886.00	$327.00	$3,924.00
$822.00	$9,864.00	$493.20	$5,918.40	$328.80	$3,945.60
$1,053.75	$12,645.00	$632.25	$7,587.00	$421.50	$5,058.00
$ 7,500.00	**$ 90,000.00**	**$ 4,500.00**	**$ 54,000.00**	**$ 3,000.00**	**$ 36,000.00**

SCHEDULE A-1

FOOTNOTE TO SCHEDULE A-1

1. Sponsor has elected to contribute an additional working capital fund, the Sponsor Working Capital Fund, to the Condominium in the amount of $900,000.00. The Sponsor Working Capital Fund is in addition to the Working Capital Fund that will be raised from contributions of Purchasers described herein.

(a) Partial Abatement of Common Charges

Sponsor intends that the Sponsor's Working Fund be used to abate a portion of the Common Charges that would otherwise be payable by each of the Residential Unit Owners during each of the first seven (7) years of Condominium Operation. In no event shall the Commercial Unit Owner be entitled to apply any portion of the Sponsor Working Capital Fund to reduce the Common Charges payable with respect to the Commercial Unit.

To abate a portion of the Common Charges that would otherwise be payable by the Residential Unit Owners during the First Year of Condominium Operation, Sponsor will contribute to the Sponsor Working Capital Fund the sum of $234,000; for the second year: $198,000; for the third year: $162,000; for the fourth year: $126,000; for the fifth year: $90,000; for the sixth year: $54,000; and for the seventh year: $36,000 (each a "Scheduled Common Charge Contribution" and, collectively, the "Scheduled Common Charge Contributions"). Each Scheduled Common Charge Contribution shall reduce, in part, the Common Charges that would otherwise be payable by each of the Residential Unit Owners, as more particularly set forth on Schedule A-1 herein.

As stated above, the Scheduled Common Charge Contribution to be applied to the Common Charges will decrease each year. Accordingly, Purchasers are advised that the Common Charges will increase each year by a concomitant amount representing the reduced amount of the Scheduled Common Charge Contribution for each of the first seven (7) years. In addition, Residential Unit Owners will also be responsible for any increases in Common Charges adopted by the Board of Managers by reason of increases in the operating expenses of the Condominium, which occur in the ordinary course. In the event that Sponsor elects to defer the imposition of Common Charges, any such deferral will not reduce Sponsor's obligation to fund the Scheduled Common Charge Contribution, as provided herein. The Scheduled Common Charge Contribution for the First Year will be applied to reduce the Common Charges payable for the Units that have closed as of the first month during which Common Charges are collected.

(b) Funding of the Scheduled Common Charge Contribution

The Sponsor Working Capital Fund Contribution will be funded for the periods during which Sponsor continues to own Residential Units by Sponsor (i) making contributions to the Sponsor Working Capital Fund attributable to Residential Units sold pursuant to this Plan at the closing of each Residential Unit using the sales proceeds received from such Purchaser and (ii) once Common Charges become due and payable (unless Sponsor has previously contributed the entire Scheduled Common Charge Contribution for the subject operating year) by Sponsor paying

the entire amount of the Common Charges, as if there were no Sponsor Working Capital Fund, for each of the Residential Units which it owns. Accordingly, for Residential Units that are conveyed subsequent to the month in which Common Charges initially become due and payable (as discussed below) at such Residential Unit Closing, from the closing proceeds, Sponsor shall deposit an amount equal to the Scheduled Common Charge Contribution that is attributable to the subject Unit for the remaining portion of the First Year of Condominium Operation, or, if the closing occurs after the First Year, any subsequent year through year seven (as set forth on Schedule A-1 herein), unless such amount has previously been contributed to the Condominium by Sponsor. For example, if the Sponsor Working Capital Fund Contribution for the subject Residential Unit for the First Year of Condominium Operation is $20,000 and Purchaser closes three (3) months after the commencement of the imposition of Common Charges, at such closing, Sponsor will deposit the sum of $15,000 into the segregated account set up for the Sponsor Working Capital Fund. The balance of the Sponsor Working Capital Fund Contribution for the subject Residential Unit, *i.e.* $5,000 attributable to the three month period during which Sponsor owned the subject Unit having been received by the Condominium by Sponsor's payment of the entire amount of the Common Charges for the three (3) months of the operating year which elapsed prior to the Closing of such Residential Unit.

Furthermore, notwithstanding any custom to the contrary, at each such Unit Closing where Sponsor has paid the Common Charge for the months prior to the month in which the Closing occurs, the Common Charges shall be adjusted based upon the reduced Common Charges payable by Purchasers, after application of the Scheduled Common Charge Contribution, as set forth on Schedule A-1 herein.

All amounts paid by Sponsor on account of the Sponsor Working Capital Fund Contribution will be deposited in a segregated account in the name of the Condominium entitled the "Special Working Capital Account". Until all Residential Units are sold or Sponsor elects to deposit the balance of the Sponsor Working Capital Fund Contribution (or the balance for any subject year of Condominium Operation, as the case may be), Sponsor will pay entire amount of the Common Charges for the Units owned by Sponsor in the amounts set forth on Schedule A, without the application of the Scheduled Common Charge Contribution. The Board of Managers shall use the funds deposited in the Special Working Capital Account so that the Purchasers will receive an abatement of their Common Charges in the amounts set forth in Schedule A-1 herein.

(c) Deferral in the Collection of Common Charges

Sponsor has the option to delay the commencement of the collection of Common Charges and pay all operating expenses of the Condominium. ***Purchasers should note that the Scheduled Common Charge Contribution will be applied to reduce the Common Charges following the commencement of the imposition of Common Charges subsequent to the First Unit Closing. Accordingly, Purchasers who close following the commencement of the imposition of Common Charges will not receive the full value of the Scheduled Common Charge Contribution attributable to their Unit in the amount set forth in Schedule A-1.*** Any deferral of the payment of Common Charges shall not reduce the amounts payable by Sponsor for the Sponsor Working Capital Fund as set forth herein.

(d) Second through Seventh Years of Condominium Operation

For years subsequent to the First Year of Condominium Operation, Sponsor shall contribute the entire amount of the Sponsor Working Capital Fund Contribution for Residential Units which are sold for such year on a date not later than 30 days prior to the anniversary of the First Unit Closing. If, for any reason, Sponsor has not previously funded the entire Sponsor Working Capital Fund Contribution for the subject operating year, Sponsor will continue to pay the entire amount of the Common Charges for Residential Units that remain unsold, as if there were no Sponsor Working Capital Fund. In any event, Sponsor will contribute the balance of the Sponsor Working Capital Fund, if any, from closing proceeds received from the sale of the last Residential Unit, but in no event later than the fifth anniversary of the First Unit Closing.

(e) Amendment to the Plan

Sponsor shall file an amendment to the Plan no later than 45 days after the First Unit Closing, or the date on which Common Charges become payable by Purchasers, whichever is first to occur, and within 45 days of the anniversary of the First Unit Closing, to disclose Sponsor's contributions to the Sponsor Working Capital Fund, until all such amounts have been contributed as set forth herein. In the event that any amendment discloses that Sponsor has not made the required contribution to the Sponsor Working Capital Fund, Purchasers who have not yet closed pursuant to their Purchase Agreements shall be entitled to a right of rescission within fifteen (15) days of the Presentation Date of any such amendment.

(f) Contributions to the Sponsor Working Capital Fund

Pursuant to the Declaration and the By-Laws, contributions to the Sponsor Working Capital Fund shall be deemed as Common Charges due and owing from Sponsor. Accordingly, the Condominium Board shall be entitled to file a Common Charge Lien pursuant to Section 339-z of the RPL with respect to the same. No bond or other security is being provided to secure Sponsor's contributions to the Sponsor Working Capital Fund. However, Sponsor represents and warrants that Sponsor has the financial resources to fund all contributions to the Sponsor Working Capital Fund.

(g) Use of Schedule Common Charge Contributions.

This Schedule A-1 sets forth the Scheduled Common Charge Contributions to be drawn during each of the first seven (7) years of Condominium Operation and the Common Charges payable by each of the Residential Unit Owners following the application of the relevant Scheduled Common Charge Contribution during each of the first seven (7) years of Condominium Operation, provided however, Schedule A-1 *does not account for increases in the Operating Expenses and the concomitant increases in Common Charges* that will inevitably occur during such seven-year period. For so long as Sponsor owns a Residential Unit, the Board of Managers may not use the Sponsor Working Capital Fund for any purpose other than drawing from such fund the Scheduled Common Charge Contribution to be applied to reduce the Common Charges payable by each of the Residential Unit Owners (but not by the Commercial Unit Owner). Once Sponsor no longer owns any of the Residential Units, the Board may use the

Sponsor Working Capital Fund as permitted by applicable law and the By-Laws of the Condominium. Accordingly, the Board of Managers may then elect, in its discretion, to use the Sponsor Working Capital Fund to pay non-recurring expenses of the Condominium, provided however, the By-Laws prohibit distribution of the proceeds of Sponsor Working Capital Fund to the Unit Owners. See Section entitled "Working Capital Fund".

NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH ON THIS SCHEDULE A-1, SPONSOR MAKES NO REPRESENTATION THAT THE BOARD OF MANAGERS WILL CONTINUE TO APPLY THE PROCEEDS OF THE SPONSOR WORKING CAPITAL FUND IN THE MANNER SET FORTH IN THIS SCHEDULE A-1, SUBSEQUENT TO SPONSOR'S SALE OF ALL OF THE RESIDENTIAL UNITS. ACCORDINGLY, PURCHASERS ARE ADVISED THAT THEY MAY NOT RECEIVE THE BENEFITS OF THE SPONSOR WORKING CAPITAL FUND FOR THE ENTIRE SEVEN (7) YEARS FOLLOWING THE COMMENCEMENT OF CONDOMINIUM OPERATION AS SET FORTH IN THIS SCHEDULE A-1.

SCHEDULE B

176 EAST 82ND STREET CONDOMINIUM
BUDGET FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

October 1, 2017 – September 30, 2018

INCOME:

Commercial Common Charges (Note A)	$15,153.39
Residential Common Charges (Note B)	$304,111.61
Total Common Charges (Note C)	**$319,625.00**

Expenses

	Commercial Unit	Residential Unit	Total
Common Interest Allocations:	12.60%	87.40%	100%
Labor (Note 1)	N/A	$170,040.00	$170,040.00
Hot Water, Cooking and Dryer (Note 2)	N/A	$16,640.00	$16,640.00
Electricity (Note 3)	N/A	$12,320.00	$12,320.00
Water & Sewer (Note 4)	$1,553.00	$10,722.00	$12,325.00
Repairs & Maintenance (Note 5)	$4,072.95	$28,252.05	$32,325.00
Insurance (Note 6)	$1,159.20	$8,040.80	$9,200.00
Management, Licenses and Permits (Note 7)	$3,024.00	$20,976.00	$24,000.00
Accounting & Legal (Note 8)	$882.00	$6,118.00	$7,000.00
Replacement Reserve (Note 9)	$3,576.51	$24,808.19	$28,385.00
Contingency (Note 10)	$885.78	$6,144.22	$7,030.00
Total	**$15,153.39**	**$304,111.61**	**$319,265.00**

NOTES TO SCHEDULE B

176 East 82nd Street Condominium
176 East 82nd Street, New York New York

Estimated Budget for First Year of the Condominium projected to begin on or about October 1, 2017. The projected budget is based on the assumption that the first year of operation will be October 1, 2017 – September 30, 2018.

A. Commercial Common Charges: This amount reflects the amount Common Charges payable by the Commercial Unit Owner during the First Year of Condominium Operation. This amount represents the expenses that the Commercial Unit Owner is responsible to pay, which amounts are for expenses for costs or services which benefit the Commercial Unit, as described in Schedule B, in accordance with the percentage interest in the Common Elements assigned to the Commercial Unit. The Commercial Unit Owner is not entitled to benefit from the subsidy provided by the Sponsor Working Capital Fund described in Footnote D below. The Commercial Unit Owner will be responsible for its allocable portion of Common Charges commencing in the First Year of Condominium Operation. The Commercial Common Charges for the First Year of Condominium Operation is estimated to be $15,153.39.

B. Residential Common Charges. This amount reflects the amount Common Charges payable by the Residential Unit Owners, in the aggregate, without the application of the Scheduled Common Charge Contribution from the Sponsor Working Capital Fund during the First year of Condominium Operation. In the event that the Sponsor would not have agreed to contribute the Sponsor Working Capital Fund, the Common Charges that would be payable by the Residential Unit Owners, in the aggregate, during the First Year of Condominium Operation are projected to be $304,111.61.

C. Total Common Charges $319,265.00

The Unit Owners are each responsible for their proportionate share of the net operating expenses of the Condominium. The amount set forth above represents the total funds available to the Board of Managers for the payment of expenses for the First Year of Condominium Operation inclusive of Common Charges to be levied against and collected from the Unit Owners and other amounts available to the Board for the payment of expenses, which includes a portion of the proceeds of the Sponsor Working Capital Fund, which will be used to abate a portion of the Common Charges that would otherwise by payable by the Residential Unit Owners, in the aggregate. In no event shall the Commercial Unit Owner be entitled to benefit from the Sponsor Working Capital Fund. The Common Charges and the proceeds of the Sponsor Working Capital Fund will be utilized by the Board of Managers to finance the operating expenses of the Condominium. The actual first year of operation may commence earlier or later than the date projected herein. Each line item of the budget sets forth the basis upon which the expense for such item has been allocated.

D. Common Charge Contribution. The Common Charge Contribution is that portion of the Sponsor Working Capital Fund that is to be drawn to fund a portion of the Common Expenses payable by the Residential Unit Owners during the First Year of Condominium Operation in the amount of $234,000.00. The portion of the Sponsor Working Capital Fund to be drawn for the Common Charge Contribution in subsequent years is as follows: for the second year: $198,000; for the third year: $162,000; for the fourth year: $126,000; for the fifth year: $90,000; for the sixth year: $54,000 and for the seventh year: $36,000. For so long as Sponsor owns a Residential Unit, the Board of Managers may not use the Sponsor Working Capital Fund for any purpose other than drawing the Common Charge Contribution to pay a portion of the operating expenses of the Condominium that would otherwise be payable by the Residential Unit Owners. Once Sponsor no longer owns any of the Residential Units, the Board may use the Sponsor Working Capital Fund as permitted by the Condominium By-Laws subject to any limitations of applicable law. See the Section entitled Working Capital Fund. Accordingly, after the application of the Scheduled Common Charge Contribution, the Common Charges payable by the Residential Unit Owners, in the aggregate, for the First Year of Condominium Operation will be $70,111.61. Note that Sponsor shall be entitled to contribute portions of the Scheduled Common Charge Contribution by paying Common Charges in the amounts set forth on Schedule A until such Units have been conveyed to Purchasers.

EXPENSES

1. Labor $170,040

The building will be staffed with one (1) part-time, non-resident superintendent/handyman working (5) days per week, one (1) cleaning staff porter working six (6) days per week , two (2) full-time lobby attendants and two (2) part-time lobby attendants to provide sixteen (16) hours per day lobby attendant service. The superintendent and porter will work as independent contractors. As required by the New York City Housing Maintenance Code for multiple dwellings having nine (9) or more units, there will also be a superintendent available on an "as-required" basis 24 hours per day, in a manner acceptable to the New York City Department of Housing Preservation and Maintenance. The budget contemplates full time and part-time lobby attendants for a total of 112 hours per week.

The lobby attendants' estimated gross wages and expenses including all necessary taxes, indirect labor costs, and two-week paid vacations are as follows:

Labor Cost	Description	Gross Wages
Superintendent/ Handyman	$461.54 per week (x) 52 weeks	$ 24,000.00
Porter/Cleaner	$230.77 per week (x) 52 weeks	$ 12,000.00
Weekday Staff (Monday-Friday)	Two (2) Attendants working eight (8) hour shifts	

Weekend Staff (Saturday-Sunday)	Two (2) Attendants eight (8) hours per day		
Total Lobby Attendants:			$ 131,040.00
Worker's Compensation:	$7.89 per $100		
- Super		$ 1,893.60	
- Porter		$ 946.80	
Sub Total:			$ 2,840.40
Disability:	$1.50 per month at $80 minimum annual premium		
- Super and Porter each:		$ 80.00	
Sub Total:			$ 160.00
Total Labor Costs:			**$170,040.00**

None of the building staff are members of or affiliated with a union. The projected cost of labor conforms to applicable minimum wage laws. As noted above, the Condominium will be responsible to pay Worker's Compensation and Disability for the superintendent and the porter. The Worker's Compensation and Disability are derived using the policy building operations rate of approximately $5.09 per $100 of payroll which includes 18.2% NY state assessments and 5% state taxes and fees.

2. Hot Water, Cooking and Dryer $16,640

Hot water will be provided by a central gas-fired hot water heater to the Units. The heater has a 130 gallon storage and 720 gallon per hour recovery with an input of 500,000 BTU/Hr. A common Natural Gas Meter is utilized to serve the cooking, domestic hot water and clothes dryers of the Residential portion of the Building and will be included in the common expenses. The projected cost to all Units is based on the projections provided in a report dated August 9, 2016 prepared by TSF Engineering, P.C. having an address at 200 Park Avenue South, Suite 916, New York, NY 10003 (the "TSF Report"). The hot water is based on 120 therms per occupant at 4,320 therms, cooking is based on 30 therms per occupant at 1,080 and the dryer is based on 70 therms per occupant at 2,520. Such report projects that the provision of hot water, cooking and dryer to the Building will require 7,920 therms. The budget is estimated on an anticipated cost of $1.91 per therm, plus an inflation factor of ten (10%) percent.

3. Electricity $12,320

Electrical service will be individually metered to all Units with common metering for public areas and facilities. Con Edison will be the utility provider.

The cost of providing electricity to the Common Areas that are Residential Limited Common Elements includes common fans, corridor lighting, cellar and first floor ventilation in the lobby providing entrance to the Residential Unit Owners, heating and air conditioning, elevator and pumps which will be a common expense and paid for by the Unit Owners as a portion of the Common Charges. The projected cost of providing electricity is based on the estimates contained in the TSF Report. Such report estimated a total usage load of 53,300 KW kilowatt hours per annum. The present cost per kilowatt hour is approximately $0.21 for a total of $11,193. The budgeted amount includes an inflation factor of ten (10%) percent. Since the Commercial Unit does not benefit from the equipment and lighting powered by such electrical service, no portion of this expense has been allocated to the Commercial Unit.

4 Water and Sewer Charges $12,325

The Building's water supply is provided by a three inch (3") feed line. Water and sewer charges are billed by the City of New York Department of Environmental Protection. A DEP approved backflow preventer is installed on the service in accordance with DEP requirements. Consumption of water is metered and measured by one hundred cubic feet (cu. ft.). The anticipated cost of water for the first year of the Condominium is based upon the estimated usage projected in the TSF Report. Such report computes annual water costs at $3.39 per 100 cubic feet of water residential usage and annual sewer costs at $5.39 per 100 cubic feet. Each person will use approximately 80 gallons of water per day. The total annual water and sewage usage is 140,347 cubic feet per year and the budgeted amount includes taxes and adjustments.

The Commercial Unit Owner is responsible for a portion of the water and sewer charges based upon the interest in the Common Elements appurtenant to the Commercial Unit.

5. Repairs, Maintenance and Supplies $32,325

The budgeted amount is based upon normal maintenance of, and repairs to the Building plus various cleaning supplies and material, lubricants, bulbs, public fixtures, general and hardware supplies, and painting of common areas. The budget does not include provisions for capital repairs, replacements and improvements. Each Unit Owner is responsible for repairs to, maintenance of and supplies to his/her/their Unit and those Common Elements irrevocably restricted to his/her/their use. The estimate includes maintenance of and repairs to all Common Elements of the Property, except those portions of the Common Elements which are for the irrevocably restricted use of certain Unit Owners. The Condominium is new construction and no expenses are anticipated for roofing, exterior repairs, plumbing and electrical. The Commercial Unit Owner will be responsible for cleaning and repairs of that portion of the sidewalk adjacent to the Commercial Unit.

Elevator Maintenance $9,750

The Condominium will enter into a service contract to service the elevator with Superior Elevator Technologies Corp., 2441 Third Avenue, Bronx, N.Y. 10451 The contract includes scheduled examinations, call back service during regular business hours, repair service, safety test, and mandated inspections as per manufacturer's specifications. The contract does not include repairs or renewals of the following equipment: Automatic door and gate, hatchway enclosure, hatchway door panels, pump, motor, hinges or knobs, hatchway door frames or bucks, vision panels, push-button face plates, cleaning of elevator hatchway, traveling cable, guide rails or brackets and pit, casting, replacement of cylinder or cylinder supports, cylinder casting or any portion of piping embedded in a floor, partition and/or otherwise permanently affixed in place. The cost for services for the first year will be $9,744.00 including 8.875% sales tax. The annual inspection fees and NYC Department of Building fees for filing, testing plus third party witness is not included.

Elevator Phone Line $420

As per NYC Guidelines, a telephone land line must be supplied in elevator for emergency calls. The estimated annual cost for the telephone line is $420.00.

Sprinkler Maintenance $980

The Condominium has a contract with VIP Fire Sprinklers, Inc, 700 Columbia Street Bldg. 301A, Brooklyn, NY, 11231; to provide for the quarterly testing and monthly monitoring of all Sprinkler Heads associated to the sprinkler system throughout the building. The annual fee for sprinkler maintenance is $979.87 including sales tax.

The Commercial Unit Owner is responsible for a portion of the sprinkler maintenance based upon the interest in the Common Elements appurtenant to its Unit.

Fire Monitoring System $6,081

The Condominium will enter into a contract with FireMaxx Systems Corp., 307 Seventh Avenue, Suite 507, New York, NY 10001 to inspect the equipment as per NFPA 72, Chapter 10 and the requirements of local authorities having jurisdiction. These inspections will include all Panel Components and Field Devices on an annual basis and all Sprinkler Devices on a quarterly basis for an annual cost of $2,596.66 including 8.875% tax. FireMaxx Systems Corp. will also perform the inspection and testing for the two (2) combination standpipe/sprinkler risers that are located in each stair. Stair one (1) contains a 6" Sprinkler/Standpipe Riser and Stair two (2) contains a 4" Standpipe Riser for a fee of $3,484.00 including 8.875% sales tax.

The Commercial Unit Owner is responsible for a portion of the fire monitoring system maintenance based upon the interest in the Common Elements appurtenant to its Unit.

Annual and Quarterly Inspections $2,597

Annual Flow Test of Controls and Operations $3,484
Total Fire Monitoring System $6,081

Central Station Monitoring $1,240

The Condominium will enter into a contract with FireMaxx Systems Corp., 307 Seventh Avenue, Suite 507, New York, NY 10001 to provide the monitoring of the Central Station Sprinkler Alarm System for an annual fee of $1,241.00 including 8.875% tax. There is also a fee for the initial set-up of the account/transmitter of $360.00.

The Commercial Unit Owner is responsible for a portion of the central station monitoring based upon the interest in the Common Elements appurtenant to its Unit.

Extermination Services $2,587

For pest extermination services, the Condominium will enter into an agreement with Regional Pest Control. Assuming twelve (12) visits per year, the annual estimated cost is $2,586.87 including sales tax of 8.875 percent.

HVAC Heating and Cooling Maintenance $9,267

The Condominium will enter into a contract with JACO Mechanical Inc, having an address at; 905 Brush Avenue, Bronx, New York 10465 to provide Preventive Maintenance and inspections as per manufacturer's specifications on a quarterly (4) basis. The projected cost for this service is $8,512.00 plus 8.875 percent sales tax. The costs of materials are in addition to the price for services pursuant to the contract.

Misc. Supplies $2,000

The estimated cost of $2,000 for miscellaneous supplies is to be used at the Building.

Neither the Sponsor, nor its principals hold any interest in the service companies who submitted proposals to provide services to the Condominium during the First Year of Condominium Operation.

Sponsor contemplates that all service contracts are on a month-to-month basis.

6. Insurance $9,200

The following insurance is recommended for the building by State to State Insurance, Inc., 1220 Broadway, Suite 802, New York, NY 10001 for the First Year of Condominium Operation. Such letter also sets forth an estimate of the anticipated annual premiums that they recommend for the Property. The proposed premiums reflect those which are now currently available in the marketplace. This coverage will be in place at the time of the First Unit Closing:

Package Policy

Coverage	Amount	Annual Premium
Property (Inc. Boiler & Machinery & Maintenance):	$7,171,000 ($50k Maintenance)	
Fidelity:	$100,000.	
General Liability:	$1,000,000 per occurrence $2,000.000 annual aggregate	
Directors & Officers	$1,000,000	
Umbrella	$100,000,000	
Workers Comp & DBL	Statutory	
Premium:		**$9,200**

The insurance set forth herein meets the insurance requirements of Sponsor's Lender. The Special Form coverage and liability insurance must provide that (1) each Unit Owner is an additional insured party; (2) there will be no cancellation without notice to the Board of Managers; (3) a waiver of subrogation; (4) a waiver of invalidity by reason of acts of the insured and the Unit Owners; and (5) a waiver of *pro rata* reduction in the event that Unit Owners obtain additional coverage.

It is the opinion of the Insurance Broker that the fire insurance coverage budgeted in the offering plan is adequate to cover replacement cost with a special form including building ordinance coverage. The policy is written on an agreed basis which waives co-insurance. Insurance to cover loss of maintenance of $50,000 is also included. In addition, based on provisions contained in the offering plan, the sponsor may be required to obtain on behalf of the Condominium other types of insurance coverage, notably Fidelity (Crime) insurance and Director's & Officer's insurance which has been included. In the event that the Board hires any employees, coverage of Workers' Compensation and Employer's Liability as well as New York Disability coverage will also be required, we have provided the anticipated premium above.

The By-Laws require Unit Owners to obtain coverage, at their own cost, to cover such risks as fire and casualty losses to Unit contents, personalty, replacements, addition, fixtures and improvements, and liability coverage for occurrences within their Unit.

The Commercial Unit Owner is responsible for a portion of the insurance premium based upon the interest in the Common Elements appurtenant to its Unit.

7. Management Fees $24,000

As of the date of the First Unit Closing, the Condominium will enter into a management agreement with Camelot Property Management Services Corp., 37 West 26th Street, Suite 208, New York, NY 10010. The annual fee for management services will be $24,000. This does not include filing fees, annual inspections or other fees for discretionary services rendered. For a full discussion of the terms and conditions of the Management Agreement, see the section of this Plan

entitled "Management Agreement and Other Contractual Arrangements." The management fee is commensurate with the prevailing fees for the same services.

The Commercial Unit Owner is responsible for a portion of the management fees based upon the interest in the Common Elements appurtenant to its Unit.

8. Legal and Audit Fees $7,000

All Unit Owners are entitled to receive annually from the Condominium, at the Condominium's expense, an annual financial statement, prepared by an independent certified public accountant, within four months after the end of each calendar year. The budget figure is based upon a fee of $2,500 for financial statements quoted by Leonard C. Abruzzo CPA, 248 Columbia TPK, Building 3, Suite 310, Florham Park, NJ 07932 in letter dated August 4, 2016. This fee is also budgeted for the preparation of tax returns. Miscellaneous legal expenses of $4,500 are also included, but such allowance will not cover the cost of litigation or any significant legal work.

The Commercial Unit Owner is responsible for a portion of the legal and audit fees based upon the interest in the Common Elements appurtenant to its Unit.

9. Replacement Reserve $28,122

This amount represents ten percent (10%) estimated expenses of the budget for contribution into the condominium capital reserve account to be used for future repairs or replacements of capital items after the useful life thereof. This reserve is in conformance with applicable lender requirements that are in effect as of the date hereof. Since the Building is new, Sponsor does not anticipate that any capital expenditures will be required during the first five (5) years of condominium operation. The "replacement reserve" or "reserve fund" will be available for use by the Board of Managers as such funds are deposited. For so long as Sponsor controls the Board of Managers, the "replacement reserve" or "reserve fund" may not be used to reduce Common Charges. Neither the Department of Law, nor any other government agency, has passed upon the adequacy of the "replacement reserve" or "reserve fund".

10. Contingency $7,030

This contingency reserve may be used at the discretion of the Board of Managers to fund unforeseen expenses, increase in expense in excess of the amounts projected above or other appropriate condominium expenses. The reserve for contingencies is separate and distinct from the Reserve Fund, the Working Capital Fund and Sponsor Working Capital Fund.

The Commercial Unit Owner is responsible for a portion of the contingency based upon the interest in the Common Elements appurtenant to its Unit.

NOTE: While Sponsor has attempted to make accurate estimates, such realities as inflation, changes in the economy and unforeseen factors are likely to cause differences in actual expenditures from the projections set forth herein.

In the opinion of Camelot Property Management Services Corp., 37 West 26th Street, Suite 208, New York, NY 10010, the projected income is adequate to meet the estimated expenses for the first year of Condominium operation, assuming the first year will commence on or about October 1, 2017.

The foregoing budget, however, is not intended, and should not be taken as a guarantee by anyone that the Annual Common Charges or Common Expenses for the first, or subsequent, year of operation of the Property by the Board.

It is possible that the actual Income and Expenses for the First Year of Condominium Operation will vary from the amounts shown in the budget. Sponsor reserves the right to enter into services, maintenance, employment, concessionaire and other agreements that will be binding on the Board upon commencement of Condominium Operation. However, Sponsor may not enter into any binding service, maintenance, employment, concessionaire or other agreements that will materially increase the first year's projected Common Charges or that will be binding on the Board for a period of more than two (2) years from the commencement of Condominium Operation, unless disclosed in the Plan.

SPONSOR MAY NOT DECLARE THE PLAN EFFECTIVE IN THE EVENT OF ANY MATERIAL CHANGES IN THE BUDGET, WHICH MAY GIVE RISE TO A RIGHT TO RESCIND, UNTIL SUCH CHANGES TO THE BUDGET FOR THE FIRST YEAR OF CONDOMINIUM OPERATION ARE DISCLOSED IN AN AMENDMENT TO THE PLAN.

SPONSOR EXPECTS THE FIRST UNIT CLOSING TO OCCUR ON OR ABOUT OCTOBER 1, 2017. IF THE COMMENCEMENT OF CONDOMINIUM OPERATION IS DELAYED SIX (6) MONTHS OR MORE FROM SUCH DATE, THE PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET CONTAINING CURRENT PROJECTIONS. IF SUCH PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY 25 PERCENT OR MORE, PURCHASERS WILL BE OFFERED THE RIGHT OF RESCISSION. IN THE EVENT THAT A RIGHT OF RESCISSION IS OFFERED, THE SAME MUST BE EXERCISED THE SAME AS SET FORTH IN SUCH AMENDMENT, WHICH, IN NO EVENT, WILL BE LESS THAN WITHIN FIFTEEN (15) DAYS OF THE PRESENTATION DATE OF SUCH AMENDMENT. IN THE EVENT THAT ANY PURCHASER EXERCISES A RIGHT TO RESCIND, SPONSOR MUST CAUSE ESCROW AGENT TO PROMPTLY RETURN ANY DEPOSIT TO PURCHASERS WHO RESCIND WITHIN THE PERIOD SET FORTH IN THE AMENDMENT.

SCHEDULE B-1

The following are estimated energy and public utilities consumption costs to be paid for directly by the Unit Owners. The estimates set forth below were based upon a report dated August 9, 2016 prepared by TSF Engineering, P.C., having an address at 200 Park Avenue South, Suite 916, New York, New York 10003.

ESTIMATED COST OF HEAT AND ELECTRICITY FOR INDIVIDUAL UNITS

Each Residential Unit will contain an individual Heat Pump Unit that will provide heat. The heating units will be gas-fired and the natural gas used for the operation thereof will be billed directly to the Unit Owner by the public utility. The projected cost of heating each of the Residential Units is set forth below.

Each Residential Unit will contain an air-cooled split pump system, which will provide heat and air conditioning to the Units. Set forth below is the projected cost to cool, provide lighting and operate appliances in each of the Residential Units.

The expenses projected above 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 that 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 occupants and weather conditions.

Set forth below the projected monthly cost to heat, cool, provides lighting and operate appliances in each of the Residential Units:

The estimated energy costs for the Units are based upon construction complying with the New York State Energy Conservation Code. Costs may vary considerably depending upon actual usage personal habits. The figures set forth below are not intended to be a guarantee of the actual costs that will be incurred by any individual Unit Owner.

Typical Unit : 4-Bedroom, 3 - 1/2 Bath, total 1,985sf

1. Heating based on 5,026 degree days, maintaining inside space temperature at 70F with outdoor temperatures 0F with 15mph wind.

2. Cooling based on 1000 cooling hours per season, maintaining inside space temperature at 76F with outside temperatures at 80F.

3. Each Four-bedroom Apartment assumes occupancy of five persons. Total number of occupants assumed for the Building = 36.

4. Apartment cooking based on two meals a day.

5. Laundry based on eight (8) loads per week.

6. Dishwasher based on four (4) loads per week.

Electric Usage	
Lighting & General Appl.	6,950 kwhr. per year
Refrigerator	625 kwhr. per year
Dishwasher	300 kwhr. per year
Clothes Washer	925 kwhr. per year
Cooking	500 kwhr. per year
Air Conditioning	9,000 kwhr. per year
Heating	14,400 kwhr. per year
Total kwhr =	32,700 kwhr. per year

Estimated Annual Electric Charges: $ 6,867 month

Estimated Monthly Electric Charges: $ 572/ month

CAMELOT
REALTY GROUP

37 West 26th Street, Suite 208, N.Y.N.Y 10010

Real Estate Financing Bureau
New York State Department of Law
120 Broadway
New York, New York

August 4th 2016

Re: 176 East 82nd Street Condominium
176 East 82nd Street (a/d/a 1444 Third Avenue)
New York, New York

We have reviewed the allocation of Common Interest among the Condominium Units at the referenced property.

The allocation is based upon floor space, subject to the relative value to other space in the Condominium, the uniqueness of the unit, the availability of the common elements for exclusive or shared use, and the overall dimension of the particular unit pursuant to Section 339-i(1)(iv) of the New York Real Property Law.

In our opinion, the allocation of Common Interest among the Condominium Units is fair and reasonable.

This undersigned principal of this firm is a licensed real estate broker in the State of New York. We have projected budgets for proposed and existing condominium and cooperative properties in New York City for 25 years. We have acted as consultant, selling agent and/or managing agent for more than 40 properties.

We have no financial interest in the Sponsor, the condominium or any other party interested in this transaction or in the land building covered by the Plan. You have advised us of your intent to reproduce this letter in the Plan and we hereby consent to such use.

Very truly yours,

David A. Goldoff, President

ROSENBERG & ESTIS, P.C.
ATTORNEYS AT LAW

733 Third Avenue
New York, New York 10017
212.867.6000
Fax 212.551.8484
www.rosenbergestis.com

As of August 4, 2016

Board of Managers
176 East 82nd Street Condominium
c/o Camelot Realty Group LLC
37 West 36th Street
New York, NY

Re: 176 East 82nd Street Condominium
176 East 82nd Street, New York, NY

Ladies and Gentlemen:

We have acted as special counsel for DRK Third Avenue LLC, a New York limited liability company ("Sponsor"), in connection with the preparation of the condominium plan, declaration of condominium and the by-laws for the referenced condominium. We have been asked to opine as to whether the allocation of the percentages of common interest allocated to the respective Units as set forth in Schedule A of the condominium plan is in conformance with the provisions of the Real Property Law, Article 9-B, Section 339-i(1)(iv). In such capacity, we have reviewed the provisions of Section 339-i (1)(iv) and the opinion of Camelot Realty Group LLC dated August 4, 2016.

Sponsor has used method (iv) set forth in Section 339-i (1) to allocate the Common Interest appurtenant to each Unit, that is upon the floor space of the Units, subject to the relative value to the other space in the Condominium, the availability of the common elements for exclusive or shared use, and the overall dimensions of the Units.

Solely in reliance upon the opinion letter prepared by Camelot Realty Group LLC, it is our opinion that the allocation of the percentages of common interest allocated to each of the respective Units as set forth in Schedule A of the condominium plan is in compliance with the requirements of Section 339-i (1)(iv).

We assume no obligation to supplement this opinion if any applicable laws change after the date hereof or if we become aware of any facts that might change the opinions expressed herein after the date hereof. We do not express any opinion on any subject not expressly addressed herein. A copy of this letter may be included in the condominium offering plan.

Very truly yours,

ROSENBERG & ESTIS, P.C.

COMMERCIAL UNIT

Subject to certain restrictions set forth in the Declaration and By-laws, the Commercial Unit may be used for any lawful purpose, including, without limitation, for retail, restaurant, including an establishment for the sale of prepared food, a wine store, banking, commercial, office, municipal, school annex, and utility purposes. The Commercial Unit is not currently being offered for sale under this Plan. In the event Sponsor elects to offer the Commercial Unit for sale, the Plan will be amended accordingly. As of the date hereof, no lease agreement has been entered into for the Commercial Unit. At such time when there is a lease agreement for the Commercial Unit, the Plan will be amended accordingly.

It is currently anticipated that the Commercial Unit will initially be used as retail space including as a restaurant or an establishment for the sale of prepared food (and ancillary uses), although no representation or warranty is made with respect to such initial or any subsequent uses of the Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time. Notwithstanding the foregoing, the Condominium Board will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-laws and Declaration. The Declaration prohibits certain commercial uses including, but not limited to,

(a) the repair, servicing or maintenance of any vehicles, machinery or equipment or the operation of an "automobile repair shop";

(b) funeral home or mortuary;

(c) massage parlor or sex club or for the sale or display of pornographic or obscene material;

(d) a drug or alcohol treatment center, a shelter for homeless persons, an AIDS treatment center, a facility housing or treating criminal or mentally disturbed persons;

(e) for any obscene or pornographic purpose or any other commercial sex establishment including the sale or viewing of any pornographic or obscene goods, wares, printed materials, videos, digital video discs, movies or other digital transmission;

(f) the sale of illegal drugs or marijuana;

(g) massage parlor, abortion clinic, any automobile service, fueling, washing or repair operation; or

(h) a dry cleaner other than a "drop off" dry cleaner.

Sponsor shall not, prior to the expiration of the Initial Control Period, use its votes to amend the Declaration so as to permit any of the foregoing prohibited uses. No income derived

from any use of the Commercial Unit will constitute income to the Condominium Board or the Residential Unit Owners.

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

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

In addition to the foregoing, the Commercial Unit Owner and its tenants shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, and an easement, in all cases, subject to Law and the Condominium Documents:

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

(2) to amend the Certificate of Occupancy of the Building with respect to the use or number of Commercial Units, but only after Sponsor has procured a Certificate of Occupancy for the Residential Units, provided however, the Declaration and By-Laws prohibit the Commercial Unit Owner from amending the Certificate of Occupancy in a manner that would specifically permit any of the prohibited uses listed above;

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

(4) subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior facade and/or the windows of the Commercial Unit, including, without limitation, any storefronts, and (ii) create additional means of egress and ingress to such Commercial Unit (provided however that such additional means of ingress and egress shall in no event encroach on the Residential Common Elements); and

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

The Commercial Unit Owner will be obligated to pay its respective share of the expenses that are incurred by the Condominium Board in furnishing services, and operating, maintaining and repairing Common Elements, but only to the extent the same are utilized by or benefit the Commercial Unit. Schedule B and the Declaration provide that certain expenses are not allocated between the Commercial Unit and the Residential Units, in the aggregate. The allocation has been made based upon the anticipated and projected use of certain services or supplies. *e.g.,* the Declaration requires and the budget reflects that the porter employed by the Condominium will provide services primarily to the Residential Unit Owners. Accordingly, the Commercial Unit will be allocated 12.60 percent of certain expenses that are to be paid for by the Common Charges. Such expenses reflect those items that serve or benefit the Commercial Unit. Furthermore, in the event that the Commercial Unit Owner elects to submeter or obtain any service independent of the Condominium, the Commercial Unit Owner will no longer be liable for the *pro rata* cost of such budget line item, *e.g.* hot water if a separate hot water heater is installed. The By-laws of the Condominium provides that the Condominium is to supply water and hot water for lavatory purpose only. In the event that one or more of the Commercial Unit is to be occupied by a tenant or Unit Owner who will require the use of water for other purposes *(i.e.* an establishment for the preparation of food, or a supplier of medical services, it will be the responsibility of the Commercial Unit Owner of the affected Unit, or its tenant to cause a separate meter to be installed and to pay for the cost of such additional water usage. See Footnotes to Schedule B Footnotes for additional information.

It is the opinion of Camelot Realty Group LLC, as more fully set forth in its Certification contained in Part II, that the aforementioned Common Charges payable by the Commercial Unit Owner are sufficient to cover the expenses fairly attributable to the Commercial Unit. In the event that a dispute arises over the allocation of Common Charges between the Commercial Unit Owner and the Residential Unit Owners, the Declaration of Condominium will provide that any such disputes are to be resolved by arbitration.

After operation of the Condominium has commenced, it is anticipated that the Common Charges payable by the Commercial Unit Owner may be periodically adjusted, but not more frequently than once each year, to reflect the proportion properly attributable to the then amount of usage by the Commercial Unit Owner. If the Board and the Commercial Unit Owner cannot agree on such adjustment, the dispute will be submitted to arbitration to the American Arbitration Association in the City and State of New York in accordance with the prevailing rules of the American Arbitration Association (Real Estate Industry Division), to be heard and adjudicated by one arbitrator to be mutually selected by the Condominium Board and the Commercial Unit Owner. The parties shall share equally the costs of the arbitration and each party shall be responsible for its own attorneys' fees. Article 12 of the By-laws fully sets forth the terms of the arbitration provision.

To the extent permitted by law, and subject to certain restrictions set forth in the Declaration and By-laws, the Commercial Unit Owner will have the right with regard to its

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

The Condominium Board, at the request of Sponsor or the Commercial Unit Owner, will enter into a recognition and non-disturbance agreement with any tenant with which Sponsor or Commercial Unit Owner has entered into a lease for all or any portion of the Commercial Unit or any portion thereof. Under the terms of the recognition agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration. Such agreement shall further provide that although the Condominium Board can foreclose its lien in the event of a default by the Commercial Unit Owner, if the tenants pay, on a continuing basis, rent due under the lease to the Condominium Board, the Condominium Board will agree that the rights of the tenants under the lease(s) will not be disturbed in the event of a default by the Commercial Unit Owner.

CHANGES IN PRICES AND UNITS

Purchase Prices for the Units offered hereby are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the Condominium Board, any Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, except that no such change with respect to any Unit for which a Purchase Agreement is then in effect may be made without the written consent of the Purchaser. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices or modify other terms of sale including, without limitation, the closing date, the finishes in the Unit and to provide for an outside closing date, without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general offering or an advertised price, but is rather the result of an individually negotiated transaction. Sponsor shall have no obligation to make such terms available to other Purchasers. If any such change is made,

a Purchaser of a Unit affected thereby may pay more or less than other Purchasers under the Plan for similar Units, but this will not affect any prior or subsequent sale of Units which are not the subject of such change. No material adverse change will be made in the size of the Units or in the quality of the Common Elements, unless Purchasers affected by any such modifications consent to the same and in any event, the Plan will be amended to disclose such change. No change will be made in the size or number of Units and/or the respective percentages of Common Interest allocated thereto, except pursuant to a duly filed amendment to the Plan. Subsequent to the execution of a Purchase Agreement for a Unit, unless a Purchaser consents, no material change will be made in Unit size, layout or percentage Common Interest. Unless all Purchasers consent, no material change will be made in the size of the area and no material adverse change in the quality of the amenities to be designated as the Common Elements of the Condominium, and in any event, the Plan will be amended to disclose any such change.

Sponsor reserves the right to negotiate with each Purchaser the following terms and conditions, among others, of the Purchase Agreement: purchase price; the amount of the Deposit; financing and other contingencies; the availability of financing; the payment of Purchasers financing fees and other closing costs; the availability of Common Charge rebates, purchase price rebates and subsidies payable as a credit against the purchase price or on a periodic basis; extensions of time periods within which to perform obligations under the Purchase Agreement; the availability of Use and Occupancy Agreements and the amount of interim rent thereunder; and the application of interim rent or a portion thereof towards the purchase price.

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

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, and (c) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b) or (c) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to any Unsold Unit for which a Purchase Agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, dimension, floor space or layout of such Unsold Unit.

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

It should be noted that as long as the layout and dimensions of a Unit conform substantially to the Floor Plans, a Purchaser will not be excused from purchasing his or her Unit and will not have any claim against Sponsor as a result of any immaterial change. No such variation will affect a Purchaser's obligations under the Purchase Agreement or the Plan unless the net square foot area of the Unit is diminished materially (excluding interior partitions). Sponsor's sole obligation if the net square foot area of the Unit is diminished materially shall be to refund to Purchaser the Contract Deposit made under the Purchase Agreement.

PROCEDURE TO PURCHASE

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

Prospective Purchasers shall be given not less than three (3) business days to review the Plan and all amendments thereto prior to executing a Purchase Agreement. If a Purchaser has not received and read the Plan at least three (3) full days prior to executing a Purchase Agreement, a Purchaser shall have the right to rescind the Purchase Agreement within seven (7) days from the date of the Purchase Agreement. The Purchase Agreement sets forth in detail the terms of sale with respect to each Unit and should be read carefully by each prospective Purchaser. Prospective Purchasers should be aware that if any conflict exists between the Plan and the Purchase Agreement, the provisions of the Plan shall control. Although a Purchaser may obtain financing from a lending institution or any other source, Purchaser's obligation to purchase a Unit pursuant to the Purchase Agreement shall not be contingent on Purchaser obtaining financing for such purchase, unless otherwise agreed to by Sponsor.

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

If a Purchase Agreement is not accepted by Sponsor within the aforesaid 30 day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and the Contract 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, without prior notice or prior amendment to the Plan and without the consent of the Condominium Board, to refuse to approve and execute (a) a Purchase Agreement for any Unit, except as prohibited by law, and (b) a Purchase Agreement(s) for more than one Unit to any one person or entity.

The Purchase Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law of the State of New York. At the time of execution of a Purchase Agreement, a Purchaser is required to make a Contract Deposit in an amount equal to ten (10%) percent of the purchase price (the "Initial Contract Deposit"). Thereafter within fifteen (15) days of the Presentation Date of the amendment declaring the Plan effective, Time Being of the Essence to such Date, Purchaser shall remit an additional deposit in an amount equal to five (5%) percent of the Purchase Price to Escrow Agent (the "Additional Contract Deposit") and together with the Initial Contract Deposit collectively, the "Contract Deposit". All Contract Deposits must be made payable to the direct order of "Rosenberg & Estis, P.C., Escrow Agent." All checks delivered in payment of the Contract 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. Within fifteen (15) days of the date of the fully executed Purchase Agreement is returned to Purchaser, Escrow Agent shall notify Purchaser that such funds have been deposited in the escrow account at the bank indicated in the Plan, which notice shall indicate the account number and the interest rate then in effect. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after the tender of the deposit which shall be deemed the date of Purchaser's receipt of a fully-executed Purchase Agreement, he or she may cancel the purchase and rescind within 90 days thereafter, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the Purchaser.

All Contract Deposits made pursuant to a Purchase Agreement are subject to the requirements of Sections 352(2)(b) - 352-h of the General Business Law of the State of New York. Pursuant to this law, Sponsor will cause all Contract Deposits received by it directly or by its agents or employees to be promptly deposited and held in escrow 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 Unit by an official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor should so notify Purchaser. The deed will be substantially in the form set forth in Part II of the Plan. Interest, if any, on Purchaser's Contract Deposit will be credited or paid to Purchaser at Closing.

TIME IS OF THE ESSENCE TO PURCHASER AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE

PURCHASE PRICE. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE FOR A UNIT.

It is anticipated that the First Unit Closing will occur on or about October 1, 2017. In the event that the date of the First Unit Closing is delayed twelve (12) months or more, the Plan will be amended and the Purchasers will be granted the right to rescind their Purchase Agreements for no less than fifteen (15) days from the Presentation Date of such amendment.

A Purchaser will receive no less than 30 days' prior written notice of the originally scheduled Closing Date. In the event that Sponsor adjourns the originally scheduled closing date, Sponsor shall give Purchaser no less than five (5) business days' notice of any adjourned closing date

In the event Purchaser fails to close on the designated date or in the event of any other default by Purchaser under his or her Purchase Agreement (*e.g.* the failure to tender the entire amount of the Contract Deposit *i.e.* fifteen (15%) percent of the Purchase Price), Sponsor shall give Purchaser written notice and a period of no less than thirty (30) days from the date that such notice is deemed received pursuant to the Purchase Agreement to cure such default. If Purchaser fails to cure such default within the time period set forth in Sponsor's notice to the Purchaser, Sponsor may, at its option, either (a) cancel such Purchase Agreement and retain the Contract Deposit made by Purchaser, together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser shall wholly cease and terminate or (b) bring an action against Purchaser for specific performance.

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing apportionments described in the Section entitled "Unit Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) a Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to 0.04 percent of the purchase price of his or her Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

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

If the Plan is withdrawn or abandoned, the Contract Deposit previously paid to and actually collected by Sponsor, shall be returned to Purchaser in accordance with the provisions herein set forth.

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

expenses with respect to his or her Unit, whether or not he has taken possession of his or her Unit, and whether or not all work required to be performed by anyone in or to his or her Unit has been completed.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit, at which time the risk of loss, to the extent not covered by Sponsor's insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of a casualty, Sponsor will notify Purchasers within 60 days of the occurrence of the same, as to whether or not it will restore the Building and/or Unit, as may be applicable to the condition required pursuant to the Plan. In the event of damage or destruction of a Unit due to a fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive credit against, or abatement in, the purchase price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of 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 Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-laws, or the Declaration, specifically 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 Purchaser's Contract Deposit to Purchaser, whereupon the parties to the Purchase Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Sponsor or its successors-in-interest has reserved the right to use or occupy itself or to rent or lease to a tenant who is not a Purchaser (for such rent and term and on such other conditions as may be agreed to between such parties) any Unit not conveyed or with respect to which a Purchase Agreement is not then outstanding, provided however, neither Sponsor nor its successors shall enter into a lease for any Unit other than an Interim Use and Occupancy Agreement, until after the First Unit Closing. Accordingly, a Purchaser may be acquiring a Unit that has been previously occupied, but such Unit will be delivered at Closing free and clear of all leases, tenancies and rights of occupancy other than interim leases with such Purchaser or other leases or rights of occupancy of such Unit which Sponsor agreed to enter into at the request of the Purchaser of such Unit.

At Closing, each Unit will contain only those appliances, counter-tops, cabinets, sinks, vanities, heating, hardware and other fixtures, equipment and appliances, to be installed therein as set forth in this Plan. Each Unit is being sold unfurnished. All fixtures, equipment and appliances will be in working order at closing.

At the Closing, Purchasers will be required to execute and deliver a Power of Attorney in favor of the Board of Managers of the Condominium in the form set forth as Exhibit I in Part II of the Plan.

ESCROW AND TRUST FUND REQUIREMENTS

The Escrow Agent

ROSENBERG & ESTIS P.C., 733 Third Avenue, New York, NY 10017 ("Escrow Agent") shall serve as escrow agent for Sponsor and purchasers. Escrow Agent has designated the following attorneys to serve as signatories: Gary Rosenberg, Warren Estis, Blaine Schwadel, Richard Sussman, Michael E. Lefkowitz and Luise A. Barrack. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are principals of Sponsor or have any beneficial interest therein.

The Escrow Account

For the purpose of holding Deposits or payments made by purchasers, the Escrow Agent has established an escrow account at Citibank, N.A. at its branch located at 666 Fifth Avenue, 5th Floor, New York, New York 10103 ("Bank"), a bank authorized to do business in the State of New York. The escrow account (the "Escrow Account") is entitled Rosenberg & Estis P.C. IOLA Account.

All Deposits will be placed initially in a non-interest bearing checking portion of the Escrow Account. Each purchaser is required to deliver to the Escrow Agent a completed and signed IRS Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status). If a Contract Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Contract Deposit will thereafter be promptly transferred to an individual interest-bearing sub-account in the name of Purchaser. If a Purchaser does not deliver a Form W-9 or a Form W-8, the Contract Deposit will remain in the non-interest bearing checking portion of the Escrow Account, which is an IOLA account.

The Bank is covered by federal bank deposit insurance to a maximum of $250,000 per individual. If an individual makes a Contract Deposit in excess of $250,000 for the purchase of a unit, such Contract Deposit will not be federally insured in excess of $250,000; and (ii) while the Contract Deposit is in the non-interest bearing checking account it may not be federally insured even if the Contract Deposit does not exceed $250,000, although under present law, there are no limits on the FDIC insurance on the aggregate balance of IOLA accounts, provided, however, the limit on the insurance awarded to any individual remains subject to the $250,000 limit. Pursuant to regulations currently in effect, other amounts that a Purchaser may have on deposit at the Bank will be aggregated with the Contract Deposit for the purpose of the maximum insurance proceeds payable to a Purchaser by the FDIC.

All Deposits received from a Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments and shall be made payable to or endorsed by the Purchaser to the order of Escrow Agent.

Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance with the terms of the Purchase Agreement, as the same may be amended.

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently approximately 0.1%. Interest shall begin to accrue upon placing the Contract Deposit into the interest-bearing subaccount. All interest earned thereon shall be paid or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

Notification to Purchaser

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Initial Contract Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Initial Contract Deposit into the Escrow Account. Within ten (10) business days of the placing the Initial Contract Deposit in the Escrow Account, Escrow Agent shall send written notice to Purchaser and Sponsor, confirming the Contract Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Contract Deposit. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The Escrow Agent is obligated to send notice to the Purchaser once the Initial Contract Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Contract Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Initial Contract Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, NY 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Initial Contract Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning deposits and requisite notice was timely mailed to the Purchaser.

Release of Funds

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

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

The Escrow Agent shall release the Contract Deposit if so directed:

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

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

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

If the Escrow Agent is not directed to release the Contract Deposit pursuant to paragraphs (a) through (c) above, and the Escrow Agent receives a request by either party to release the Contract Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) business days before releasing the Contract Deposit. If the Escrow Agent has not received notice of objection to the release of the Contract Deposit prior to the expiration of the thirty (30) business day period, the Contract Deposit shall be released and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Contract Deposit within said thirty (30) business day period, the Escrow Agent shall continue to hold the Contract Deposit until otherwise directed pursuant to paragraphs (a) through (c) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Contract Deposit contained in the Escrow Account with the clerk of the county where the Building is located and shall give written notice to both parties of such deposit.

Sponsor shall not object to the release of the Contract Deposit to:

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

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

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

All Deposits will be held in escrow in conformity with the disclosure contained in this Section of the Plan.

The Contract 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 Contract Deposit shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or Selling Agent, or Sponsor's attorneys.

Acceptance of the Contract 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 a Unit unless and until Purchaser executes a Purchase Agreement and Sponsor or

Selling Agent executes a duplicate thereof and delivers the Purchase Agreement to Purchaser in accordance with the terms of the Plan.

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

Waiver Void:

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

INTERIM LEASES

Sponsor reserves the right, prior to the date of closing title thereto, to rent or lease any Unit for such rent and term and on such other conditions as may be agreed to between Sponsor and any Purchaser who has paid the Contract Deposit required by his or her Purchase Agreement, provided that no occupancy may commence until either a Temporary or Permanent Certificate of Occupancy has been obtained for such Unit. Any such lease (also known as a "Use and Occupancy Agreement" or "Interim Lease") given to a Purchaser will provide that an uncured default by the tenant (Purchaser) under the Purchase Agreement for the unit which is the subject of the lease will constitute a default under the lease entitling the landlord (Sponsor), at its sole option, to immediately terminate such lease in accordance with applicable law. In the event the lease is terminated by reason of an uncured default by the tenant (Purchaser) under a Purchase Agreement, the Interim Lease will terminate on a date set forth in a notice given by Sponsor to the interim lessee (the "Termination Date") no less than 30 days prior to the Termination Date. In addition, each Purchase Agreement will provide that an uncured default by the Purchaser under any Interim Lease with respect to the Unit which is the subject of a Purchase Agreement will constitute a default under the Purchase Agreement, entitling Sponsor, in its sole discretion, to terminate such Purchase Agreement and to exercise any remedies therein provided.

The risk of loss to the Unit shall pass to the Purchaser at such time when a Purchaser takes possession of the Unit pursuant to an Interim Lease. Accordingly, in the event of a fire or other casualty which occurs subsequent to a Purchaser taking possession of a Unit, such Purchaser will be responsible for the restoration thereof to the extent that the insurance carried by the Condominium does not cover such losses. Accordingly, any Purchaser entering into an Interim Lease will be required to carry the same insurance as Unit Owners are required to maintain as set forth in the By-Laws of the Condominium.

Purchasers or any other persons entering into a Use and Occupancy Agreement for a Unit shall be required to pay the sum of $1,500 (subject to increase) to Sponsor's attorney for legal

fees in connection therewith upon execution of the Use and Occupancy Agreement. All other charges or other fees due under a Use and Occupancy Agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Use and Occupancy Agreement.

ASSIGNMENT OF PURCHASE AGREEMENTS

A Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, which may be withheld in Seller's sole and absolute discretion. Any purported assignment by a Purchaser in violation of the Purchase Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle a 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 the Purchaser shall be required to pay Sponsor's attorneys a fee of $1,000, in advance, for preparation of an assignment agreement.

EFFECTIVE DATE

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 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 fifteen (15%) percent or, in this Plan, two (2) of the Residential Units offered pursuant to the Plan. The Plan must be declared effective at such time as Purchase Agreements have been executed and are in effect with respect to 80 percent or all of the Residential Units offered under the Plan. The Plan will be declared effective by notice sent to every Purchaser by personal service or by regular mail, certified mail or registered mail, or overnight courier, stating that the Plan is declared effective on a particular date, the percentage used to declare the Plan effective and a list of the Units being counted to meet the minimum percentage pursuant to the terms of the Plan to declare the Plan effective. Within five (5) days thereafter, Sponsor shall submit an amendment to the Department of Law confirming that the Plan was declared effective on a specified date. The First Unit Closing will not occur until the Plan is declared effective and the Department of Law has accepted for filing the amendment which declares the Plan effective. Sponsor will submit to the Department of Law, if requested to do so, copies of all Purchase Agreements (and any amendments or modifications thereto) within five (5) business days after such request is made.

The Plan will not be declared effective based on Purchase Agreements: (i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) signed by Purchasers who have not been afforded at least three (3) business days to review the Plan and all filed amendments prior to executing a Purchase Agreement or at least seven (7) days to rescind; or (iii) signed by any Purchaser who is Sponsor, the Managing Agent or a principal of either, or is related by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner of Sponsor, the Selling Agent, the Managing Agent or a principal

of either (except that such a Purchaser other than Sponsor or a principal thereof may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is *bona fide*).

The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective, in which event Purchasers will be notified by Sponsor in writing, by registered or certified mail.

Once the Plan has been declared effective, it may not thereafter be abandoned or withdrawn, except that, prior to the First Closing, the Plan may, at the option of Sponsor, be abandoned in the event of: (l) the existence of one or more title defects (including violations of record or work orders of a mortgagee or insurance carrier) affecting any one or more Units or the Property that cannot be removed, cured or complied with prior to the date set for the First Closing, without litigation, or for less than 0.5 percent of the total offering amount in the aggregate, and which are not waived by the Purchasers thereof; 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 0.5 percent of the total offering amount; or (2) 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 or determinations of any authority or regulatory association which exist on the Filing Date of the Plan and are either known to Sponsor or are a matter of public record.

In the event that all of the Purchasers who were used to declare the Plan effective rescind or terminate their Purchase Agreements prior to the date of the First Unit Closing, Sponsor must again declare the Plan effective even in the event that the Condominium Declaration has already been recorded.

Sponsor expects to obtain a temporary Certificate of Occupancy for the Units on or about September 15, 2017. Accordingly, Sponsor hopes to begin closing units on or about October 1, 2017. In the event that such date is delayed twelve (12) months or more, Sponsor will offer to Purchasers a right to rescind their Purchase Agreements of no less than fifteen (15) days from the Presentation Date of the amendment disclosing such delay.

In the event the Plan is withdrawn or abandoned, all Contract Deposits will be returned to Purchasers within 30 days following such withdrawal or abandonment. Upon the return or retention of a Contract Deposit, the Purchase Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers pursuant to the Plan or the Purchase Agreements. Sponsor shall promptly submit an amendment to the Department of Law confirming such abandonment or withdrawal and shall file a notice of abandonment on form RS-3 or such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all Deposits received.

TERMS OF SALE

The Closing to each Unit shall be held at the offices of Sponsor's attorney, or at such other place as Sponsor may designate on not less than 30 days' prior written notice to Purchasers given in accordance with the Purchase Agreement. The Closing to each Unit shall take place only after or concurrently with the following events:

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

(b) the issuance of a temporary or permanent Certificate of Occupancy for the Building or the Unit being conveyed;

(c) the recording or filing of the Declaration, By-laws, Floor Plans and engineers and tax authority certifications required by Section 339-p of the New York Condominium Act or other applicable law and such other documents as may be required by law;

(d) the release of the Unit and its appurtenant interest in the Common Elements from the lien of all mortgages, if any;

(e) the delivery to Purchaser of written notice of the time and place of the Closing to his or her Unit at least 30 days prior to the Closing Date specified therein, including a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine his or her Unit and the Property, during normal business hours and in the company of Sponsor's agent, prior to Closing;

(f) the execution and delivery by Sponsor of a bargain and sale deed with covenants against grantor's acts (which deed shall be substantially in the form set forth in Part II of the Plan) conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances;

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

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

(i) the delivery to Purchaser of a bargain and sale deed with covenant against grantor's acts, 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.

Prior to or at Closing, Sponsor shall cause the Unit to be released from the lien of the acquisition and construction loan mortgages, satisfy or bond any claims for mechanic's liens and satisfy or bond any judgments against Sponsor and Sponsor shall convey marketable title to the Units to Purchasers. Notwithstanding the foregoing, subsequent to the Plan being declared effective, Sponsor may abandon the Plan in the event that there is a defect in title, which may be cured only by payment of a liquidated sum in excess of 0.5 percent of the aggregate purchase price payable for all Units offered for sale hereunder (as the same may be changed from time to time, the "Total Amount of Offering"), which is currently $74,350, based upon the prices set forth herein (said amount shall be used solely to determine the maximum sum that Sponsor may be required to expend before Sponsor may abandon the Plan after it has been declared effective), or if Sponsor is required to commence litigation to resolve any claim which would prevent the conveyance of marketable title to Purchaser. The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments.

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of this Plan) and in General Business Law Section 352-e to survive delivery of the deed.

UNIT CLOSING COSTS AND ADJUSTMENTS

Closing Costs

The estimated closing costs and expenses to be borne by each Purchaser are set forth below. Recording charges, fees, title costs and taxes are based on rates in effect on the date of the Plan and are subject to change without notice.

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

(b) If Purchaser elects to obtain fee or mortgage title insurance, Purchaser will pay a premium which will vary depending upon the amount of insurance requested. Purchasers may select any title insurance company licensed to do business in the State of New York without incurring any additional fees to Sponsor or its attorneys. The premium for fee or mortgage title insurance based on the title insurance rate manual in effective on the date hereof is as follows:

Fee Title Insurance

$402.00 for the first $35,000.00 of coverage; plus from $7.00 to $4.59 for each $1,000.00 of additional fee insurance or fraction thereof depending on the amount of insurance.

Mortgage Title Insurance:

$344.00 for the first $35,000.00 of coverage; plus from $6.00 to $3.82 for each $1,000.00 of additional mortgage title insurance or fraction thereof depending on the amount of insurance.

(c) If a Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance from Chicago Title, the premium for the mortgage title insurance will be at a simultaneous rate.

The premium for fee title insurance issued simultaneously is computed as described in subparagraph (b) above. To the extent there are any savings of title premiums for fee or mortgage insurance by virtue of a title company using a reissue or similar rate rather than the full rate for the purchase of such insurance (as a result of title premiums previously paid by or on behalf of Sponsor) the Purchaser shall be required to pay the amount of such savings directly to Sponsor as reimbursement for premiums previously paid by Sponsor in connection with Sponsor's acquisition of the Property. Purchasers may order title insurance from any title insurance company licensed to do business in the State of New York, selected by Purchaser or their attorneys without incurring additional fees from Sponsor or its attorneys.

(d) A fee for recording the Deed and Power of Attorney, being $32.00 for each instrument plus $5.00 per page and a service charge to the title company of approximately $10.00 and a fee of $100.00 for filing the New York City Real Property Transfer 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 Special Additional Tax of one (1%) percent where the purchase price equals $1 million or more.

(f) New York City Real Property Transfer Tax ("RPT Tax") currently equal to one (1%) percent of the Purchase Price if the Purchase Price of the Unit is less than $500,000 and 1.425 percent of the Purchase Price if the Purchase Price of the Unit is $500,000 or more.

The City of New York, Department of Finance has taken the position that in instances in which the purchaser of property assumes the obligation for the State Transfer Tax and the RPT Tax, the amount of the tax that would otherwise be payable if the seller were to pay such taxes, as is required pursuant to applicable statute, will be treated as additional consideration for the transaction subject to tax. Consequently, the amount of the RPT Tax is computed as follows:

(i) Multiply the purchase price by the RPT Tax rate to compute the City Tax on the amount of the purchase price;

(ii) Multiply the purchase price by the NYS Tax rate to compute the NYS tax due on the on the amount of the purchase price;

(iii) Add the amounts obtained by the computations in steps (i) and (ii) to the Purchase Price (the number is hereinafter referred to as the "Grossed-Up Purchase Price".

(iv) Multiply the result of (iii) by the RPT Tax rate to determine the RPT Tax payable;

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

Example:

Purchase Price = $1,100,000.00

(1) $1,100,000.00 x 1.425 percent = $15,675.00

(2) $1,100,000.00 x 0.4 percent = $4,400.00

(3) Grossed-up Purchase Price is $1,100,000.00 + $15,675.00 + $4,400.00 = $1,120,075.00

(4) RPT Tax: = $1,120,075.00 x 1.425 percent = $15,961.00

(5) NYS Tax = $1,120,075.00 x 0.4 percent = $4,480.30

In addition, where a purchaser purchases two or more Units, the NYC RPT Tax rate, where the consideration if $500,000 or less will be 1.425 percent, while the tax rate where the consideration is in excess of $500,000 will be 2.625 percent.

Thus, the effective RPT tax rate is approximately 1.014 percent of the purchase price where the purchase price is $500,000 or less and 1.451 percent where the purchase price is $500,000 or more. 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 for the Unit where the consideration is less than $500,000 and $4.076 per thousand dollars of the purchase price of the Unit where the consideration is $500,000 or more. However, payment by Purchaser of the Special Additional Tax is not considered additional consideration to Sponsor for purposes of the calculation of the State Transfer Tax.

Thus, the effective RPT tax rate is approximately 1.014 percent of the purchase price where the purchase price is $500,000 or less and 1.451 percent where the purchase price is $500,000 or more. 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 for the Unit where the consideration is less than $500,000 and $4.076 per thousand dollars of the purchase price of the Unit where the consideration is $500,000 or more. However, payment by the Purchaser of the Special Additional Tax is not considered additional consideration to Sponsor for purposes of the calculation of the State Transfer Tax.

(g) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of the mortgage recording tax, 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 percent of the face amount of the mortgage and 2.175 percent 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 percent of the face amount of the mortgage. In addition, there is a $30 exemption for residential real 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. As indicated above, a discounted rate may apply where fee and mortgage title insurance policies are issued simultaneously. In the event that Sponsor is entitled to a credit for the Mortgage Recording Tax paid by Sponsor in connection with its construction financing, at Closing, Sponsor will execute and deliver the requisite affidavit as required under Section 339(e)2 of the New York Real Property Law and Section 252 of the New York State Tax Law. In such instances, Purchaser shall reimburse Sponsor to the extent of the mortgage tax credit received by reason of the delivery of such affidavit. Purchaser will be liable to pay the tax authorities any Mortgage Recording Tax payable in excess of the credit available. In no event shall the total amount paid to Sponsor and the tax authorities be in excess of the mortgage recording tax that would otherwise be payable by Purchaser.

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

(h) Fees payable to Sponsor's attorney in accordance with the following schedule, all of which fees will be cumulative to the extent applicable to any individual closing:

For each Unit, the sum of $3,500, plus the sum of $250 for the preparation of ACRIS Documents payable to Sponsor's Counsel to reimburse Sponsor for a portion of its legal fees incurred in connection with the closing of title of the Purchaser's Unit. For the conveyance of a Storage Space, the sum of $750 to reimburse Sponsor for a portion of its attorney fees in connection with the conveyance of each Storage Space. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's Counsel, or if the Purchaser otherwise requests the Closing to occur other than at the office of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice), the closing may be held elsewhere in New York City, provided that an additional travel fee is paid to Sponsor's Counsel equal to: (a) $750 if the closing is held elsewhere in Manhattan; and (b) $1,200 if the closing is held in a borough other than Manhattan. In addition: (i) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay to Sponsor's Counsel an additional fee of $750 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (ii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement; and (iii) if Purchaser obtains mortgage financing, then Purchaser shall pay Sponsor's Counsel an additional fee of $750

to defray the additional costs associated therewith. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

Purchaser may pay more than one fee pursuant to (h) above with respect to a Unit. In addition to an attendance fee in connection with a completed Unit transfer, Sponsor's attorneys shall also be entitled to an attendance fee in the amount set forth above if they attend 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 request.

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

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

A numerical example for the costs set forth in this section of the Offering Plan for a typical Unit with a purchase price of $1,100,000 and a mortgage of $750,000 are estimated as set forth below. Tax, insurance and recording rates are subject to change.

1. Title insurance for fee and mortgage, including the simultaneous fee discount: approximately $4,028.00 plus the cost of searches and fees of approximately $600.00. Total projected Title Bill: $4,628.00;

2. Recording costs for deed and power of attorney: $350.00;

3. Mortgage Recording Tax: $16,282.50;

4. New York City Real Property Transfer Tax: $15,961.00;

5. New York State Real Estate Transfer Taxes (deed stamps): $4,480.00;

6. New York State Mansion Tax: $11,000.00;

7. Legal fee due to Sponsor's attorney: $3,500.00;

8. Fee for preparation of ACRIS Documents $250.00; and

9. Contribution to Working Capital Fund: $2,010.00.

The foregoing projections do not include other fees which cannot be estimated, as the same are outside of Sponsor's control including, but not limited to, purchaser's attorney's fees, lender's attorney's fees, and bank fees.

The total closing costs for a unit with a purchase price of $1,100,000.00 and a mortgage of $750,000.00 are estimated to be approximately $52,211.50.

Closing Adjustments

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Common Charges for the month in which title closes, and (c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering Purchaser's Unit. In the event the Units have not been separately assessed for real estate tax purposes prior to the First Closing, Sponsor shall place in a special escrow account with Sponsor's attorney an amount equal to the unpaid real estate taxes which will be payable with respect to the Property for the six (6) month period following the First Closing or until the Units are separately assessed, whichever is shorter, or Sponsor will pay the real estate taxes with respect to the Property from the special escrow account as and when such taxes become due and payable, and Sponsor will be reimbursed for such payments by the Condominium Board. In the event that Sponsor sets up an escrow for the real estate taxes as described above, the amount of such tax escrow will be disclosed in the post-closing amendment to the Plan. Section 6.1.1 of the By-Laws grants the Board the authority to assess each Unit Owner for its portion of the real estate taxes until the New York City Department of Finance issues individual tax bills for each of the Units. Until the Units are separately assessed and billed, each Unit Owner will pay his or her *pro rata* share (in the proportion that his or her Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board. The Condominium Board will pay such taxes either to the Department of Finance of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay his or her *pro rata* share as set forth above, the Condominium Board will have a lien on such Unit for non-payment thereof, as if such charges were Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners-Common Charges: Collection and Lien for Non-Payment" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority.

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to 0.04 percent of the purchase price of his or her Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date, being an equal to an annual rate of 14.6 percent per annum.

Except as specifically set forth in the Plan, Sponsor must pay all costs and expenses incurred in connection with the promulgation and consummation of the Plan and the initial sale of Units, including, but not limited to, all selling expenses and commissions payable to Selling Agent for the initial sale of Units pursuant to the Plan, advertising, printing and architect's fees,

the fees of Sponsor's attorneys, engineering and appraisal costs and governmental filing fees, whether incurred prior or subsequent to the effective date of the Plan, in connection with the obligations of Sponsor (See the Section entitled "Rights and Obligations of Sponsor").

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations with Respect to the Building

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

(a) Each Unit and the fixtures and personal property contained therein, are being sold and delivered as described in the Plan, subject to the issuance of a temporary Certificate of Occupancy for the Building, or the Unit which is the subject of the relevant Purchase Agreement. Each Unit is being sold unfurnished. Sponsor will maintain each Unit and the fixtures and personally contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Unit may inspect such Unit prior to the Closing Date.

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

(c) 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.

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

(e) Sponsor is obligated to indemnify and defend the Unit Owners and the Board of Managers in any suits or proceedings arising out of Sponsor's acts or omissions

(f) Sponsor will deliver a set of "as-built plans" to the Condominium Board.

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

(h) Sponsor will pay all Common Charges, real estate taxes and special assessments allocated to any Unsold Units in accordance with the provisions of the By-laws. Sponsor will use revenues generated by the occupancy of the Commercial Unit and income from other sources to pay such obligations. Sponsor represents and warrants that it has the financial resources to meet such obligations as the same become due. No bond or other security will be posted by Sponsor with respect to this obligation.

(i) Sponsor will initially procure, on behalf of the Condominium Board, the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-laws (see the Section entitled "Rights and Obligations of the Condominium Board/Summary of By-laws") the cost of which insurance has been reflected in the First Year's Budget.

(j) Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection, by prospective purchasers and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six (6) years from the date of the recording of the Declaration. In addition, a set of Floor Plans showing the layout, location and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of the City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

(k) Sponsor is obligated to deliver to the Condominium Board all books and records pertaining to the Building's operation in Sponsor's possession on the First Unit Closing.

(l) Sponsor may dissolve or liquidate at any time after the transfer of 20 percent or more of the total number of Units of the Condominium. Sponsor's obligations will be assumed by financially responsible persons or entities who will assume the status and all of the obligations of Sponsor (in each instance, a "Successor Sponsor") pursuant to the Offering Plan and applicable laws or regulations for those Units purchased by such Successor Sponsor. The obligations of Sponsor that will be assumed by a Successor Sponsor shall include, without limitation, Sponsor's obligation to defend and indemnify the Unit Owners and the Board of Managers in any suits or proceedings arising out of Sponsor's acts or omissions...

(m) Sponsor shall complete the construction of the Building in accordance with the building plans and specifications identified herein in the Description of the Property and Specifications contained in Part II of the Plan as Exhibit D. Notwithstanding the foregoing, Sponsor has the right to substitute materials or equipment or may make modification of the layout or design of the Units, provided however, Sponsor may not:

(i) substitute equipment of materials of a lesser quality or design; or

(ii) change the size, location of the units or common elements if such changes affect the percentage of common interests or adversely affect the value of any unit to which title

has closed or for which a purchase agreement has been executed and is in force and effect unless all affected unit owners and contract vendees consent in writing to such change.

(n) Sponsor has obtained a construction loan from Banco Popular North America, having an address at 85 Broad Street, New York, New York 10004.

(o) If Sponsor fails to obtain a permanent Certificate of Occupancy for the Building prior to the First Closing, Sponsor will be obligated to hold and maintain all monies received pursuant to all Purchase Agreements (See "Procedure to Purchase" in Part I) 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), originally established for the purpose of holding such deposits, provided, however, that if an architect or engineer chosen by Sponsor 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 permanent Certificate of Occupancy, then the amount exceeding the sum so certified by Sponsor's architect or engineer shall be released from the special escrow account. Sponsor expects to obtain a permanent Certificate of Occupancy for the entire project within two (2) years subsequent to the First Closing or at such sooner time as the Temporary Certificate of Occupancy, as same may be renewed, replaced or extended, expires.

(p) Sponsor has no obligation to repair or improve Units or the fixtures or personal property attached to or used in connection with the operation of Units, except as otherwise expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit, or the materials or workmanship of the Common Elements. Sponsor, however, shall assign to each Purchaser all warranties, if any, in Sponsor's possession at the Closing for the Unit. All warranties, if any, in Sponsor's possession as of the First Closing which relate to the General Common Elements will be assigned to the Condominium Board at the First Closing.

(q) All representations contained in the Plan and all of Sponsor's obligations under the General Business Law of the State of New York Section 352-eeee, which are to be performed subsequent to the Closing, shall survive the delivery of the deed.

(r) Notwithstanding anything to the contrary contained in the Plan, Sponsor shall construct the Building in accordance with the filed plans and specifications in compliance with all applicable laws and regulations.

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

Sponsor is reserving the right to delay the collection of Common Charges, or a portion thereof, for a period to be determined by Sponsor, in Sponsor's reasonable discretion. During any

such period of delay (a "Common Charge Abatement Period"), Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any replacement reserve payments required by lenders. Such expenses shall not include expenses that are the responsibility of individual Unit Owners such as real estate taxes, utility charges, cable charges, etc. At such time when the collection of Common Charges commences, there shall be no assessment for any line item in the budget for the Condominium contained herein. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to amend the budget for the Condominium as required by law and the applicable regulations. In the event that Sponsor elects to defer the collection of Common Charges or a portion thereof, Sponsor shall disclose such fact in the closing notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan to inform subsequent Purchasers that a Common Charge Abatement Period has occurred. Any such amendment shall also disclose the duration and/or the anticipated duration of any such Common Charge Abatement Period. In addition, those Purchasers who close on their Units subsequent to the expiration of the Common Charge Abatement Period shall not receive any credit of other reduction in the Common Charges payable by them. Prior to the expiration of the Common Charge Abatement Period, Sponsor will send written notice to all Unit Owners of the expiration thereof at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose the date on which the Common Charge Abatement Period expired in the next substantive amendment to the Offering Plan. See Section entitled "Rights and Obligations of Sponsor".

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 representation or warranty as to the work, materials, appliances, equipment or fixtures other than as set forth in the Plan.

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

Except as set forth above or as required by law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will depend, in part, upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations.

All representations under the Plan, all obligations pursuant to the General Business Law, and such additional obligations under the Plan which are to be performed subsequent to the First Closing will survive delivery of a deed to a Purchaser of a Unit.

Housing Merchant Implied Warranty

The Housing Merchant Implied Warranty does not apply to this offering. Sponsor has entered into a construction management contract for the construction of the Building with Nexus Building Development Group Inc. ("Nexus"), 41 Wooster Street, New York, New York 10012 (the "Construction Management Contract"). The Construction Management Contract provides that the Nexus warrants the construction of the Building for a period of one-year following the issuance of a temporary Certificate of Occupancy for the Residential Units. Certain building equipment shall be subject to manufacturer's warranties. In addition, there will be a manufacturer's warranty for the roof for a ten-year period following the date of completion. As of the date of the First Unit Closing, Sponsor shall assign the aforementioned warranties to the Board of Managers of the Condominium. Each Purchaser will receive, at Closing, the manufacturer's warranties for the appliances located in their Units.

Regardless of the limitations on Sponsor's warranty as set forth herein, Sponsor is liable to construct the Building in accordance with the plans and specifications filed with the New York City Department of Buildings and all applicable laws and codes. In the event of any conflict between the filed plans and specifications and applicable law and codes, such conflict will be resolved in favor of applicable law and codes.

Use of Unsold Units

Sponsor reserves the right, without prior notice or amendment to the Plan, to use any Unsold Unit as sales and rental offices and model apartments. In the event Sponsor thereafter elects to sell any such Unsold Units, Sponsor may require the Purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to the Purchaser of such Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the purchase price for such Unit.

CONTROL BY SPONSOR

Sponsor shall have the right to vote all of the Common Interests attributable to Unsold Units when voting for members of the Condominium Board. At all elections held after the expiration of the period ending on the earlier of: (i) the Closing of Title with purchasers under the Plan to Units having more than 75 percent of the aggregate Common Interests pertaining to all Units, or (ii) five (5) years after the First Closing (the "Sponsor Control Period"), not more than one (1) of the members of the Condominium Board may be elected or designated by Sponsor or the then owner of the Unsold Units. After the end of Sponsor Control Period, a majority of the Condominium Board must be Unit Owners who are not affiliated with Sponsor.

Within approximately 30 days after the expiration of the Initial Control Period, the applicable number of members of the Condominium Board representing the Unit Owners which

were designated by Sponsor shall resign and their replacement shall be filled by a majority vote of the members of the Condominium Board representing the Unit Owners (excluding members designated by Sponsor) at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Until the first annual meeting of the Unit Owners (the "First Annual Meeting"), the Board shall consist of two (2) persons designated by Sponsor. Sponsor anticipates designating the following persons as the initial Board Members (all of whom are experienced in real estate matters and familiar with the property): Yaniv Cohen and Sandra Santos. Mr. Cohen is principal of Sponsor and Ms. Santos is employed by Nexus Building Development Group, Inc., which is the project manager retained by Sponsor in connection with the development of the Building and the preparation of this Plan. Sponsor will amend the Plan prior to the First Closing in the event such persons no longer are serving as the initial Board members.

The First Annual Meeting shall be held not later than 30 days following the first to occur of: (a) the first anniversary of the First Closing; or (b) the closing of title to Units representing at least 75 percent both in number and aggregate Common Interests of all Units to Purchasers, and at such meeting the incumbent two-member Board appointed by Sponsor will resign and a new Board will be elected and/or designated by the Unit Owners and Sponsor, as the case may be, as described below. As a result of the foregoing, there is no provision in the By-laws that assures a majority of the Condominium Board will be Unit Owners, Unit occupants or members of a Unit Owner or Unit occupant's household who are unrelated to Sponsor and its principals within five (5) years after the First Closing. In addition, because Sponsor has the unconditional right to rent or lease the Units, subsequent to the occurrence of the First Unit Closing, there is no commitment to sell more Units than the fifteen (15%) percent of Units necessary to declare the Plan effective, and owner-occupants may never gain effective control and management of the Condominium.

Accordingly, until the expiration of the Initial Control Period, if: (i) Sponsor and/or its successor shall have the right, in such capacity, to designate two (2) of the three (3) Residential Board Members, all of whom may be persons related to or affiliated with Sponsor and/or its successor or other Unsold Unit Owner, and Sponsor and/or its successor and all other Residential Unit Owners shall elect the one (1) remaining Residential Board Member who shall not be a person related to or affiliated with Sponsor and/or its successor-in-interest or other Unsold Unit Owner. Any person who wishes to serve as a member of the Board shall give written notice to the Managing Agent no less than fourteen (14) days prior to the annual meeting.

In addition, at elections of members to the Board held after the expiration of the Initial Control Period but while Sponsor and/or its successor-in-interest still owns at least one Residential Unit, Sponsor and/or its successor-in-interest shall have the right to designate one (1) of the Board Members. Accordingly, from and after the expiration of the Initial Control Period, Sponsor shall have the right to designate not more than one (1) member of the Board and shall no longer exercise voting control over the Board, *i.e.*, following the expiration of the Initial Control Period, at least two (2) of the three (3) members of the Residential Board shall not be designated by Sponsor or its successor-in-interest or other owner of Unsold Units but shall be elected by the Unit Owners. There is no restriction on the right of Sponsor and its successor-in-interest(s) or any Unsold Unit Owner to vote for members of the Board who are not related to or affiliated with

Sponsor or such successor-in-interest or Unsold Unit Owner; however, after the expiration of the Initial Control Period, neither Sponsor nor its successor-in-interest will designate a majority of the Members.

Accordingly, from and after the expiration of the Initial Control Period, at least two (2) of the three (3) members of the Residential Board shall not be related to or affiliated with Sponsor or its successor-in-interest or such Owner of Unsold Units. There is no restriction on the right of Sponsor and/or its successor-in-interest(s) or other Unsold Unit Owner(s) to vote for members of the Board who are not related to or affiliated with Sponsor or such successor-in-interest or such Unsold Unit Owner(s). The number of members of the Board may not be increased without the consent of the owner(s) of the Unsold Units, for so long as there remains at least one (1) Unsold Unit.

Until Sponsor no longer designates a majority of the members of the Board, Sponsor will, through its control of the Board, be able to control the maintenance and operation of, and the services to be provided by, the Condominium, and also the determination of Common Charges to be paid by all Unit Owners. Prospective Purchasers should be advised that Unit Owners, Unit occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, *i.e.*, for use as a home as opposed to as an investment.

Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five (5) years after the First Closing or whenever the Unsold Units constitute less than 25 percent of the Common Interest, whichever is sooner.

The number of members of the Condominium Board representing the Unit Owners may not be increased or decreased without the consent of Sponsor as owner of the Unsold Units for so long as there remains a single Unsold Unit.

Until Sponsor no longer elects a majority of the members of the Condominium Board, 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.

The Condominium Board may not, for as long as Sponsor has title to the Units having more than 25 percent of the aggregate Common Interests pertaining to all Units, but in no event later than five (5) years after the First Unit Closing, whichever shall first occur, take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit unless the same are required to comply with applicable laws or regulations, (b) assess any Common Charges or Special Assessments for the creation of, addition to or replacement of or addition to all or part of a 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 not covered 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 Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board to comply with applicable laws or regulations or to remedy any notice of violation or work order of the Condominium's insurer.

During the time that Sponsor or its successors-in-interest have the right to control the Condominium Board or to control the expenditures of the Condominium as above provided, Sponsor or its successors-in-interest will effectively control the budget of the Condominium, the selection of a management company, the maintenance charges imposed upon Unit Owners or similar matters which will ultimately be the responsibility of resident members of the Condominium Board.

BOARD OF MANAGERS

From and after the First Annual Meeting, the Residential Board shall consist of three (3) persons elected by the Residential Unit Owners (including Sponsor) (subject, however, to Sponsor's right to designate certain Board members during the Initial Control Period, as hereinafter set forth). There will also be a Condominium Board that will govern the affairs of the entire Condominium that will consist of three (3) members, two (2) elected by the Residential Unit Owners and one (1) Board member designated by the Commercial Unit Owner. At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests appertaining to the Units owned by Sponsor as it sees fit. However, in addition, at elections of the Condominium Board held before the expiration of the Initial Control Period, Sponsor and/or its successor-in-interest shall have the right to designate two (2) members of the Residential Board, in the aggregate, who are related to or affiliated with Sponsor, such successor-in-interest or other Unsold Unit Owner(s), and Sponsor, such successor-in-interest and all other Unit Owners shall have the right to elect the remaining member of the Board, who shall not be related to or affiliated with Sponsor, such successor-in-interest or other Unsold Unit Owners. Except for the Condominium Board members designated by Sponsor, all members of the Condominium Board must be either 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 his or her term of office, said member shall cease to be a Unit Owner or an interested party. All Board members shall serve without compensation. Each Unit Owner shall be entitled to one (1) vote for each 0.0001 percent of Common Interest assigned to such Unit Owner's Unit. For so long as Sponsor or its successors own at least fifteen (15%) percent of the Units, but in no event later than the fifth anniversary of the First Unit Closing, Sponsor may designate up to two (2) of the three (3) Members of the Residential Board.

All members of the Condominium Board and officers shall serve without compensation from the Condominium, and Sponsor has agreed that the By-laws will not be amended to provide otherwise while Sponsor is in control of the Condominium Board.

The term of office of the members of the Residential Board and Condominium Board shall be for one year or until their successors are elected. Any member of the Condominium Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, or by overnight courier to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

A member of the Condominium Board may be removed with or without cause by an affirmative vote of a majority of Unit Owners (as defined in the By-laws) who are present at a meeting containing a quorum of Unit Owners; provided, however, that Condominium Board members designated by Sponsor may only be removed with cause and replaced by another Sponsor designee. No member of the Condominium Board shall continue to serve on the Condominium Board if, during his or her term of office, such member shall cease to be a Unit Owner or an interested party as described in Section 2.7 of the By-laws; provided, however, that this provision respecting Unit ownership and Condominium Board membership shall not apply to members of the Condominium Board designated by Sponsor.

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

The Condominium Declaration and By-Laws each provide that the same may be amended by the vote of Units Owners owning both (a) at least 66-2/3 percent of the Common Interests; and (b) at least seven (7) of the Units, provided however, no such amendment affecting provisions related to the Commercial Unit is effective without the vote and/or written consent of the Commercial Unit Owner.

Section 2.13 of the By-Laws provides that each Board Member is indemnified by all of the Unit Owners, to the extent of the Common Interest allocated to each of their respective Units from any liability or claim arising from their acts as Board Members, except in cases of bad faith or willful misconduct, or any liability associated with self-dealing by such Board Member.

Any member of the Condominium Beard who is a designee of Sponsor may contract or deal with Sponsor and no other member of the Condominium Board or any Unit Owner may claim that such designee is self-dealing.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Units

Each Unit Owner may sell or lease his or her Unit provided the selling Unit Owner (the "Transferor") first gives the Condominium Board, on behalf of all Unit Owners, notice of his or her intention to sell or lease such Unit and an opportunity to purchase or lease such Unit at the same price or rental and on the same terms as were offered in good faith by a prospective Purchaser or lessee, as more specifically provided in Article 7 of the By-laws. If the Condominium Board does not elect to purchase or lease the Unit within 30 days after receipt of the offering Unit Owner's notice, the Transferor 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 said notice. In the event such written agreement is not executed by the Transferor within said 60-day period or such sale or lease is not consummated within an additional 60 days following the expiration of said 60-day period, the Transferor will be required to again first offer the same to the Condominium Board, provided that the Condominium Board shall be entitled to waive, or to permit an extension of, either or both of such 60 day periods. The Condominium Board may not exercise its option to purchase or lease any Unit without prior approval of a majority in interest of Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present. In any vote of all the Unit Owners, the Transferor shall have the right to vote in any vote conducted by the Condominium Board for the purpose of determining whether the Condominium Board shall exercise its right of first refusal to purchase or lease the Transferor's Unit.

The right of first refusal in favor of the Condominium Board described above shall not apply to the Sponsor or to the Commercial Unit. Any deed given by a Transferor shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the demised premises or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by applicable law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-laws.

Any purported sale or lease of a Unit in violation of Article 7 of the By-laws shall be voidable at the election of the Condominium Board. Other than the exercise of the Right of First Refusal, the Condominium Board has no right to approve or disapprove prospective purchasers of the Units. Accordingly, there is no limit on the number of owners who may purchase a unit for investment rather than for personal occupancy. Therefore, there may always be a substantial percentage of Unit Owners who are non-residents of the Condominium.

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

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

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

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

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

Use of Units

Residential Units shall be used only as a residence (except as described below), and not more than one family may occupy a Residential Unit at one time. A Unit owned or leased by an individual, corporation, partnership, fiduciary or any other entity may only be occupied by said individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, the fiduciary or beneficiary of said fiduciary, a principal or employee or such other entity, respectively, or by members of the immediate family or guests of any of the foregoing, provided however, no Unit may be leased for a term of less than 30 days. A Unit may be used as an office for a "home occupation", provided such use is permitted by applicable laws or regulations, does not violate the then existing Certificate of Occupancy covering the Building, complies with all applicable governmental regulations and the Condominium Board, in its sole discretion, grants permission for such use.

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.

The Commercial Unit may be used for any purpose permitted under applicable law, subject, however, to the limitations set forth in the By-laws.

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

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

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

No pets other than fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Unit without the consent of the Board of Managers. Each Unit Owner who keeps any type of pet in his or her Unit will be required to: (a) indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Condominium Board adopted with respect thereto.

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

Mortgage of Units by Unit Owners

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

is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage, and (c) the owner making such mortgage first satisfies all unpaid liens against his or her Unit, other than Permitted Mortgages. Sponsor shall have the right to mortgage any Unsold Unit without any restriction or limitation.

As more particularly set forth in the Section entitled "Amendments to Condominium Documents", in certain instances the consent of the Mortgage Representatives are necessary in order to amend the Declaration, By-laws or Rules and Regulations. The By-laws provide that no more than one 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 its successor-in-interest, (ii) a bank, trust company, insurance company, real estate investment or mortgage trust or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

Common Charges: Determination and Assessment

Common Expenses, which are payable only by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common Interests. Common Expenses include, among other things, all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, and may include amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Condominium Board of any Unit.

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

Common Charges: Collection and Lien or Nonpayment

Under the provisions of the By-laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit in proportion to the respective Common Interests of the Units. All such liens, however, to the extent permitted by applicable law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six (6) year period), whichever shall occur sooner. 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.

No Unit Owner may exempt himself from liability for his or her Common Charges by waiving use of any of the Common Elements or by abandonment of his or her Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Unit. In addition, as more specifically set forth in the By-laws, a Unit Owner may, by conveying his or her Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, exempt himself or herself from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to his or her 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 Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing, unless: (i) the aggregate Common Interests appurtenant to the Unsold Units constitutes fifteen (15%) percent or less of the total Common Interests then appurtenant to all Units; (ii) at least five (5) years have elapsed from the date of the First Closing; and (ii) 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 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 his or her acquisition. Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or purchaser of a Unit shall be entitled to a statement from the Condominium Board, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor purchaser shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in such statement. In the event of a foreclosure by the 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, nor shall the Unit not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Condominium Board will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Unit (other than to the Common Elements), including the heating/cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, and

(b) in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense.

Notwithstanding the above, all normal maintenance, repairs and replacement of the Terrace shall be made by the Unit Owner of Unit PH, at his or her own cost and expense, but any structural or extraordinary repairs or replacements to such Terrace (including any leaks which are not caused by the negligence of the Unit Owner of Unit PH having access to the same) will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense. The Unit Owner of Unit PH shall keep the Terrace free of snow, ice and accumulation of water. In accordance with the By-laws, the type, size and quantity of plantings and other installations to be placed on the Terrace by Unit Owner of Unit PH and the rights of such Unit Owner to paint and decorate the Terrace shall be subject to the prior written approval of the Condominium Board. Notwithstanding anything to the contrary contained herein, the Board of Managers of the Condominium and their representatives will have additional access to the roof for the purpose of inspecting and repairing the same.

The interior glass surfaces of all windows located in any Unit shall not be colored or painted and are to be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. Any replacement of glass windows in any 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).

The By-laws provide that each Unit and all portions of the Limited Common Elements which are used exclusively by a certain Unit Owner (*e.g.* Terrace) 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. In the event any Unit Owner fails to keep his or her Unit or the Unit Owner of Unit PH's designated Limited Common Element in such condition, the Board may, at the expense of such Unit Owner, enter such Unit and/or the Limited Common Element and perform such acts as are necessary to cure such default. (See the Section entitled "Rights of Access").

The By-laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or the 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.

Alterations and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to his or her Unit or the Limited Common Element 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 Unit. Except as otherwise permitted in the By-laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Limited Common Elements without the prior written approval of the Condominium Board.

No construction may be performed on the roof or any Terrace or Balcony without having approved plans and a building permit from the Department of Buildings and the approval of the Condominium Board. Sponsor makes no representation as to whether additional structures may be constructed on the roof or any Terrace located thereon. Any prospective purchaser who is interested in constructing improvements on a Terrace or Balcony should consult with its own advisors.

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

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

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration or improvement to be made in a Unit, unless approved and executed, if necessary, by the 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 other and the other Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided any alteration to such Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Generally, all alterations or improvements in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense.

Insurance

The Condominium Board is required to obtain and maintain the forms of insurance described in the Section 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 any property contained in a Unit. Consequently, Unit Owners are also required to obtain casualty insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units, and liability insurance with respect to occurrences in or about their respective Units, as more particularly set forth herein.

Rights of Access

As more fully set forth in the By-laws, the Condominium Board and any managing agent, manager, superintendent and other persons authorized by the Condominium Board, will have a right of access to any Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by law or governmental regulation, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the tenants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

In accordance with the provisions of the multiple dwelling laws, each Unit Owner must deliver a complete set of keys for his or her Unit to the Board of Managers of the Condominium to facilitate any necessary entry. 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.

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

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 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 twice during any calendar year, 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.

Self-Help

In the event that any Unit Owner fails to maintain or repair his or her Unit or any Limited Common Elements appurtenant to such Unit, 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.

Units Held by Non-Occupying Unit Owners

Section 339-kk of the New York Real Property Law provides that if a Non-Occupying Unit Owner rents any dwelling unit to a tenant and then fails to make payments due for common charges, assessments or late fees for such Unit within 60 days of the expiration of any grace period after they are due, all rental payments from the tenant shall be directly payable to the Condominium. A "Non-Occupying Owner" shall mean a Unit Owner who does not use his or her dwelling unit for occupancy by themselves or a member of their immediate family.

If the common charges, assessments or late fees due for any Unit have not been paid in full within 60 days after the expiration of any grace period of the earliest due date, the Board of Managers shall provide written notice to the rental tenant and the Non-Occupying Owner providing that, commencing immediately and until such time as all payments for maintenance, 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 at the address listed on the notice. Where a majority of the Board of Managers has been elected by and from among the owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Condominium. At such time as payments for maintenance, assessments and late fees from the Non-Occupying Owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and Non-Occupying Owner. Thereafter, all rental payments for such unit shall be made payable to the Non-Occupying Owner or to a designated agent. A Non-Occupying Owner who disputes the Condominium'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 30 days.

RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD/SUMMARY OF BY-LAWS

Condominium Board

The affairs of the Condominium shall be governed by the Condominium Board, which shall initially consist of two (2) members designated by Sponsor. Within 30 days of the first anniversary of the First Unit Closing, the Condominium Board will call for the first annual meeting of Unit Owners. At such meeting, the incumbent Condominium Board shall resign and, subject to Sponsor's right to designate members of the Condominium Board, the Unit Owners shall elect a new Residential Board consisting of three (3) members and a Condominium Board consisting of three (3) members, two (2) of whom shall be elected by the Residential Unit Owners with one (1) member being appointed by the Commercial Unit Owner. (See the Sections entitled, "Board of Managers" and "Control by Sponsor"). Thereafter, at each annual meeting, members of the Residential Board and the Condominium Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified.

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 shall continue to own units with an aggregate common interest of more than 25 percent of the Common Elements, but in no event later than five (5) years from the First Closing, the Condominium Board may not without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration, or improvement to the Common Elements or to any Unit unless the same are required to comply with applicable laws or regulations; (b) assess any Common Charges for the creation or replacement of, or addition to, all or part of a 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 provide 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; or (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary (and no alternatives are available) to enable the Condominium Board to: (i) comply with applicable laws or regulations; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer.

Meetings and Votes of Unit Owners

Annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the first annual meeting. At such meetings, the Residential Unit Owners shall elect the three (3) members of the Residential Board and the Residential Unit Owners shall elect the two (2) members of the Condominium Board and the Commercial Unit Owner shall appoint one (1) member of the Condominium Board, provided however, the foregoing shall be subject to any rights of Sponsor to designate Condominium Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-laws. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice, which will be given not less than ten (10) nor more than 30 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than 40 percent of the Common

Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its successors-in-interest with respect to Unsold Units) shall be entitled to cast one vote for each 0.0001 percent of interest in the Common Elements attributable to his or her Unit or Units.

Officers

The principal officers of the Condominium shall be a President, a Vice President and a Secretary-Treasurer, all of whom shall be elected by the Condominium Board. The Residential Board and 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, a Vice President and a Secretary-Treasurer must be members of the Condominium Board. No officer shall receive any compensation for acting as an officer of the Condominium. The By-laws provide that all instruments of the Condominium are to be executed by any two (2) officers thereof or by such other person or persons as may be designated by the Condominium Board. However, any significant expenditure by the Condominium Board in excess of $10,000 must be countersigned by two (2) members of the Condominium Board. If, for any reason whatsoever, one member refuses to countersign such an expenditure which has been authorized, the Condominium Board shall designate and authorize another Board member to countersign the expenditure.

Repair or Reconstruction after Fire or Other Casualty

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

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of his or her share of such funds such amounts as may be necessary to reduce unpaid liens on his or her 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 percent or more of the Building is destroyed or substantially damaged and if 75 percent or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lien or, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be

divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first has been paid out of his or her share of such funds such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Condominium Board in the event of a loss amounting to $100,000 or less. In the event that such proceeds are in excess of $100,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, improvements or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to Common Charges for one (1) year; (c) worker's compensation and New York State disability benefits insurance; (d) plate glass insurance to the extent, if any, determined by the Condominium Board; (e) water damage insurance to the extent, if any, determined by the Condominium Board; (f) elevator liability and collision insurance; (g) directors and officers liability coverage; and (h) 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 of the Unit Owners shall be in an amount no less than the coverage set forth in the First Year's Budget in Schedule B hereof.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subornation 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 ten (10) days prior written notice to all of the insureds, including all Unit Owners and Permitted

Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least ten (10) days prior to the expiration of the then current policies.

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

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

Unit Owners may carry other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation, if available, and further provided that the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Liability of the Condominium Board and Unit Owners

Every contract made by the Condominium Board or by any managing agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners and the Condominium Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners. To the extent permitted by Law, the Condominium Board members shall have no liability to Unit Owners except that a Condominium Board member shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any Condominium Board member, any Unit Owner, 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 within four months after the end of each fiscal year.

Amendments to Condominium Documents

Generally, subject to certain exceptions concerning, among other things, Sponsor, and Unsold Units, and provided that required consents of the Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-laws or Rules and Regulations affecting the Common Elements or all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3 percent in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

No amendment, modification, addition or deletion of the Declaration, By-laws or 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.

Action for Partition of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least 100 percent in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from the Mortgage Representatives, if any.

In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Units Acquired by Condominium Board

All 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 Unit Owners and the rent or purchase price, closing costs and adjustments payable in connection therewith shall be assessed against all Unit Owners. No Units held by the Condominium Board shall carry any voting rights.

The purchase of any Unit by the Condominium Board on behalf of the Unit Owners may be made from the funds deposited in the capital and/or operating accounts of the Condominium

Board. If the funds in such account is insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to his or her respective Common Interest, as a Common Charge and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interests in the Common Elements.

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units.

Borrower by Board of Managers

Section 339-jj of the Real Property Law authorizes the Condominium Board to incur debt provided that such debt (a) is incurred no earlier than the fifth anniversary of the First Closing and (b) is approved by Unit Owners owning Units appurtenant to a majority of the Common Elements. Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Condominium Board cannot secure such debt by a lien on the Common Elements without the consent of the majority of the Unit Owners.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of a Unit as a personal residence was prepared by Sponsor based, in part, upon the income tax opinion of Rosenberg & Estis, P.C., counsel to Sponsor, a copy of which is set forth herein.

ROSENBERG & ESTIS, P.C. IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THE PLAN.

Income Tax Deductions to Unit Owners

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

It is the opinion of Rosenberg & Estis, P.C. that a Unit Owner who uses his or her 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 mortgage interest is deductible generally only with respect to (1) secured debt used to acquire, construct or substantially improve a principal or second residence (or which constitutes a refinancing of such debt up to the then outstanding balance of the acquisition or improvement debt) up to a total indebtedness of $1 million ($500,000 for married couples filing separately), plus (2) other "home equity" debt not in excess of $100,000 ($50,000 for married couples filing separately) secured by a principal or second residence. However, interest paid by a Residential Unit Owner with respect to a "home equity" loan which was extended subsequent to the acquisition of the Residential Unit and not used in connection with the substantial improvement thereof, will not be deductible if the aggregate amount of such Residential Unit Owner's debt (*i.e.* a mortgage, plus the home equity loan) exceeds the then fair market value of the Unit. Interest on home mortgage debt in excess of these limitations would not be deductible. In addition, Residential Unit Owners should note that special limitations may apply to the deductibility of points and prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions. In any event, Residential Unit Owners are advised to consult with their personal tax advisors to determine the deductibility of interest in their individual circumstances.

Each Unit Owner's proportionate share of the income received by the Board of Managers, including, but not limited to, income, if any, from the sale or leasing of Units owned by the Board of Managers or its designee on behalf of all Unit Owners (or from similar sources), will either be included by the Unit Owner as taxable income for Federal and New York State income tax purposes, or taxed on the Condominium itself if the Condominium is required to pay taxes, the amount thereof will be levied as additional Common Charges. In such event this additional Common Charges may also be subject to tax.

Tax Status of the Condominium

Pursuant to Section 528 of the Internal Revenue Code, in certain instances, condominiums may be eligible to be treated as a "homeowners association" within the meaning of the Internal Revenue Code exempt from taxation on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met. 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 in connection with the provision of laundry facilities, interest earned on any bank accounts, and possibly income from assessments from Commercial Unit Owner (in each case, less expenses directly connected with the production of such income).

To qualify as a condominium management association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60 percent of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Residential Unit Owners, (3) 90 percent or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings may inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or

providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees or assessments), (5) the Condominium must annually elect to be treated as a condominium management association, and (6) at least 85 percent of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless, qualify in one or more future years. Assuming that the foregoing criteria are met, the Board of Managers may elect to have the Condominium treated as a condominium management association under Section 528. However, even if the Condominium Board were eligible to make a Section 528 election, it would still be subject to tax on any income not received as assessment or other such payment from Unit Owners, thus, if the Condominium Board realized interest income from funds on deposit, such interest may be taxable to it.

In this instance, due to the portion of the Building occupied by the Commercial Unit, based upon the regulations presently in effect, Sponsor has been advised that the Condominium will not qualify as a homeowners association. Assuming that the Condominium does not qualify as a homeowners association, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the 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 non-membership, 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. In any event, Schedule B, Budget for the First Year of Condominium Operation, does not contemplate the receipt of substantial income in excess of expenses which might be taxable and, accordingly, does not specifically budget any amounts for taxes for non-membership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. Finally, the qualification of an organization as a homeowners association is determined annually at the close of the taxable year and it is therefore possible that if the Condominium does not qualify in one year, it may, nonetheless, qualify for such treatment in one or more future years.

In no event will Sponsor, Sponsor's counsel, the Board of Managers of the Condominium, or any other person be liable if the Residential Unit Owners cease to meet the requirements of the Internal Revenue Code of 1986, as amended, or the New York State tax law, as amended, if there are changes in the facts on which counsel relied in issuing its opinion, or if there are changes in the applicable statutes or regulations.

IRS Circular 230 Disclosure:

In compliance with the requirements of the Internal Revenue Service, any advice with respect to U.S. Income Taxes contained in this Plan including, without limitation, any advice set forth in this offering plan is not intended to and cannot be used for the purpose of (i) avoiding or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

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COUNSEL'S INCOME TAX OPINION LETTER

December 14, 2016

Board of Managers of
176 East 82nd Street Condominium
c/o Nexus Building Development Group, Inc.
41 Wooster Street, #2
New York, New York 10012

Re: 176 East 82nd Street Condominium
176 East 82nd Street a/k/a 1444 Third Avenue
New York, New York

Gentlemen/Mesdames:

You have requested our opinion concerning (i) the availability of certain deductions for Federal, New York State and New York City income tax purposes (but not for purposes of the New York City earnings tax on residential use) to individuals who purchase Residential Units (defined below) pursuant to the Plan (each such individual, as related to such Residential Unit, each, a "Residential Unit Owner" and collectively, "Residential Unit Owners"), and (ii) the proper treatment by the Condominium Board of the Common Charges (as defined below) paid or borne by all Unit Owners for such income tax purposes. This opinion does not address in any respect any tax implications with regard to ownership of the Commercial Unit (as defined below), including whether any tax deductions are available to the owner of the Commercial Unit. Except where otherwise indicated herein, the capitalized terms in this opinion have the same meanings as in the Plan.

The "176 East 82nd Street Condominium" (the "Condominium") will be organized pursuant to Article 9B of the Real Property Law of the State of New York for the purpose of providing for the management, maintenance and care of the ten-story residential building located at 176 East 82nd Street a/k/a 1444 Third Avenue, New York, New York (the "Building"). We are advised that the Building will contain: (i) nine (9) units that will be designated as residences on the certificate of occupancy for the Building (each a "Residential Unit" and, collectively, the "Residential Units"), (ii) one (1) commercial unit (the "Commercial Unit") and (iii) nine (9) storage spaces located in the subcellar of the Building; the storage spaces may be licensed only by the Residential Unit Owners who own Residential Units and may be used solely for storage

accessory to residential occupancy. The Residential Units and the Commercial Unit are collectively referred to herein as the "Units". The By-Laws of the Condominium provide that in addition to the status conferred upon the Condominium Board pursuant to the provisions of the New York Condominium Act, to the extent permitted by applicable law, the Condominium Board is deemed to constitute an unincorporated association for all purposes pursuant to the provisions of the General Association Law of the State of New York.

In connection with the preparation of this letter, we have reviewed the Plan, relevant sections of the Internal Revenue Code of 1986, as amended (the "Code"), the New York State Tax Law, the New York City Administrative Code, the Regulations promulgated thereunder and such other materials as we deemed relevant, and we have assumed that the first closing pursuant to the Plan will occur on or about October 1, 2017, and that the Plan will not be amended in any material respect which is relevant to the opinions expressed herein .

I. Deductions for Mortgage Interest and Real Estate Taxes Available to a Residential Unit Owner

A Residential Unit Owner will own his or her Residential Unit and its appurtenant interest in the Common Elements, as such term is defined in the Declaration, in fee simple absolute. Accordingly, each Residential Unit will be taxed as a separate tax lot for real estate tax purposes and each Residential Unit Owner will be individually liable for the payment of such real estate taxes due and owing on his or her respective Residential Unit. A Residential Unit Owner, pursuant to the terms of the Declaration of Condominium and By-Laws of the Condominium, may also obtain a loan which may be secured by a mortgage lien on his or her Residential Unit. If a Residential Unit Owner borrows money and such loan is secured by a mortgage lien on his or her Residential Unit, such Residential Unit Owner will be individually liable for the repayment of such loan, including the principal balance, any finance charges, and interest on such mortgage indebtedness.

In our opinion, a Residential Unit Owner who is a natural person, and itemizes his or her deductions, will be entitled to a deduction in computing his or her taxable income for Federal income tax purposes for *bona fide* mortgage interest paid by such Residential Unit Owner with respect to his or her Residential Unit in the year paid, provided that (i) the indebtedness is incurred in acquiring, constructing or improving the Residential Unit, (ii) the indebtedness is secured by the Residential Unit, (iii) the indebtedness does not, when aggregated with indebtedness from a second "qualified residence," exceed $1 million ($500,000 for married

couples filing separately), and (iv) the Residential Unit is a "qualified residence." In addition, the owner of a Residential Unit which is a "qualified residence" may deduct interest paid on a "home equity" loan of up to $100,000, provided that the acquisition debt plus the home equity debt does not exceed the then fair market value of the Residential Unit. If the aggregate balance of the "acquisition debt" and the "home equity debt" exceeds the then fair market value of the Residential Unit, then the interest paid on the principal balance in excess of the fair market value of the Residential Unit is not deductible. Interest paid on indebtedness that refinances indebtedness incurred to acquire, construct or improve a Residential Unit is similarly deductible, provided that the amount borrowed in connection with a refinancing does not exceed the then outstanding balance of the mortgage being refinanced.

A Residential Unit will be a "qualified residence" if it is either (i) the Residential Unit Owner's "principal residence" within the meaning of Code Section 121 or (ii) a residence as defined by Code Section 280A(d)(1) that the Residential Unit Owner selects as a qualified residence. Thus, a single taxpayer or a married couple filing a joint return may have only two (2) qualified residences. In the case of a married couple filing separate returns, each taxpayer may take a deduction for mortgage interest paid with respect to a single "qualified residence", unless by written agreement both parties consent to one of them taking the deduction for both residences. Section 461(g) of the Code provides that no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (other than, in certain instances, loan origination fees, commonly referred to as "origination fees" or "points" paid). In our opinion, a Residential Unit Owner who is a natural person and itemizes his or her deductions and whose Residential Unit is used by such Residential Unit Owner as a "qualified residence", as described above, will be, for Federal income tax purposes, entitled to a deduction for real estate taxes incurred with respect to his or her Residential Unit in the year paid or accrued pursuant to Section 164 of the Code.

It is also our opinion that a Residential Unit Owner, who is a natural person, will be entitled, for New York State and New York City income tax purposes, to the same deductions that are allowed for Federal income tax purposes for the mortgage interest and real estate taxes paid or accrued during the taxable year with respect to such Residential Unit, pursuant to Section 615 of the New York State Tax Law and Section 11.715 of the Administrative Code of the City of New York. However, in the case of an individual Residential Unit Owner whose New York State or New York City adjusted gross income exceeds $100,000, the amount of such Residential Unit Owner's deduction will be reduced on his or her New York City and New York State tax returns by as much as 50 percent.

Furthermore, it should be noted that the benefit of a Residential Unit Owner's deductions for interest and real estate taxes may be reduced if the Residential Unit Owner is subject to the Federal alternative minimum tax, pursuant to Section 55 of the Code. In addition, it should be noted that state and local taxes, including real estate taxes, are not deductible for purposes of calculating an individual's Federal alternative minimum taxable income.

The use of the Residential Units, other than as residences, is subject to the provisions of the Declaration, applicable zoning law and the regulations promulgated thereunder. Other rules are applicable to a Residential Unit Owner if the Residential Unit Owner is not a natural person, or if the Residential Unit is used in a trade or business, or is to be held for rental. This opinion does not address the tax consequences to a Residential Unit Owner who is not a natural person or who is purchasing a Residential Unit for any purpose other than solely as a residence.

Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are advised to consult their own financial advisors regarding the applicability of the regulations to their own individual circumstances. In addition, Residential Unit Owners should consult their own tax advisors regarding any overall limitation on the allowance of itemized deductions in their individual tax returns.

II. Income Tax Treatment of Common Charges

Amounts required to pay the common expenses of the Condominium (the "Common Charges", as such term is defined in the Declaration) will be assessed and collected by the Board of Managers of the Condominium as provided in the Condominium By-Laws and paid by the Unit Owners. Section 528 of the Code provides that the Condominium Board may be eligible to be exempt from payment of income taxes on Common Charges collected from the Unit Owners, provided that the requirements of Section 528 are met.

The qualification of an organization pursuant to the provisions of Section 528 is determined annually at the close of each tax year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years. Under present law, to qualify under Section 528 of the Code as a condominium management association, the Condominium must meet all of the following conditions: (i) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (ii) at least 60 percent of its gross income for each tax year must consist solely of amounts received as membership dues, fees or assessments from Unit Owners,

(iii) 90 percent or more of its expenditures for each tax year must be made for the acquisition, construction, management, maintenance and care of association property, (iv) no part of its net earnings may inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees or assessments), and (v) the Condominium must elect to be treated as a condominium management association annually. The regulations also require that *"substantially all"* of the units be used by individuals as residences. Units or areas of the Condominium which are used for purposes accessory to residential use, such as the laundry room, storage spaces and areas used by maintenance personnel shall be considered as being used for residential purposes. Treasury Regulation 1.528-4(b) states that substantially all of the units of a condominium management association will be considered as used by individuals for residences if at least 85 percent of the total square footage of all units within the project is used for residential purposes.

Although nine (9) of the ten (10) units will be used as residences, based upon the information provided to this firm, such Residential Units will occupy less than 85 percent of the floor area of the Building. Therefore, assuming that the Condominium commences operation in 2018 and there are no changes in the facts and/or the relevant provisions of the law and regulations, the Condominium will not be eligible to elect to be treated as a "homeowners association" pursuant to Section 528 of the Code for its first year of operation.

Absent the application of Code Section 528, the present state of federal law is unclear as to the status of the Condominium for income tax purposes. An entity classification regime was adopted in 1996 by the United States Treasury Department. However there is no authority as to whether such classification regime applies to condominiums. The By-Laws of the Condominium provide that the Board will act as the agent of the Unit Owners. Accordingly, the Condominium Board may take the position that the Condominium is not a separate entity and therefore is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include, among other things, interest or similar income earned from interim investments of Common Charges and other amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges paid by the Unit Owners should not be considered income earned by the Condominium.

If, however, the Condominium is considered a separate entity, it is unclear whether the Condominium would be taxable as a corporation or treated as a partnership for Federal income tax purposes. The By-Laws provide that, to the extent permitted, the Condominium shall be deemed to constitute an "unincorporated association". If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income (which may potentially include Common Charges, among other things) and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium is treated as a partnership, the partnership would not be subject to an entity level tax, and the items of income (which may potentially include the Common Charges, among other things) and deductions of the partnership would generally be "passed through" to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

In this connection, it should be noted that if the Condominium Board is determined to be a separate taxable entity for Federal income tax purposes, it is possible that the limitations of Section 277 may be found to apply. If this were the case, the Condominium Board's income from sources other than Unit Owners, if any, could be offset by the Condominium Board's expenses incurred in the provision of services to Unit Owners. It is unclear how interest or other income earned on the investment of a required reserve fund would be treated for this purpose; if such income were treated as not derived from the Unit Owners in consideration of services rendered to them by the Condominium Board, then such income may not be reduced by the Condominium Board's operating expenses with respect to the property and may result in a liability for taxes.

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

In any event, the Condominium will be subject to tax on any income not received as assessments or other such payment from Unit Owners. Accordingly, if the Condominium Board realizes interest income from funds on deposit, such interest income will be taxable.

We express no views as to any Federal, New York State and/or New York City tax consequences or as to any aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or as to any tax status of the Plan or of a Unit pursuant to the laws of any other U.S. or foreign jurisdiction.

Accordingly, without limitation, this opinion does not address the tax consequences which may result (i) from ownership of a Residential Unit in connection with the Residential Unit Owner's profession, trade or business, (ii) to a Residential Unit Owner other than an individual, (iii) from the ownership of a Residential Unit for purposes of investment or the production of income, or (iv) from the foreign status of a Unit Owner who is not a U.S. Person. This opinion also does not address the tax consequences that may arise if Residential Units or Limited Common Elements are acquired and/or leased by the Condominium Board.

It is also to be noted that, under certain circumstances, an owner of any Residential Unit, by virtue of such ownership, may be deemed to become a resident of New York City. This opinion does not deal with the circumstances pursuant to which this may occur, or with the income, estate or other tax consequences that may arise therefrom. The Commercial Unit is not a subject of the offering set forth in the Plan and this opinion also does not address the tax consequences which may result from the ownership of the Commercial Unit.

Each person contemplating the purchase of a Unit is strongly advised to consult his or her own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

In our opinion, Residential Unit Owners will be entitled to income tax deductions subject to the limitations referred to above. However, this opinion is neither a warranty nor does it constitute legal advice to any of the purchasers pursuant to the Plan. It is based solely upon existing rules of law applied to the facts and documents referred to above. No assurance is given that the tax laws upon which this firm bases this opinion will not change. In the event of any changes in the laws, this firm has no obligation to amend or supplement this opinion. In no event will the Sponsor, the Sponsor's counsel, the Condominium Board or any other person be liable to any purchaser of a Residential Unit pursuant to this Plan if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations,

decisional law or Internal Revenue Service Rulings on which counsel relied which cause Residential Unit Owners not to be entitled to income tax deductions.

In compliance with the requirements of the Internal Revenue Service in Circular 230, any advice with respect to U.S. Income Taxes contained in the Plan including, without limitation, any advice set forth in this opinion is not intended to and cannot be used for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed in this opinion or in the Plan. Each prospective Unit Owner, the Sponsor and the Condominium should obtain advice from its own independent tax advisor based upon its particular circumstances.

We hereby authorize the use of this opinion, or a reproduction hereof, in the Plan.

Very truly yours,

Rosenberg & Estis, P.C.

REAL ESTATE TAXES

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

The real estate tax estimates for each Residential Unit were calculated on the assumption that the real estate taxes for each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's percentage interest in the Common Elements. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate assessed valuation between the Residential Units in proportion to the purchase price of each Residential Unit relative to the purchase prices of all Residential Units rather than its percentage interest in the Common Elements, and, if so, Residential Units having the same percentage interest may pay different real estate taxes. Sponsor anticipates, based upon the advice of its Real Estate Tax Counsel, that in arriving at the assessed valuation for each Residential Unit, the Residential Section will first be assessed as an entirety. This overall assessment will then be apportioned among the Residential Units. This apportionment is anticipated to be based upon the proportion of the Common Elements assigned to each Residential Unit. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE METHOD OF ALLOCATION, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL BE AS SET FORTH ABOVE.

The projection of the real estate taxes that will be payable for each of the Units during the projected First Year of Condominium Operation is based upon an estimate that the aggregate real estate taxes for the Residential Units upon completion of construction for such first year will be approximately $585,000. This estimate has been based upon estimates made by Tuchman, Korngold, Weiss, Liebman & Gelles LLP that the approximate assessed valuation of the Residential Units, in the aggregate during the 2017/2018 tax year, will be $2,750,000 and in the 2018/2019 fiscal year, which will reflect the post-construction assessment, the assessed valuation will be approximately $4,750,000, with aggregate taxes assessed to the Residential Units in the aggregate of $617,500; with projection that the tax rate in effect for the tax years will be approximately $13.00 per $100 of assessed valuation. No representations are made herein with respect to the real estate taxes to be paid by the Commercial Unit Owner.

No guaranty or assurance is given that (i) any of the assumptions described above will be valid, (ii) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the real estate tax rate that will be in effect during such first year) will approximate

the actual amount, (iii) the estimated or actual amount of assessed value of the Property following the projected First Year of Condominium Operation and the taxes payable based upon such assessment (which may be significantly higher to the extent that a portion of the Property is not fully assessed during such First Year) or (iv) the Real Estate Tax Assessment Bureau of the City of New York Department of Finance will allocate the Property's aggregate assessed valuation between the Units or classifications of Units in accordance with the values used by Sponsor's real estate tax consultant for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above. Sponsor will amend the Plan promptly to disclose the same if it discovers that any of such assumptions are invalid as well as after the Units have been assessed and the applicable tax rate determined.

Until the Units are separately assessed, each Unit Owner will pay to the Condominium Board its share of the Property's real estate taxes for the period in question based upon its interest in the Common Elements as permitted by Section 6.1 of the By-Laws. The share so allocated to the Residential Units and the Commercial Unit will then be pro-rated to each individual Residential Unit and to the Commercial Unit, respectively. Sponsor has been advised that as of the date hereof, the New York City Department of Finance is apportioning real estate taxes in condominiums on the basis of the allocations of the Common Elements of the Condominium. Sponsor has also been advised that previously taxes were apportioned on the basis of the ratio that the initial offering price for the Unit set forth in Schedule A above bears to the total initial offering prices of all Residential Units set forth in Schedule A. Sponsor makes no representations regarding the future practices of the Department of Finance. The Condominium Board will pay such real estate taxes timely to the Department of Finance of the City of New York or directly to Sponsor, if Sponsor has previously paid such taxes, so that no lien will be placed on the Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. If Unit Owners fail to pay their *pro rata* share of Real Estate Taxes as set forth above, the Board will be entitled to assess late charges and/or place a lien on their Units as if such unpaid share were Common Charges. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from the non-payment of real estate taxes assessed against any other Units. At such time as a Unit is separately assessed and separate bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

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

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

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August 4, 2016

DRK Third Avenue LLC
c/o Nexus Building Development Group
41 Wooster Street, 2nd Floor
New York, New York 10013

RE: 1444 Third Avenue
Block 1510, Lot 40
Borough of Manhattan
City of New York

Dear Sir or Madam:

This letter is in response to your request for an opinion and projection of the estimated real estate assessments and taxes upon the completion of construction and creation of a condominium.

You have requested our opinion concerning the real property assessment to be levied upon the captioned premises as well as the taxes for the initial tax year after completion of construction. You have advised us that the project will consist of the construction of a new multiple dwelling to be structured as a condominium which will contain nine residential units plus a retail unit and your initial budget year will commence on October 1, 2017. We have been advised by you that the former building has been demolished and construction of the new building has commenced and will be completed by October of 2017.

In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. This information includes your acquisition cost and your estimated construction costs. You have also supplied us with a square footage analysis of the project as well as architect's plans prepared by the architectural firm of ODA - Architecture, P.C.

We have also considered the recent tax assessment history of the property, the cost of the new project, the potential income for the new structure (if operated as a rental), comparable properties in the Borough of Manhattan which have been newly constructed or undergone renovation as well as market conditions in the general area.

In predicting the future assessed value, we have given consideration to the following factors:

1. The current claimed standard of assessment used by the Real Property Division of the New York City Department of Finance is to assess at 45% of value.

2. The estimate of the cost of the construction.

3. The potential capitalized net income of the property if operated as a rental.

4. Tax Assessments of comparable properties.

Tax Assessments in New York City are made on a fiscal year basis running from July 1 of any one year to the next succeeding June 30. The status of the building on January 5 of any one year is the basis of the assessment for the fiscal year beginning that July 1. The final assessment roll containing the final 2016/2017 assessed values was published on May 26, 2016. The final 2016/2017 assessment roll showed the following value for vacant land:

Actual Assessed Value	Transition Assessed Value	Tax Class
$900,450	$448,535	4

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore the prices that you set in your offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The condominium units will be designated as tax class 2C property and will pay on the class 2 tax rate. The 2016/2017 class 2 residential tax rate has been set at $12.892 for each $100 of assessed valuation.

Tax Class 2C is a protected residential tax class covering condominium buildings where there are ten or fewer residential units and which limits the increases in assessed value that may be imposed on the condominium units. Pursuant to Real Property Tax Law Section 1805, the assessor shall not increase the assessment of any parcel in this tax class in any one year, as

measured from the actual assessment on the previous year's assessment roll, by more than eight percent and shall not increase such assessment by more than thirty percent in any five-year period. Increases due to physical improvements (such as the construction of your building) are added in full to the next year's assessment and are not subject to the 8% and 30% limitations. Therefore, the increase in the assessed value which we forecast for the post construction tax year below will not be subject to the 8% and 30% limitations.

On June 25, 2015 the New York State Legislature passed legislation extending property tax abatements for homeowners in New York City cooperatives and condominiums through June 30, 2018 at the rate of 17.5% with buildings with average assessments greater than $60,000 per unit and a greater percentage for buildings with a lesser average per unit. The law makes additional changes from the original abatement law which may eliminate such abatement benefits for units which are not the primary residence of the owner. The law further limits the benefits to a maximum of three units in the building, one of which must be the primary residence of the owner. It is unknown at this time if unit owners will have acquired their ownership interests at a point in time by which they will be eligible to apply for this abatement. Therefore, in predicting the taxes on this building we have not given any consideration to this tax benefit. Unit owners are advised to beware of various filing deadlines that may be included in the renewed law as well as possible changes in the level of abatement and eligibility.

We caution you that it is possible that there will not be an official apportionment of the assessment for the tax liability among the units until such time as an official apportionment of the assessed value is made and becomes effective. We suggest that you include a provision in your offering plan to cover this possibility.

Predicated upon the foregoing, it is our opinion that for the initial budget year of October 1, 2017 through September 30, 2018, we estimate the total actual assessed value of the property will be $2,750,000 for the 2017/2018 tax year which covers the first nine months and for the final three months which coincide with the 2018/2019 tax year, we estimate the assessed value will be $4,750,000. For the post construction 2018/2019 tax year which covers the period July 1, 2018 through June 30, 2019 we estimate an actual assessed value of $4,750,000.

We have been advised that in determining the assessed values for the individual units, since November 28, 2005 the revised procedures of the New York City Department of Finance calls for the locking-in of the common interest (elements) percentages (Unit Allocation Factor or UAF) extracted from the condominium declaration filed with the Department of Finance, Survey office and registered at the City Register. Thus the allocation of the assessed value of all units should be based on the common interest as set forth in the condominium declaration.

Therefore assuming the tax class 2 tax rate increases to $13.00 for each $100 of assessed value, we make the following projections of the real estate taxes:

October 1, 2017 to June 30, 2018 (9 Months of the 2017/2018 Tax Year)

Assessed Value	Tax Rate	Tax (9 Months)
$2,750,000	.13	$268,125

July 1, 2017 to September 30, 2017 (3 Months of the 2017/2018 Tax Year)

Assessed Value	Tax Rate	Tax (3 Months)
$4,750,000	.13	$154,375

Total Estimated Initial Budget Year Real Estate Taxes	$422,500
Total Estimated Post Construction Real Estate Taxes	$617,500

Our firm has an extensive practice in real estate tax review matters and in 421-a and J-51 tax exemption/ tax abatement applications, and we currently represent the owners of approximately 2,500 buildings in the City of New York, and file applications for correction of the tax assessments and tax exemptions/tax abatements on these properties. This firm and its predecessors have been engaged in such practice for a period of approximately 50 years. Additionally, the writer is the former chairman of the Law Committee of the Associated Builders and Owners of Greater New York, a director of both the New York State Builders Association and the Associated Builders and Owners of Greater New York, a past member of the Tax Certiorari and Condemnation Committee of the Bar Association of the City of New York, and is a director and former President of the Real Estate Tax Review Bar Association, a specialized Bar dealing with real estate tax assessment matters.

Based upon our previous experience with such proceedings, we have issued the within letter with the estimates and caveats contained therein which the specific understanding that our opinion is not a guarantee that the taxes will be exactly as estimated. In no event will we, as Sponsor's real estate tax counsel, be liable if there are changes in the facts on which we have relied in issuing this opinion, or if there are changes in the applicable statutes, rules and regulations of the City of New York, decisional laws or administrative agency rulings, interpretations and policies on which we have relied which cause this opinion to be inaccurate. Interested parties should be aware that the estimate of the initial real estate tax assessment and

taxes cover a period far into the future. Neither we nor any person can guarantee what the real estate taxes will be at any future date. Changes in law or policies of government agencies may radically change the opinions expressed herein.

The opinion expressed herein is that of the undersigned, and does not purport to express the opinion of the New York City Department of Finance or any city or government agency. That Department's opinions may result in substantially different total taxes for the initial budget year as well as for tax years 2017/2018 and 2018/2019 than set forth herein. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

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

Tuchman Korngold Weiss, Liebman + Gelles, LLP

By: Paul J. Korngold

WORKING CAPITAL FUND

Working Capital Fund

The purchaser of each Residential Unit shall be required to make a contribution at the closing of title to such Unit(s) to or in respect of the working capital fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time.

At the First Unit Closing, Sponsor will apportion the following items with the Board as of the date preceding said closing:

(1) employees' wages, vacation and severance pay, pension and welfare benefits and all other payments or obligations relative to the employees of the Condominium;

(2) fees for assignable permits and licenses, if any;

(3) charges for steam, gas, electricity and other utilities;

(4) payments under assignable service, maintenance and concession contracts;

(5) water charges and sewer rents on the basis of the fiscal year for which assessed (unless separately assessed to individual Units);

(6) cost of fuel and Building supplies on hand, at Sponsor's cost (plus sales tax);

(7) premiums for transferable insurance policies; and

(8) other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Unit 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. No such adjustments or apportionments are expected to be substantial. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

The Working Capital Fund may be held or used for working capital, to make repairs and/or for such other appropriate purposes permitted under the Declaration and the By-laws as will be determined by the Board, in its sole discretion and may be augmented by allocations from monthly Common Charges collected by such Board. Sponsor will not separately contribute to the Working Capital Fund. However, while Sponsor controls the Board, the Working Capital Fund will not be used to reduce estimated Common Charges, and in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units.

No representation is made that the Working Capital Fund, together with the Common Charges, will be, or is intended to be, adequate to cover expenses for the first or any subsequent year of Condominium operation, including, without limitation, the cost of any necessary repairs or replacements. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase the Common Charges or to impose special assessments on Unit Owners.

Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the Working Capital Fund

1. Sponsor Working Capital Fund. Sponsor has elected to contribute an additional working capital fund to the Condominium in the amount of $900,000.00 (the "Sponsor Working Capital Fund"). The Sponsor Working Capital Fund is in addition to the Working Capital Fund that will be raised from contributions of Purchasers described below.

(a) Partial Abatement of Common Charges.

Sponsor intends that the Sponsor Working Capital Fund be used to abate a portion of the Common Charges payable by the Residential Unit Owners during each of the first seven (7) years of Condominium Operation. In no event shall the Commercial Unit Owner be entitled to apply any portion of the Sponsor Working Capital Fund to reduce the Common Charges payable by the Commercial Unit Owner.

To abate a portion of the Common Charges that would otherwise be payable by the Residential Unit Owners during the First Year of Condominium Operation, or, if the collection of Common Charges is deferred as provided herein below (See Special Risk No.31), the first twelve month period during which the Board is collecting Common Charges from the Unit Owners, Sponsor will contribute to the Sponsor Working Capital Fund the sum of $234,000; for the second year: $198,000; for the third year: $162,000; for the fourth year: $126,000; for the fifth year: $90,000; for the sixth year: $54,000; and for the seventh year: $36,000 (each a "Scheduled Common Charge Contribution" and, collectively, the "Scheduled Common Charge Contributions"). Each Scheduled Common Charge Contribution shall reduce, in part, the Common Charges that would otherwise be payable by each of the Residential Unit Owners, as more particularly set forth on Schedule A-1 herein.

As stated above, the Scheduled Common Charge Contribution to be applied to the Common Charges will decrease each year. Accordingly, Purchasers are advised that the Common Charges will increase each year by a concomitant amount representing the reduced amount of the Scheduled Common Charge Contribution for each of the first seven (7) years. In addition, Residential Unit Owners will also be responsible for any increases in Common Charges adopted by the Board of Managers by reason of increases in the operating expenses of the Condominium, which occur in the ordinary course. In the event that Sponsor elects to defer the imposition of Common Charges, any such deferral *will not reduce* Sponsor's obligation to fund the Scheduled Common Charge Contribution, as provided herein. The Scheduled Common Charge Contribution for the First Year will be applied to reduce the Common Charges payable for the Units that have closed as of the first month during which Common Charges are collected.

Sponsor has agreed to make contributions to the Sponsor Working Capital Fund using the proceeds received from the sale of each of the Units. At each Unit Closing, Sponsor shall deposit an amount equal to the Scheduled Common Charge Contribution that is attributable to the subject Unit for the First Year of Condominium Operation (as set forth on Schedule A-1 herein). Until a Residential Unit has been conveyed to a Purchaser who has purchased the Unit pursuant to this Plan, Sponsor shall pay the Common Charges in the full amount, as if there were no Scheduled Common Charge Contribution for the First Year. Until such time when Sponsor funds the entire Scheduled Common Charge Contribution for the Building for the First Year of Condominium Operation, Sponsor shall receive a credit against the Scheduled Common Charge Contribution for each Unit which closes subsequent to the First Unit Closing in an amount equal to the difference between the actual Common Charges paid by Sponsor and the Common Charges that would be payable by a Purchaser who has closed, as set forth in Schedule A-1 herein. Accordingly, for Units that are conveyed subsequent to the month in which Common Charges initially become due and payable (as discussed below), Sponsor shall contribute the pro-rated amount of the Sponsor Working Capital Fund Contribution attributable to the Unit that is the subject of such Closing for the balance of the First Year of Condominium Operation beginning with the month immediately following the month in which the subject closing occurs. Furthermore, notwithstanding any custom to the contrary, at each such Unit Closing where Sponsor has paid the Common Charge for the months prior to the month in which the Closing occurs, the Common Charges shall be adjusted based upon the reduced Common Charges payable by Purchasers, after application of the Scheduled Common Charge Contribution, as set forth on Schedule A-1 herein.

All amounts paid by Sponsor on account of the Sponsor Working Capital Fund Contribution will be deposited in a segregated account in the name of the Condominium entitled the "Special Working Capital Account". During the First Year of Condominium Operation, until either all Units are sold or Sponsor elects to deposit the balance of the Scheduled Common Charge Contribution for the First Year of Condominium Operation, Sponsor will pay Common Charges for the Units owned by Sponsor in the amounts set forth on Schedule A, without the application of the Scheduled Common Charge Contribution. The Board of Managers shall use the funds deposited in the Special Working Capital Account so that the Purchasers will receive an abatement of their Common Charges in the amounts set forth in Schedule A-1 herein.

(b) Deferral in the Collection of Common Charges.

Sponsor has the option to delay the commencement of the collection of Common Charges and pay all Operating expenses of the Condominium as described in Special Risk No.31 below. ***Purchasers should note that the Scheduled Common Charge Contribution will be applied to reduce the Common Charges following the commencement of the imposition of Common Charges subsequent to the First Unit Closing. Accordingly, Purchasers who close following the commencement of the imposition of Common Charges will not receive the full value of the Scheduled Common Charge Contribution attributable to their Unit in the amount set forth in Schedule A-1.*** Any deferral of the payment of Common Charges otherwise permitted pursuant to this Plan shall not reduce the amounts payable by Sponsor for the Sponsor Working Capital Fund, as set forth herein.

(c) Second through Seventh Years of Condominium Operation

For years subsequent to the First Year of Condominium Operation, Sponsor shall contribute the entire amount of the Sponsor Working Capital Fund Contribution for such year on a date not later than 30 days prior to the anniversary of the First Unit Closing. In any event, Sponsor will contribute the balance of the Sponsor Working Capital Fund, if any, from closing proceeds received from the sale of the last Unit, but in no event later than the fifth anniversary of the First Unit Closing.

(d) Amendment to the Plan

Sponsor shall file an amendment to the Plan no later than 45 days after the First Unit Closing, or the date on which Common Charges become payable by Purchasers, whichever is first to occur, and within 45 days of the anniversary of the First Unit Closing, to disclose Sponsor's contributions to the Sponsor Working Capital Fund, until all such amounts have been contributed as set forth herein. In the event that any amendment discloses that Sponsor has not made the required contribution to the Sponsor Working Capital Fund, Purchasers who have not yet closed pursuant to their Purchase Agreements shall be entitled to a right of rescission within fifteen (15) days of the Presentation Date of any such amendment.

(e) Contributions to the Sponsor Working Capital Fund.

Pursuant to the Declaration and the By-Laws, contributions to the Sponsor Working Capital Fund shall be deemed as Common Charges due and owing from Sponsor. Accordingly, the Condominium Board shall be entitled to file a Common Charge Lien pursuant to Section 339-z of the RPL with respect to the same.

No bond or other security is being provided to secure Sponsor's contributions to the Sponsor Working Capital Fund. However, Sponsor represents and warrants that Sponsor has the financial resources to fund all contributions to the Sponsor Working Capital Fund.

For so long as Sponsor owns a Residential Unit, the Board of Managers may not use the Sponsor Working Capital Fund for any purpose other than abating a portion of the Common Charges payable by the Residential Unit Owners in the amounts set forth in Schedule A-1. Once Sponsor no longer owns any of the Residential Units, the Board may use the Sponsor Working Capital Fund in accordance with the By-Laws. Accordingly, at such time when the Sponsor no longer owns a Unit in the Condominium, the Board may determine to use the Sponsor Working Capital Fund for purposes other than reduction of Common Charges as set forth herein.

Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the Sponsor Working Capital Fund

RESERVE FUND

No reserve fund is being contributed to the Condominium by Sponsor. Sponsor has elected not to provide for a reserve fund to be used for capital replacements or repairs because the

Building will be new at the date of the First Unit Closing. Subsequent to the creation of the Condominium, the Board has principal responsibility for repairing and maintaining the Common Elements (such as the roofs, central fire alarm and security systems, and various mechanical and electrical systems).

Notwithstanding the foregoing, in an effort to comply with the requirements of certain lenders, in the budget for the First Year of Operation of the Condominium (Schedule B), a line item equal to 9.75 percent of the operating expenses of the Condominium (excluding amounts collected for the Replacement Reserve) is to be collected from the Unit Owners and set aside as a "replacement reserve" or "reserve fund." Amounts deposited in the "replacement reserve" or "reserve fund" may be used solely for capital expenditures. Since the Building is new, Sponsor does not anticipate that any capital expenditures will be required during the first five (5) years of Condominium operation. The "replacement reserve" or "reserve fund" will be available for use by the Board of Managers as such funds are deposited. For so long as Sponsor controls the Board of Managers, the "replacement reserve" or "reserve fund" may not be used to reduce Common Charges. Neither the Department of Law, nor any other government agency, has passed upon the adequacy of the "replacement reserve" or "reserve fund".

The Board may decide in the future to increase the contributions to such reserve fund. In the event the replacement reserve or reserve fund is inadequate to fund the cost of required repairs or maintenance, or in lieu of using any reserve fund, the Board may elect to pay for necessary repairs or capital items by special assessment or by increasing Common Charges, payable by the Unit Owners. Each Unit Owner would be individually liable for the amount of such special assessment again, or increase payable by the Board to the extent of such Unit Owner's proportionate Common Interest among all Unit Owners.

Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the replacement reserve or reserve fund.

MANAGEMENT AGREEMENT AND CONTRACTS

Management Agreement

It is presently contemplated that at or prior to the First Closing, the Board will enter into a management agreement with Camelot Realty Group LLC, having an address at 37 West 26th Street, Suite 208, New York, New York 10003, to act as Managing Agent with respect to the Condominium. Camelot Realty Group LLC is not affiliated with the Sponsor.

It is contemplated that the Management Agreement will provide for an initial term of one (1) year commencing on the date of the First Closing. The Managing Agent will receive an annual fee of $24,000 per annum, payable in equal monthly installments. The fee paid pursuant to the Management Agreement is at prevailing rates.

The Managing Agent and the Board shall each have the right to cancel the Agreement on 30 days written notice after the first anniversary of the Management Agreement. If the Managing Agent shall fail to perform or abide by any of its services, agreements, representations, warranties,

covenants, or obligations herein, and shall fail to cure said failure within 30 days of notice of said failure sent by the Condominium to the Managing Agent, the Condominium shall have the right to terminate the Management Agreement at the end of any calendar month on not less than 30 days' prior written notice to the Managing Agent. If the Condominium shall unreasonably refuse to comply with or abide by any proper Legal Requirement, the Managing Agent may terminate the agreement at any time on ten (10) days' prior notice in writing to the Condominium. The Managing Agent may otherwise terminate this Agreement on 30 days' prior written notice to the Condominium.

The management fee will be included in Common Expenses as discussed above in Section D, "Projected Budget for First Year of Condominium Operation." The Managing Agent will be entitled to additional fees for certain special services performed by it.

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

(a) Cause to be hired, paid and supervised, all persons necessary to be employed in order to properly maintain and operate the building, who, in each instance, shall be the Condominium's and not the Agent's employees, and cause to be discharged all persons unnecessary or undesirable.

(b) Cause the Building to be maintained in such condition as may be deemed advisable by the Condominium, including interior and exterior cleaning, and cause repairs and alterations of the building to be made, including but not limited to, electrical, plumbing, steam fitting, carpentry, masonry, elevator, decorating and such other incidental alterations or changes therein as may be proper, subject only to the limitations contained in this Agreement or in any proprietary lease or other agreement with any owner or other tenant.

(c) Recommend, and with the approval of the Condominium, cause all such acts, and things, to be done in or about the Building as shall be necessary or desirable to comply with any and all orders or violations affecting the building, placed thereon by any federal, state, or municipal authority having jurisdiction there over, and orders of the New York Board of Fire Underwriters, or other similar body, except that if failure promptly to comply with any such order or violation would or might expose the Condominium or the Agent to criminal liability.

(d) With the prior approval of the Condominium, enter into contracts for electricity, gas, steam, air-conditioning, water treatment, elevator, telephone, window cleaning, rubbish removal, detective agency protection, vermin extermination and other services or such of them as shall be advisable.

(e) Purchase all supplies which shall be necessary to properly maintain and operate the Building.

(f) Advise the Condominium with respect to proper insurance coverage of the Building, its employees and owners; if requested by the Condominium, cause to be effected and maintained, in such amounts and through carriers as the Condominium shall designate or approve,

fire, rent, plate glass, boiler, water, damage, liability, workmen's compensation, employer's liability, disability and any other insurance the Condominium may elect to carry.

(g) Check all bills received for services, work, and supplies ordered in connection with maintaining and operating the building, pay or cause to be paid from funds of Condominium.

(h) Accept applications and references from all prospective Unit Owners and tenants, obtain credit reports relating to prospective owners, tenants and sub-tenants of space being leased or sold at the Condominium, so that the Condominium may properly review requests for waivers of first refusal, at the unit owners expense as set forth in the Rider hereto.

(i) Bill or cause to be billed, Unit Owners for Common Charges, and other amounts (including applicable late fees), and when and if directed by the Condominium, serve notices upon owners or tenants to quit and surrender space occupied by them.

(j) Attend to complaints of Unit Owners and tenants.

(k) Cause to be set up and kept in good order reports, records and books, consistent with the normal records and books that are kept by the Agent for its other owners (other than books of accounts maintained by the Condominium's accountants) for the Condominium, and maintain orderly files containing rent records, insurance policies, correspondence, receipted bills and vouchers, and all other documents and papers pertaining to the building or the operation thereof, and the same shall be and shall at all times remain the property of the Condominium, and the Agent shall upon request of the Condominium make same available to the Condominium, the Condominium's officers, accountants, attorney, other representatives and shall deliver up same to the Condominium or its aforesaid agents on demand from the Condominium.

(l) Cooperate with the Condominium's accountants in regard to the annual audit of the books of account of the Condominium, including the annual report of the operations of the Condominium for the year then ended. A copy of each such annual report shall be sent by the Agent to each owner of the Condominium.

(m) Cooperate with the Condominium's accountants in regard to the preparation and filing on behalf of the Condominium of Federal, State, City, and any other income and other tax returns required by any governmental authority.

(n) Cooperate with the Condominium's accountants in the preparation of an operating budget setting forth the anticipated income and expenses for the Condominium for the ensuing year.

(o) Agent will send notices of, prepare agendas for and attend meetings of the Board of Managers of the Condominium and of Unit Owners.

(p) Prepare and send out all letters and reports as the Board of Managers of the Condominium may request.

(q) Cooperate with the Condominium's attorneys in the preparation of an application for correction of the assessed valuation to be filed with the Tax Commission of the City of New York.

(r) Process applications by Unit Owners for permission from the Condominium to alter their Units.

(s) Generally, do all things reasonably deemed necessary and/or requested by Condominium for the proper management of the Building.

The Board of Managers will indemnify the Managing Agent against liability for all claims for all acts properly performed by the Managing Agent pursuant to the management agreement or at the instructions of the Condominium Board, provided, however, any such indemnification shall not cover any claims resulting from the Managing Agent's gross negligence or willful misconduct.

Notwithstanding anything to the contrary set forth above, the Managing Agent's responsibility under the management agreement shall not extend to supervising or managing major capital renovations or major capital improvements, unless specifically agreed upon in writing by the parties and unless the Managing Agent receives an additional fee therefor.

The Managing Agent, at its own expense, will be bonded during the term of the Management Agreement under fidelity or general surety bonds in favor of the Condominium in the minimum amount of $1,000,000 for any loss resulting from fraudulent or dishonest acts committed by the Managing Agent, its directors, officers or employees.

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

IDENTITY OF PARTIES

Sponsor

Sponsor is DRK Third Avenue LLC, a New York limited liability company with an office at 41 Wooster Street, #2, New York, New York 10013. The principals of Sponsor are Amir Nechmad, Yaniv Cohen, Gadi Peleg and Gabriel Peretz. Yaniv Cohen and Amir Nechmad have

more than ten (10) years of experience in building construction. Mr. Cohen previously participated in the condominium offering plans for units at the premises known as 263 Bowery, 427 East 12th Street and 241 West 107th Street, New York, New York. Amir Nechmad previously participated in the condominium offering of units at the premises known as 427 East 12th Street and 241 West 107th Street, New York, New York. Neither Mr. Cohen nor Mr. Nechmad currently owns any Units at the aforementioned properties. Messrs. Cohen and Nechmad are current with respect to all of their obligations on the offerings set forth above. Messrs. Peretz and Peleg have never previously participated in an offering of cooperative or condominium units.

None of the principals of Sponsor have been convicted of a felony. In addition, there are no instances of any prior bankruptcies, convictions, injunctions, and/or judgments against Sponsor or any principal of Sponsor that may be material to the Offering Plan or the offering of securities generally.

Architect

ODA Architecture, having an address at 250 Park Avenue South, Third Floor, New York, New York 10003 designed the Building and prepared the Description of Property and Building Condition set forth in Part II of the Plan.

Mechanical Engineer

TSF Engineering P.C., Mechanical-Electrical Consulting Engineers, having an address at 200 Park Avenue South, Suite 1020, New York, NY 10006, has been retained as mechanical engineer for the project and provided the estimates for the budget for the first year of condominium operation and the Schedule A-1 included in this Plan.

Attorneys for Sponsor

Sponsor has retained Rosenberg & Estis, P.C., having an office at 733 Third Avenue, New York, New York 10017, to represent it in connection with the preparation of the Plan and individual Unit closings. Lisa R. Radetsky, Esq. of Rosenberg & Estis, P.C. had principal responsibility for the preparation of the Plan, and the forms of Purchase Agreement, Unit Deed and Unit Power of Attorney, the Condominium Declaration and the By-laws, and has also rendered an opinion with respect to the availability of income tax deductions to Purchasers of Units. Sponsor's attorneys have also rendered opinions with respect to the possible availability of income tax deductions to purchasers of Residential Units and the allocations of Common Interests. Rosenberg & Estis, P.C. will serve as Escrow Agent and may represent Sponsor in connection with matters relating to Closings of Units.

Condominium Budget Expert

David Goldoff of Camelot Realty Group LLC, having an office at 37 West 26th Street, Suite 208, New York, New York 10010, prepared and reviewed all amounts of income and expenses in "Schedule B - Projected Budget for First Year of Condominium Operation" in consultation with Sponsor. Said firm has rendered a Certification as to the adequacy of the First

Year's Budget which may be found in Part II of the Plan. Mr. Goldoff and his firm have no financial interest in the Property or Sponsor, except for its fees for services rendered in connection with the preparation and review of the budget, Schedule A and the fees to be paid pursuant to the Management Agreement.

Title Company

Chicago Title Insurance Company, having an office at 711 Third Avenue, New York, New York, has reviewed the Plan and the Condominium Documents and has committed to insure that a valid condominium will be created pursuant to the Condominium Act.

Selling Agent

CORE Group Marketing LLC, having an address at 104 Fifth Avenue, 17th Floor, New York, New York, 10011 has been retained as Selling Agent for the Units. None of the principals of CORE Group Marketing LLC has previously been convicted of a felony.

Related Parties

Sponsor and its principals have no affiliation with the Condominium Budget Expert, the Architect, the Mechanical Engineer, or any person or firm who will provide services to the Condominium subsequent to the First Closing. Neither the Condominium Budget Expert nor the Architect has any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give Unit Owners annually:

(1) a financial statement of the Condominium prepared by a certified public accountant within four months after the end of each fiscal year (such statement shall be certified while Sponsor is in control of the Condominium Board);

(2) prior notice of the annual Unit Owner's meeting; and

(3) a copy of the proposed annual budget of the Condominium within ten (10) days prior to the date set for adoption thereof by the Condominium Board (while Sponsor is in control of the Condominium Board, such budget shall be certified in compliance with the Attorney General Regulations).

DOCUMENTS ON FILE

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

available for such inspection for a period of six (6) years from the date of First Closing. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office following the recording of the Declaration, and an additional set, together with a copy of the recorded Declaration, if available, will be furnished to the Condominium Board at the time of the closing of the first Unit.

The Declaration and the By-laws will be recorded in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be in the City Register's Office.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property and Specifications prepared by Yaarit Sharoni of ODA Architecture P.C., the "Description of Property" set forth in Part II of the Plan as Exhibit D. Sponsor has no knowledge of any inaccuracies or any material omissions or defects or any need for major repairs to the Building other than as set forth in the Description of Property.

GENERAL

There are no title encumbrances or other restrictions on the Property that will affect the use of the Building or the Units. The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-laws, form of Purchase Agreement, form of Unit Deed, form of Power of Attorney and other documents. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

Sponsor adopts the Description of Property and Building Condition contained in Part II of such Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property except as set forth in the Description of Property and Building Condition.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the purchasers of Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than the respective Purchasers shall have any right or benefit herein or hear from, 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 Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the purchase price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within fifteen (15) days from the Presentation Date of said amendment. Sponsor shall promptly return any Contract Deposit to Purchasers who rescind, except that Sponsor shall retain the Contract Deposit (and any interest thereon) of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period.

In accordance with the provisions of the laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's sex, sexual orientation, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by law.

Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

Neither the Property nor the Building has been the subject of a prior public offering made by Sponsor.

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PART II

PURCHASE AGREEMENT
(to be executed in quadruplicate)

176 EAST 82ND STREET CONDOMINIUM
176 EAST 82ND STREET a.k.a. 1444 THIRD AVENUE
NEW YORK, NEW YORK

Purchaser(s) Name:_____

Address:_____

Telephone: Bus.: _____Home: _____

Social Security No(s).:_____

Unit No.:_____

Storage Unit No.:_____

Unit Purchase Price.....$_____

Storage Unit License Fee.....$_____

Contract Deposit .....$_____

Balance due at Closing.....$_____

Amount of Mortgage $_____
(for a term of not less than _____ years) ( ) variable ( ) fixed

Name(s) and manner in which title will be taken:_____

_____

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176 EAST 82ND STREET CONDOMINIUM
176 EAST 82ND STREET a.k.a. 1444 THIRD AVENUE
NEW YORK, NEW YORK

PURCHASE AGREEMENT dated as of _____ ____, 201__, by and between DRK THIRD AVENUE LLC, a New York limited liability company, having an address at c/o Nexus Building Development Group Inc., 41 Wooster Street, #2, New York, NY 10013 (herein referred to as "Sponsor"), and the party named on the cover page hereto ("Purchaser").

W I T N E S S E T H :

1. The Plan. Purchaser acknowledges having received and read a copy of the Condominium Offering Plan for the 176 East 82nd Street Condominium located at premises known as 176 East 82nd Street a.k.a. 1444 Third Avenue, New York, New York, and all amendments thereto filed with the Department of Law of the State of New York (hereinafter collectively referred to as the "Plan" or the "Offering Plan") at least 72 hours prior to the execution of this Purchase Agreement (hereinafter referred to as the "Agreement" or the "Purchase Agreement") by Purchaser. 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 Plan shall govern.

2. Definitions. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

3. The Unit. Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit ("Unit") designated on the cover page hereto, together with the applicable percentage of undivided interest in the Common Elements appurtenant thereto, upon and subject to the terms and conditions set forth herein.

4. Purchase Price.

4.1 The purchase price for the Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____ in the amount of ten (10%) percent of the Purchase Price due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged (the "Initial Contract Deposit"), ; and

(b) $_____ in the amount of five (5%) percent of the Purchase Price due within thirty (30) days of service of the amendment declaring Plan effective, of thirty (30) days of the date hereof, whichever is last to occur (the "Additional Contract Deposit" and, together with the Initial Contract Deposit, collectively, the "Contract Deposit"); and

(c) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check or by wire transfer of immediately available funds, payable on the delivery of the deed, as hereinafter provided.

4.2 All checks shall be drawn on a New York bank or trust company which is a Member of the New York Clearinghouse System. All checks in payment of the Contract Deposit stated on the cover page of this Purchase Agreement shall be made payable to the direct order of "Rosenberg & Estis, P.C., Escrow Agent for 176 East 82nd Street Condominium" and all checks in payment of the Balance Due at Closing stated on the cover page of this Purchase Agreement shall be made payable to the direct order of "DRK Third Avenue LLC" or as Sponsor may direct on notice given no less than two (2) business days prior to Closing. If any check is returned for insufficient funds or any other reason, Sponsor, at its option, may declare this Agreement void *ab initio* and may bring an action against Purchaser for the collection of the Contract Deposit as liquidated damages or may declare a default by Purchaser under this Agreement.

5. Closing of Title.

5.1 The closing of title shall take place on the date and at the time and place Sponsor shall designate to Purchaser on no less than thirty (30) days' prior written notice to Purchaser. Such date shall be no earlier than thirty (30) days after the date on which written notice is given to Purchaser that the Plan has been declared effective (unless Purchaser and Sponsor shall agree on an earlier Closing Date). The aforementioned notice period may be waived by Purchaser, but in no event shall any closing take place before the Plan is declared effective. Sponsor shall have the right, from time to time, to adjourn the Closing Date on written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for the closing of title and shall give Purchaser not less than five (5) days' written notice of the new scheduled Closing Date. Purchaser shall be entitled to one reasonable adjournment of up to fifteen (15) days, on five (5) days' written notice by Purchaser to Sponsor. In the event this Agreement is executed after the first unit closing (the "First Unit Closing"), the closing of title shall occur thirty (30) days after the date of this Agreement.

5.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Sponsor's Conveyance of Title to Units" in Part I of the Plan.

5.3 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser or any adjourned date fixed by Sponsor pursuant to subsection 5.1 hereof.

6. Delivery of the Deed and Power of Attorney to the Condominium Board.

6.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor substantially in the form set forth as Exhibit C in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording.

6.2 Simultaneously with the delivery of the deed, Purchaser (i) shall cause the proceeds of any mortgage loan to be transferred to Sponsor on account of the total Purchase Price (as set forth on the cover page of this Agreement), (ii) shall execute and deliver to the mortgagee the note and mortgage, and any other documents required by the mortgagee, as well as any documents required by Sponsor, (iii) shall deliver the Balance Due at Closing (as set forth on the cover page of this Agreement), and (iv) shall pay into the Working Capital Fund an amount equal to two (2) month's Common Charges attributable to the Unit.

6.3 At the closing of title, Purchaser shall pay all New York State and New York City real property transfer taxes, including the filing fee for the filing of the New York City Real Property Transfer Tax Return and the New York State "Mansion Tax", if applicable. Sponsor and Purchaser shall duly execute and swear to a New York City Real Property Transfer Tax Return (including the required Smoke Detector Affidavit) and a New York State Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate prepared by Sponsor.

6.4 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board substantially in the form set forth as Exhibit B in Part II of the Plan.

6.5 The deed and said power of attorney to the Condominium Board shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's attorney) for recording in the New York County office of the Register of the City of New York (the "City Register's Office"). Purchaser shall pay all recording fees for the deed and the power of attorney.

7. Marketable Title. At the closing of title, Sponsor shall convey to Purchaser good and marketable title in fee simple to the Unit, free and clear of all encumbrances other than those set forth in Schedule A annexed hereto and made a part hereof and mortgages, if any, covering the Unit, which Purchaser assumes. Any encumbrance to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered to the proper party together with the recording or filing fees, or (b) Purchaser's title insurance company will insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8. Closing Adjustments.

8.1 The following adjustment shall be made as of the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any, (including water charges and sewer rates if separately assessed), from midnight preceding the date of the closing through the end of the tax period within which the Closing Date occurs, which shall be either a quarter of a year or one-half of a year provided, however, that Sponsor shall be reimbursed at closing by Purchaser for the cost of any real estate taxes which Sponsor would not otherwise pay but for an unauthorized delay in closing of title by Purchaser;

(b) Common Charges for the month in which title closes from midnight preceding the date of the closing provided, however, that Sponsor shall be reimbursed by

Purchaser for the cost of any Common Charges which Sponsor would not otherwise pay but for an unauthorized delay in closing of title by Purchaser;

(c) accrued rent and any other charges pursuant to a lease, including the security deposit, if any, covering the Unit; and

(d) such other items as are customarily included in closing adjustments in the City of New York.

8.2 If the Unit has been assessed separately but the closing of title occurs before the real estate tax rate ("Tax Rate") is fixed, adjustment of taxes shall be based upon the latest Tax Rate applied to the most recent assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Unit has not been assessed separately as of the Closing Date for the then current tax period, the adjustment under subsection 8.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements. 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.

8.3 Real estate taxes, assessments, if any, Common Charges, rent and security deposits, if applicable, shall be adjusted between Sponsor and Purchaser as of midnight preceding the Closing Date, provided, however, if the closing of title is delayed by Purchaser, adjustments shall be as of midnight preceding the date originally scheduled as the closing date, as such date may be adjourned by or with the consent of Sponsor.

8.4 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 his Unit on the originally scheduled Closing Date (a) the closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.04 percent of the Purchase Price (which is equal to a rate per annum of 14.6%) for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

8.5 Any errors or omissions with respect to apportionments at closing shall be corrected and the appropriate payment shall be made promptly after discovery. The provisions of this subsection shall survive the Closing Date.

9. Closing Costs. Purchaser shall pay the following costs and expenses at the time of closing of title:

(a) if Purchaser elects to obtain fee title insurance, Purchaser will pay a premium therefor at rates to be determined by its title company;

(b) the fee to City Register for recording the Condominium Unit Deed to City Register;

(c) the fee to City Register for recording the power of attorney for the Condominium Board;

(d) New York State Real Estate Transfer Tax (including the "Mansion Tax", if applicable) and New York City Real Property Transfer Tax;

(e) the fee for filing the New York City Real Property Transfer Tax Return;

(f) the contribution to the Working Capital Fund in the amount of two (2) months' Common Charges per Unit payable to the Condominium Board;

(g) the fees of Sponsor's attorneys as set forth in the Section of the Plan entitled "Closing Costs and Adjustments"; and

(h) if Purchaser obtains a mortgage loan, Purchaser will pay: (i) Sponsor a sum equal to the partial mortgage tax credit available pursuant to Section 339-ee(2) of the New York Real Property Law with respect to the mortgages encumbering the Unit and its appurtenant interest in the Common Elements, if available; (ii) mortgage recording tax on an amount equal to the difference between Section 339-ee(2) credit and the mortgage recording tax payable with respect to the mortgage; (iii) mortgage title insurance policy costs, and (iv) recording fee of approximately $350 for recording the mortgage.[1]

In addition, if Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all closing costs and expenses in connection therewith in the amounts determined by such lender. These costs customarily include, among others: (i) commitment fee, (ii) origination fee, (iii) application fee, (iv) credit fee, (v) lender's attorney's and appraisal fees, and (vi) other closing costs and expenses, if any, charged by the lending institution.

10. Binding Effect of Declaration, By-Laws and Rules and Regulations. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

11. Mortgage to be Released or Subordinated. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgages

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[1] Recording charges, fees and taxes are based on the rates in effect on the date of the Plan and are subject to change without notice, provided however, Sponsor shall amend the Plan in the event that there are any material changes in such fees and taxes.

heretofore or hereafter made and any payments or expenses already 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. 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 his other obligations hereunder or be the basis for any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration or the Unit is released from the lien of such mortgage.

12. Default by Purchaser. The following shall constitute a default hereunder:

(a) Purchaser's failure to pay any portion of the Purchase Price or the contribution to the Working Capital Fund when due; or

(b) Purchaser's failure to close title on the date, hour and place specified by Sponsor pursuant to Section 5 hereof; or

(c) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

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

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

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

(g) Purchaser's failure to perform any of Purchaser's other obligations hereunder (including, without limitation, the obligation to furnish the Selling Agent and/or any lender promptly with such information as the Selling Agent and/or such lender may require, and the obligation to accept a commitment letter on the terms set forth in this Agreement)

Any such failure shall constitute a default by Purchaser. Sponsor shall notify Purchaser in writing of such default and advise Purchaser that he has thirty (30) days after Sponsor gives written notice to the Purchaser to cure such default.

TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THIS AGREEMENT ON OR BEFORE THE 30TH DAY OF SUCH 30 DAY PERIOD.

If such default is not cured within thirty (30) days of such written notice, Sponsor has no obligation to extend the time to cure and may (but shall not be obligated to) elect to cancel the Purchase Agreement. In such event, the amounts specified in subsection 10.2 of this Agreement shall be paid over to Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void. In the event that Sponsor shall elect to cancel this Agreement, Sponsor shall certify to its attorneys, Rosenberg & Estis, P.C., that title has not closed because of Purchaser's default, that a notice to cure the default was delivered to Purchaser and Purchaser has failed to cure the default within thirty (30) days after Sponsor gives written notice to the Purchaser and that Sponsor has elected to cancel this Purchase Agreement by reason thereof, and shall thereupon notify the holder of sums paid by Purchaser hereunder, as set forth in Section 10 hereof, to pay over to Sponsor as liquidated damages the Contract Deposit, and any interest earned thereon, and upon such payment being made each of the parties hereto shall be relieved of any further liabilities or obligations hereunder. If this Purchase Agreement shall be cancelled by Sponsor pursuant to the provisions of this Section 13, Sponsor may sell the Unit to any third party and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. Rosenberg & Estis, P.C. may rely upon the truth and accuracy of the facts contained in Sponsor's certification and the authority of the person or persons executing the same and shall have no liability as a result of such reliance.

13. Agreement Subject to Plan Being Effective; Sponsor's Right to Cancel.

13.1 This Purchase Agreement is contingent upon Sponsor declaring the Plan effective pursuant to the terms and requirements of the Plan and shall be abandoned and deemed abandoned if it has not been declared effective in accordance with the terms set forth in the Plan. The Plan may be abandoned or withdrawn by Sponsor at any time prior to its being declared effective and before eighty (80%) percent of the Units have been purchased. Once the Plan has been declared effective, Sponsor may not abandon the Plan for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than 0.5 percent of the aggregate purchase price of all Units offered under the plan, (ii) substantial damage or destruction of the Building or any portion thereof by fire or other casualty which occurs prior to the First Unit Closing, or (iii) the taking of any material portion of the Property by condemnation or eminent domain. Sponsor shall have no obligation to engage in litigation to cure title defects.

13.2 If the Plan is abandoned or does not become effective, this Purchase Agreement shall be deemed cancelled. In the event the Plan is abandoned, Sponsor shall submit an amendment to the Department of Law together with Form RS-3 disclosing that the Plan is being abandoned by Sponsor. Sponsor shall cause the Contract Deposits paid hereunder to be returned to Purchaser within five (5) days following acceptance by the Department of Law of the amendment abandoning the Plan. If, after the Plan is declared effective, title to the Unit shall not close within the time set forth in Section 5 hereof, or in the Plan, for any reason other than Purchaser's default, then Purchaser shall have the option to cancel the Purchase Agreement and to have the Contract Deposit refunded pursuant to Section 10 hereof. Upon such repayment, neither party shall have any claim against the other and both shall be released from all obligations hereunder.

13.3 Sponsor may cancel this Purchase Agreement by forwarding its check in the full amount paid by Purchaser, together with a notice in writing, addressed to Purchaser at his

address herein above set forth in the event of the occurrence of any of the following: (a) that any governmental bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restrictions shall prevent Sponsor from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the dwellings; or (b) that Sponsor is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, acts of God or if the installation of public utilities is restricted or curtailed.

14. Equipment and Furnishings. Sponsor will provide Purchaser only with the fixtures, equipment, hardware, appliances and furnishings referred to in the Plan, which are included in the Purchase Price of the Unit or, at the option of Sponsor, with suitable substitutions of equal quality. Furnishings, equipment, appliances and decorations in any model unit or sales office that are not referred to in the Plan are excluded from this sale.

15. Acceptance of Condition of Unit; Risk of Loss.

15.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed herein, shall be substantially in accordance with the Plan and the Description of Property and Specifications, subject to the right of Sponsor to amend the Plan and the Description of Property and Specifications in order to substitute materials equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction, if required, is first obtained. The issuance of a temporary or permanent Certificate of Occupancy for the Unit or the Building shall be deemed presumptive evidence that the Unit or the Building, as the case may be, shall have been fully completed in accordance with the Plan and the Plans and Specifications and all services required for the legal occupancy of the Building in accordance with applicable laws and regulations are available. Purchaser shall accept title (without abatement in or credit against the Purchase Price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit, or the Building, or (b) other Units, or (c) portions of the Common Elements have not been completed. Purchaser will examine his Unit, if applicable, with a representative of Sponsor during normal business hours prior to the Closing Date. The failure of Sponsor to complete any "punch list" type work shall not be a basis for Purchaser delaying the Closing Date provided that Sponsor agrees to complete such work promptly after Closing.

15.2 Prior to the closing of title to a Unit, no Purchaser shall be permitted to enter the Unit without the prior consent of Sponsor or the Selling Agent. Purchaser shall have the right to enter and inspect such Unit prior to the closing of title but shall be obligated to make an inspection appointment with Sponsor or the Selling Agent. Under no circumstances shall Purchaser perform or cause to be performed any work in such Unit prior to the closing of title thereto.

15.3 While Sponsor has legal title and is in possession of the Unit, Sponsor assumes all risk of loss or damage ("Loss") to the Unit and Property from fire or other cause not due to the fault of Purchaser or Purchaser's contractors, agents or servants. In the event of a Loss, Sponsor shall have the option (but not the obligation) to restore the Unit and Property to as near as reasonably possible to the condition immediately prior to the Loss.

15.4 Within ten (10) calendar days after the Loss occurs, Sponsor shall give Notice to Purchaser of the Loss and whether or not Sponsor elects to restore ("Election Notice").

15.5 If Sponsor elects to restore, Sponsor must do so within sixty (60) calendar days after sending the Election Notice or by the Closing, whichever is later ("Restoration Period").

15.6 If the Closing is before such sixty (60) calendar day period expires, then the Closing shall be adjourned to a date and time fixed by Sponsor on not less than ten (10) calendar days' prior Notice to Purchaser, but in no event shall the Closing be adjourned for more than seventy (70) calendar days after giving of the Election Notice.

15.7 If Sponsor elects not to restore or fails, in a timely manner, to send the Election Notice or, having sent the Notice, Sponsor fails to complete the restoration within the Restoration Period, then Purchaser's sole remedy is either to:

15.7.1 cancel this Purchase Agreement and recover all sums theretofore paid on account of the Purchase Price; or

15.7.2 complete the purchase in accordance with this Purchase Agreement, without reduction in the Purchase Price or claim against Sponsor, but with the right to receive any "Net Insurance Proceeds" as defined in Section 15.8 together with an assignment to Purchaser, without recourse to Sponsor, of any uncollected proceeds, which assignment shall be delivered by Sponsor at Closing.

15.8 "Net Insurance Proceeds" are proceeds of Sponsor's insurance covering the Loss which is attributable to the Unit and Property after deducting legal and other collection expenses incurred by Sponsor and any sums paid or incurred by Sponsor for restoration.

15.9 If Purchaser fails to exercise one of Purchaser's options pursuant to Section 15.7 by Notice to the Sponsor within ten (10) Business Days after the Sponsor gives the Election Notice or within ten (10) Business Days after the Restoration Period expires (in the event Sponsor fails to complete the restoration within the Restoration Period), then Purchaser will be deemed to have conclusively elected the option to complete the purchase pursuant to Section 15.7.2.

15.10 If Purchaser is given possession of Unit prior to Closing:

(a) Purchaser assumes all risk of Loss to the Unit and Property prior to Closing from fire or other cause not the fault of Sponsor or Sponsor's contractors, agents, employees or servants; and

(b) Purchaser shall be obligated to complete the purchase in accordance with this Purchase Agreement, without reduction in the Purchase Price or claim against Sponsor and without delay.

15.11 Notwithstanding anything to the contrary in Section 15.7, Purchaser shall have the right to cancel this Purchase Agreement in accordance with Section 15.7 if, prior to Closing and

while Sponsor is in possession, through no fault of Purchaser or Purchaser's contractor, agents, employees and servants, either:

(a) a Loss occurs to the Unit which would cost more than ten percent (10%) of the Purchase Price to restore; or

(b) more than two of the units in the Building are damaged and rendered uninhabitable by fire or other cause, regardless of whether the Unit is damaged.

15.12 Purchaser shall be deemed to have waived Purchaser's right to cancel under Section 15.7.1 if Purchaser fails to elect to cancel by Notice to Sponsor given within seven (7) business days after Sponsor gives Notice to Purchaser of the event which gives rise to Purchaser's right to cancel. In the event Purchaser waives or is deemed to have waived this right to cancel, the provisions of Section 15.7.2 shall apply.

16. Inspection of Unit. At least ten (10) business days before the Balance is to be paid, the Selling Agent shall notify the Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) business day period. Purchaser or his duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement and deliver the same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) business days of receipt of said notice or to so sign and deliver the completed Inspection Statement, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. Nothing contained herein shall relieve Sponsor of its obligations contained in the section of the Plan entitled "Rights and Obligations of Sponsor".

17. Possession of Unit Prior to Closing. It is expressly understood and agreed that Purchaser shall in no event take possession of the Unit, prior to the time of delivery of the deed and full compliance by Purchaser with the terms of this Agreement, and should Purchaser violate this provision, Purchaser consents that Sponsor shall have the right to remove him from the Unit as a squatter and intruder by summary proceedings. Upon Purchaser's unauthorized possession, Purchaser shall be deemed in default hereunder at the option of Sponsor, and if Sponsor so elects, Sponsor may cancel this Agreement and the amount deposited hereunder shall belong to Sponsor as liquidated damages deemed earned hereunder. It is further understood and agreed that Sponsor will not be responsible for damage or loss to any property belonging to Purchaser whether same is delivered to the Property before, on or after the closing of title herein.

18. No Representations. Purchaser acknowledges that he 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, Building, or the size or 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, or any other data, except as specifically represented herein and/or in the Plan,

Purchaser having relied on his own examination and investigation thereof. No person has been authorized to make any representations on behalf of Sponsor except as specifically set forth herein or in the Plan. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit, without offset or any claims 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, provided the layouts and dimensions conform substantially to such Floor Plan and (b) that Purchaser shall not be relieved of any of his obligations hereunder by reason of any minor inaccuracy or error, or due to minor defects in workmanship. The provisions of this Section 19 shall survive the closing of title.

19. Broker. Purchaser represents to Sponsor that [_____] is the only broker or sales agent with whom Purchaser has dealt in connection with this transaction and Sponsor agrees to pay the commission earned by said broker, if any, pursuant to separate agreement. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker other than the aforementioned broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold free and harmless Sponsor from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Section 19 shall survive the delivery of the deed.

20. Agreement May Not Be Assigned. Purchaser shall not have the right to assign this Agreement without the prior written consent of Sponsor which may be withheld in Sponsor's sole and absolute discretion.

21. Binding Effect. This Agreement shall not be binding on Purchaser or Sponsor until a fully executed copy hereof has been furnished to Purchaser. If this Agreement is not accepted within thirty (30) days from the date hereof by furnishing to Purchaser a fully executed copy, this Agreement shall be deemed to have been rejected and cancelled and the deposit paid on the execution hereof, with interest accrued thereon, if any, shall be returned promptly to Purchaser.

22. Notices. Any notice, request or other communication hereunder or under the Plan shall be in writing and sent, postage prepaid, by registered or certified mail, or by hand delivery or overnight courier, to Purchaser at the address given at the beginning of this Agreement, with a copy to _____, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Rosenberg & Estis, P.C., 733 Third Avenue, New York, New York 10017, Attention: Lisa R. Radetsky, Esq., or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, all such notices and communications shall be deemed to have been received either on the date of personal delivery, on the next business day for overnight courier or on the fifth (5th) day after mailing.

23. 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.

24. Liability of Sponsor. Sponsor shall not have any liability to Purchaser with respect to any of Sponsor's obligations under this Agreement or the Plan or otherwise in excess of the net proceeds paid to Sponsor either as a Contract Deposit by Purchaser hereunder if the transaction

does not close or paid to Sponsor on the sale of the Unit to Purchaser after payment of, or reserve for, any liabilities of Sponsor arising out of the consummation of the transactions contemplated in the Plan, subject, however, to the provisions of the New York State General Obligations Law, the General Business Law and 13 NYCRR-Part 20.

25. Right of Rescission. Purchasers who have not had an opportunity to review the Plan and any filed amendments for at least three (3) days prior to their executing a Purchase Agreement shall be given seven (7) days, after delivering an executed Purchase Agreement, together with the required Contract Deposit, to rescind the Purchase Agreement and have the full Contract Deposit refunded promptly. Such rescission must be in writing, addressed and sent to Sponsor in care of and at the address of the Selling Agent, and be postmarked or hand delivered by midnight of the seventh day subsequent to Purchaser's executing and delivering such Purchase Agreement. Purchasers who execute a Purchase Agreement after having had an opportunity to review the Plan and any filed amendments for not less than three (3) days prior to their executing a Purchase Agreement shall not be permitted the aforementioned time period to rescind for any reason.

26. 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.

27. Prohibition Against Advertising. Prior to the closing of title to the Unit, Purchaser shall not list the Unit for resale or rental with any broker or to advertise or offer, promote, or publicize the availability of the Unit for sale or lease, without Sponsor's prior express written consent.

28. 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.

29. Strict Compliance. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

30. Governing Law. The provisions of this Agreement shall be governed by the laws of the State of New York.

31. Waiver of Jury. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement, or the relationship created hereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

32. Entire Agreement. This Agreement supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them.

33. 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 otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

34. Captions. The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

35. Successors and Assigns. Subject to the provisions of Section 21 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

36. 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.

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

SPONSOR

DRK THIRD AVENUE LLC

By: _____
Name:
Title:

PURCHASER

_____

SCHEDULE A
Encumbrances

(a) Zoning and building regulations, resolutions, restrictions and ordinances of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, provided same will not be violated by the contemplated structures and use.

(b) State of facts shown in an updated and accurate survey of the land provided such survey does not render title unmarketable.

(c) The terms and conditions set forth in the Declaration of Condominium, the By-Laws (and the Rules and Regulations promulgated).**

(d) The power of attorney from Purchaser to the Condominium Board and maps and the Floor Plans, all as may be amended from time to time, to be recorded or filed in the City Register's Office.

(e) Any easement or right of use in favor of any utility company for construction, use, maintenance and repair of all utility lines, cable lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

(f) Revocability of the right to maintain street vaults and other areas, under the sidewalks and streets.

(g) All easements created by the Declaration.

(h) Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, ledges, window sills, balconies, sidewalk elevators, fences, fire escapes, vaults, chutes, fuel oil lines, drainage pipes, sewerage pipes, air conditioning units, canopies, cornices, foundations, footings and similar projections, retaining walls, if any, on, over, or under the Property or the streets or sidewalks abutting the Property and the rights of governmental authorities, and adjoining property owners to require the removal of any such projections, and variations between record lines of the Property and fences, walls, retaining walls and the like, if any.

(i) Leases and service, maintenance and license agreements, if any, in effect on the date of the First Unit Closing.

(j) Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units, Limited Common Elements, or Common Elements on the Unit, existing as a result of construction of the Building, or construction of the Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any portion thereof, or of any adjoining Unit or of the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent

domain proceedings, or by reason of any alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units, the Limited Common Elements and the Common Elements.

(k) All covenants, restrictions, reservations, agreements and easements of record which are still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent the use of any Unit at the Property for dwelling purposes, nor prevent the existence of the promised structure.

(l) The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, which shall be adjusted at the closing of title.

(m) 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 and Purchaser shall pay all assessments due from and after such date.

(n) Any other declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulations, 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. Sponsor shall file an amendment to the Plan to reflect any such other declaration or other instrument affecting the Property which is not already disclosed herein.

(o) Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his or her Unit and appurtenant interests.

(p) Any encumbrance as to which any reputable title insurance company would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrances (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

(q) Any other encumbrance 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, or which does not render title unmarketable, subject to the Permitted Encumbrances, or with respect to which a title insurance company is willing to insure against collection out of the Unit.

(r) The terms, provisions and conditions of the Plan.

ESCROW RIDER

Annexed to and constituting a portion of the Purchase Agreement for Unit ___ in the 176 East 82nd Street Condominium

The provisions of this Rider govern the escrow of Contract Deposit pursuant to the Purchase Agreement. In the event of any conflict between the Purchase Agreement and this Rider, this Rider shall govern.

1. The Contract Deposit will be retained in escrow as set forth above until: (i) Sponsor performs under the terms of the Purchase Agreement, (ii) Purchaser rescinds or defaults in performance, thereby excusing performance by Sponsor, (iii) release or discharge of Sponsor's liability to refund such Contract Deposit, (iv) transfer of title to the Unit to Purchaser, or (v) withdrawal by mutual consent of Sponsor and Purchaser.

2. Anything contained in this Purchase Agreement to the contrary notwithstanding, in the event of an uncured default by Purchaser in his obligations under the Purchase Agreement, no more than ten (10%) percent of the Purchase Price plus any interest earned thereon together with any monies advanced by Purchaser for "extras" pursuant to the Plan, may be retained by Sponsor as liquidated damages.

3. The balance of the Purchase Price will not be payable until closing of title to the Unit.

4. ROSENBERG & ESTIS P.C., 733 Third Avenue, New York, New York 10017 ("Escrow Agent") shall serve as escrow agent for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Gary Rosenberg, Warren Estis, Blaine Schwadel, Richard Sussman, Luise Barrack and Michael Lefkowitz. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are principals of Sponsor or have any beneficial interest in any of the foregoing.

5. Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

6. For the purpose of holding deposits or payments made by purchasers, the Escrow Agent has established an escrow account at Citibank N.A. at its branch located at at its branch located at 666 Fifth Avenue, 5th Floor, New York, New York 10103 (the "Bank"), a bank authorized to do business in the State of New York. The escrow account (the "Escrow Account") is entitled Rosenberg & Estis P.C. Attorney Trust Account.

7. All Deposits will be placed initially in a non-interest bearing checking portion of the Escrow Account. Each Purchaser is required to deliver to the Escrow Agent a completed and signed IRS Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate

of Foreign Status). 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-account in the name of Purchaser. If a Purchaser does not deliver a Form W-9 or a Form W-8, the deposit will remain in the non-interest bearing checking portion of the Escrow Account, which is an IOLA account.

8. The Bank is covered by federal bank deposit insurance to a maximum of $250,000 per individual. If an individual makes a deposit in excess of $250,000 for the purchase of a unit, such deposit will not be federally insured in excess of $250,000; and while the deposit is in the non-interest bearing checking account it may not be federally insured even if the deposit does not exceed $250,000. Under present law, notwithstanding the aggregate balance of an IOLA account, the FDIC insurance coverage for IOLA accounts is $250,000 per depositor. Pursuant to current regulations, FDIC insurance is limited to $250,000 per depositor per institution, meaning in the event that a Purchaser has other funds on deposit at the Bank, the aggregate FDIC insurance proceeds payable to such Purchaser will be $250,000 on all accounts maintained at the Bank. The foregoing limitation will apply whether the Contract Deposit is in the non-interest bearing IOLA account or an interest-bearing sub-account.

9. All Deposits received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments and shall be made payable to or endorsed by the Purchaser to the order of Escrow Agent.

10. The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently approximately 0.2 %. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

11. Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall send written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

12. The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow

Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

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

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

15. The Escrow Agent shall release the Deposit if so directed:

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

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

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

16. If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (a) through (c) above, and the Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If the Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs (a) through (c) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the Building is located and shall give written notice to both parties of such deposit.

17. Sponsor shall not object to the release of the Deposit to:

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

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

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

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

20. Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

21. A fiduciary relationship shall exist between Escrow Agent and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

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

23. Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

24. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

25. Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement.

26. Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

27. Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties pursuant to this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

28. Following the declaration of effectiveness of the Plan, Purchaser will be given at least thirty (30) days' prior written notice of the Closing Date for his Unit. The notice to Purchaser shall also specify when Common Charges will be due and payable.

SPONSOR

DRK THIRD AVENUE LLC

By: _____
Name:
Title:

WITH RESPECT TO ESCROW PROVISIONS ONLY:

Rosenberg & Estis, P.C.

By: _____
Name:
Title:

PURCHASER

_____

POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by DRK Third Avenue LLC ("Declarant") establishing a plan for condominium ownership of the premises known as 176 East 82nd Street Condominium and by the street number 176 East 82nd Street a/k/a 1444 Third Avenue, New York, New York, under Article 9-B of the Real Property Law of the State of New York, dated_____, 2017 and recorded in the New York County Office of the Register of The City of New York (the "City Register's Office") on _____, 2017 as CRFN _____, or (b) in the by-laws of 176 East 82nd Street Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, the owner(s) of the Condominium Unit ("Unit") in 176 East 82nd Street Condominium which is designated and described as Residential Unit No. _____ in the Declaration and also designated as Tax Lot ___, in Block 1510 of the County of New York on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, does 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 pf substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owners desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which become the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution ore requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or nay other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Common

Elements (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Common Elements which the Condominium Board deems necessary and appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned does hereby nominate, constitute and appoint the Declarant, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold, Professional Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification of the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in the subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has executed this Unit Owner's Power of Attorney as of the ____ day of_____, 2017.

UNIT OWNER:

_____

_____

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the ___ day of _____in the year 2017 before me, the undersigned, personally appeared_____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by 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 2017 before me, the undersigned, personally appeared_____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT B

UNIT OWNER'S POWER OF ATTORNEY

_____

_____

TO

176 EAST 82ND STREET CONDOMINIUM

_____

DATED: _____

Section:	
Block:	1510
Lots:	
County:	New York
Street Address:	176 East 82nd Street a/k/a 1444 Third Avenue New York, New York

Recorded at Request of
and Return by Mail to:

Camelot Realty Group
37 West 26th Street
New York, New York 10010

RESIDENTIAL UNIT DEED

THIS INDENTURE, made the ____day of _____, 2017, between DRK Third Avenue LLC, a New York limited liability company, having an address at c/o Nexus Building Development Group Inc., 41 Wooster Street, Suite 2, New York, New York 10013 (the "Grantor") and _____, having an address at _____ (the "Grantee").

WITNESSETH:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto Grantee, the heirs or successors and assigns of the Grantee forever:

The Condominium Unit _____ (the "**Unit**") in the premises known as 176 East 82nd Street Condominium and by the street number 176 East 82nd Street a/k/a 1444 Third Avenue, Borough of Manhattan, County, City and State of New York, said Unit being designated and described as Residential Unit No. _____ in the Declaration ("**Declaration**") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "**Condominium Act**"), dated _____, 201__ and recorded in the New York County Office of the Register of The City of New York (the "**City Register's Office**") on _____, 201___ as CRFN _____, and also designated as Tax Lot ____ in Block 1510 of the County of New York 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 Yaarhit Sharoni Architect, on _____, 201___ and filed in the Real Property Assessment Department of the City of New York on _____, 201___ as Condominium Plan No. ____, and also filed in the City Register's Office on _____ as CRFN _____.

Together with an undivided _____ (Common Elements), _____ (Residential Common Elements) and _____ (Common Charge) percentage interests in the Common Elements.

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights obligations, easements restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any or) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule A attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property

to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration of the By-Laws, the Residential Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions hereof.

The word "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

IN THE WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

Grantor: DRK Third Avenue LLC

By: _____
Yaniv Cohen, Manager

Grantee: _____

By: _____
Name:
Title:

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 201__ before me, the undersigned, personally appeared Justin Ehrlich, 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 executed the same in his capacity, and that by 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, 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/they executed the same in his/her/their capacity, and that by his/her/their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

SCHEDULE A

SCHEDULE B

Encumbrances

1. Zoning and building regulations, resolutions, restrictions and ordinances of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, provided same will not be violated by the contemplated structures and use.

2. State of facts shown in an updated and accurate survey of the land provided such survey does not render title unmarketable.

3. The Declaration, the By-Laws (and the Rules and Regulations made thereunder), the power of attorney from Purchaser to the Condominium Board and maps and the Floor Plans, all as may be amended from time to time, to be recorded or filed in the City Register's Office.

4. Consents by Sponsor or any former owner of the Property 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 and repair of all utility lines, cable lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of the right to maintain street vaults and other areas, under the sidewalks and streets.

7. All easements created by the Declaration.

8. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, ledges, window sills, balconies, sidewalk elevators, fences, fire escapes, vaults, chutes, fuel oil lines, drainage pipes, sewerage pipes, air conditioning units, canopies, cornices, foundations, footings and similar projections, retaining walls, if any, on, over, or under the Property or the streets or sidewalks abutting the Property and the rights of governmental authorities, and adjoining property owners to require the removal of any such projections, and variations between record lines of the Property and fences, walls, retaining walls and the like, if any.

9. Leases and service, maintenance and license agreements, if any, in effect on the date of the First Unit Closing.

10. Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units, Limited Common Elements, or Common Elements on the Unit, existing as a result of construction of the Building, or construction of the Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any portion thereof, or of any adjoining Unit or of the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units, the Limited Common Elements and the Common Elements.

11. All covenants, restrictions, reservations, agreements and easements of record which are still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent the use of any Unit at the Property for dwelling purposes, nor prevent the existence of the promised structure.

12. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, which shall be adjusted at the closing of title.

13. 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 and Purchaser shall pay all assessments due from and after such date.

14. Any other declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulations, 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. Sponsor shall file an amendment to the Plan to reflect any such other declaration or other instrument affecting the Property which is not already disclosed herein.

15. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his or her Unit and appurtenant interests.

16. Any encumbrance as to which any reputable title insurance company would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrances (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

17. Any other encumbrance 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, or which does not render title unmarketable, subject to the Permitted Encumbrances, or with respect to which a title insurance company is willing to insure against collection out of the Unit.

18. The terms, provisions and conditions of the Plan.

176 EAST 82ND STREET CONDOMINIUM

UNIT DEED

DRK THIRD AVENUE LLC

TO

Section:
Block:
Lot:
New York County

Record and Return to:

_____
_____
_____
_____

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176 E 82nd Street Condominium

176 E 82nd Street
New York, New York

Description of Property and Specifications

Date: 09.07.2016

Prepared by: ODA – Architecture. P.C
250 Park Avenue South, 3rd floor
New York, NY 10003

PART 20

PROPERTY ADDRESS:	176 E 82nd Street New York, NY 10028 Borough of Manhattan
OWNER:	DRK Third Avenue LLC 41 Wooster Street, Suite 2 New York, NY 10013
ARCHITECT:	ODA - Architecture P.C. 250 Park Avenue South, 3rd floor New York, NY 10003
STRUCTURAL ENGINEER:	RCM/BGA Engineering 99 Bauer Drive Oakland, NJ 07436
MEP ENGINEERS:	TSF Engineering PC 200 Park Avenue S #1020 New York, NY 1000
EXTERIOR ENVELOPE:	BURO HAPPOLD 100 Broadway New York, NY 10005

DESCRIPTION OF PROPERTY AND BUILDING CONDITIONS

A. Location and Use of Property
B. Status of Construction
C. Site
D. Utilities
E. Sub-Soil Conditions
F. Landscaping and Enclosures
G. Building Size
H. Structural System
I. Auxiliary Facilities
J. Plumbing and Drainage
K. Heating
L. Gas Supply
M. Air Conditioning
N. Ventilation
O. Electrical System
P. Intercommunication
Q. Public Area Lighting
R. Garages and Parking Area
S. Swimming Pool
T. Tennis Courts
U. Permits and Certificates
V. Violations
W. Unit Information
X. Finish Schedule
Y. Safety and Warning Devices
Z. Additional Information Required
AA. Conditions in Building
BB. Further Development
CC. Asbestos
DD. Lead Based Paint
EE. Unit Measurement
FF. Other Disclosures
GG. Transfer Documents

(a) *Location and use of property*:

(1) Address: 176 E 82nd Street, New York, NY 10028

(2) Block: 1510 and Lot: 40

(3) Zoning District: C1-9
Zoning Map: 9A
Community District: Manhattan 8

(4) Permissible use: UG 1-6
Proposed use: UG 2 Residential
UG 6C Retail

(b) *Status of construction.* State:

(1) Year built: New Construction. The anticipated date for substantial completion will be July 1st, 2017

(2) Class 2 Construction Type. I-B "Fire Resistive, non-combustible"
Includes buildings and spaces in which the bearing walls and other major structural elements are 2 hour fire rated.

(3) Certificate of Occupancy – A certificate of occupancy will be issued upon completion of Construction and at minimum a temporary certificate of occupancy prior to closing of the first unit shall be issued.
New Building application # 121331424

New building Permits:
Builder's Pavement Plan - # 121835684
Temporary Standpipe - # 140277215
Fire Alarm - # 122015933
Sprinkler/ Standpipe - # 140218547
Building Demolition - # 122121408

(c) *Site.* Discuss:

(1) The Lot area is approximately 2,555 sf. The lot is 25'-6" along 3rd avenue and 100'-0" along 82nd street.

(2) The development is one new building with residential and retail facility uses. The project consists of 9 residential dwelling units on floors 2nd thru 10th and retail on the ground floor.

(3) 3rd avenue is owned and maintained by the City of New York. The condominium association will be responsible for maintaining the sidewalk per NYC DOT's requirements.

(4) Drives, sidewalks and ramps;

(i) New concrete sidewalk to be built for the width of the property on 3rd avenue and 82nd street. It shall be in accordance with DOT requirements.

(ii) New concrete curbing - for the width of the property on 3rd avenue and 82nd street in accordance with DOT requirements.

(iii) Street lighting will be provided by existing light poles provided and maintained by the City of New York.

(iv) The above items conform to the local codes. The sidewalk providing access to the building shall be free of tripping hazards and ponding and will be ADA compliant.

(d) *Utilities.*

1) Electricity: Con Edison will be the utility provider. Each residential unit will be directly metered by the utility. Further, the house charges (i.e common fans, corridor lighting, cellar and first floor ventilation, elevator, pumps etc.) will be separately metered and billed to the Condominium and in turn will be incorporated into the common charges for the unit owners.

2) Gas: Con Edison will be the utility provider. All gas usage will be incorporated into the common charges. The gas requirements for each unit include cooking, clothes dryer, and domestic water. Note: Heating is accomplished through the use of Heat Pump Units (no gas)

3) Water and Sewer: The source of water will be the City of New York. Water and sewer will be collectively metered and billed to the unit owners as a common charge.

4) Telephone: The main service provider of these services is not yet determined but charges will be directly billed to the unit owner.

(e) *Sub-soil conditions.* Describe (including water conditions):

(1) No uneven foundation movement or settling was observed during the subsurface investigation.

(2) No moisture or seepage or groundwater infiltration was observed during the subsurface investigation.

(3) There does not appear to be any danger from flooding since no groundwater was observed the subsurface investigation and the subject property is not in the flood zone.

(f) *Landscaping and enclosures:*

(1) Planter boxes with plants will be provided on the roof terrace only.

(2) Street trees are required to be planted along 3rd avenue and 82nd street sidewalk as per zoning requirements. A total number of 5 trees are required. 3 trees existing trees along 82nd street are to remain. 2 additional trees will be planted off site.

(3) A reinforced concrete retaining wall is being constructed at the rear of the cellar to create an exterior area. The retaining wall is anchored to the building foundation mat and will extend up to the grade level at the first floor.

(g) Building size. Specify:

(1) The building height will be approximately 100'-0" above the sidewalk

(2) There is 1 cellar and 1 sub cellar in the project

(3) The building will have 10 structural floors, a roof and a mechanical bulkhead.

(4) Equipment rooms are located in the cellar and sub cellar floors. The cellar will house the electrical room, fire pump room and gas meter room. The sub cellar will house the water service room, elevator machine room and trash compactor room. The roof will house some HVAC equipment.

(5) Parapets will be 42" above the exterior concrete paver and comply with New York City Building Code. The roof parapets will be constructed of reinforced concrete cast integrally with the building structure. There are no horizontal members conductive to railings that can be used as a ladder by children.

(h) Structural system:

The building structural system consists of reinforced cast-in-place concrete two way flat slab construction supported by reinforced cast-in-place concrete columns and concrete walls. The building lateral force resisting systems will utilize the reinforced concrete walls. The building foundation will be constructed using a reinforced concrete mat bearing on the subsurface soils. The mat will have a thickened section at the center due to the higher bending and shear forces.

(1) Exterior of buildings:

(i) Walls: Exterior walls consist a variety of systems and materials including the following systems:

a) At the North, East, South and West Elevation of the building; the exterior wall consists of stone panel system, aluminum windows wall system with vision glazing and shadow box and metal framed louvers system.

a. North, South, East and West Elevation: The exterior wall consists with stone panels system with prefabricated window wall systems at North, South, East and West Elevation.

i. A thermally broken aluminum windows with fixed and casement operable windows are used to in-fill the floor opening formed by the stone panels systems. The stone panel systems consist of light weight natural stone with sub-girt support systems, continuous rigid insulation, continuous air-water barrier-permeable and batt insulation with foil faced within heavy gauge stud wall. The windows shall be professionally installed and caulked as per manufactures standards. The window operating hardware as per manufacture standard and comply with ADA accessibility requirements. The windows will have a limit device that shall prevent the sash from opening more than 4 inches. Limit stops shall be removable for cleaning purposes.

ii. There are metal framed mechanical louvers system at North and East Elevation.

b. Stucco on West & South Elevations and all bulkhead elevations.

(ii) The thermal performance of all exterior wall type assemblies are to meet the requirements of the NYC Energy Code.

(iii) The light and air requirements comply with New York City Building Code.

(iv) The condominium association will be responsible for arranging future inspections to meet NYC Local Law 11/98 requirements. Based upon the anticipated date of substantial completion of the building being July 1st, 2017, it is anticipated that the periodic inspections will begin with the cycle starting in July 1st, 2022, 5 years after issuance of the first Temporary Certificates of Occupancy. Based on the building's block number, the inspection will need to be completed during the filing period for sub-cycle A.

(v) This is not a Landmarks project.

(2) Parapets and copings: parapets will be constructed of reinforced concrete cast integrally with the building structure. Copings and walls will be finished with limestone stone-ply panels.

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(3) There will be 1 trash chute for the refuse compactor that will extend from the sub cellar thru the roof.

(4) A common terrace for residence use will be located on the rooftop

(v) Concrete Pavers will be used at roof. All roof drains shall be accompanied by overflow drains connected to the storm leader on verticals

(vi) No Balustrade will be used.
(vii) Railings; NA
(viii) Coping will be finished with limestone stone-ply panels
(ix) Soffits; NA
(x) Doors; Roof vestibule door will be glass with aluminum frame

(5) Railings/parapet will be 42" above the finished floor and comply with New York City Building Code.

(i) Copings will be limestone stone-ply panels.
(ii) Inside parapet to be stucco finish.

(6) Exterior entrances. Describe:

(iii) The exterior entrances will be free of tripping hazards and/or ponding. Exterior Entrances will be ADA compliant. The metal materials used outdoors will be corrosion resistant.

(iv) Mailboxes are located at lobby.
A U.S. Postal Service approved (Auth-Florence Manufacturing, 4C Horizontal or similar quality), front-loading, horizontal apartment mailboxes consisting of multiple compartments with fixes, solid compartment backs, enclosed within recessed wall

(v) Adequate lighting will be provided.
Public and Private terrace:
E1 – recessed LED wall light
E2- surface mount wall sconce
E3 – recessed LED landscape light

(7) Roof and roof structures

(i) Flat roofs will be provided for all areas:

(a) Top Roof: The roof consists of a cast-in-place 10" reinforced concrete slab. It is accessible to residents.

(b) 4" thick rigid insulation with a minimum R-value of 20

(c) Concrete Paver roof finish material.

(d) 20 year not dollar limited manufacture's guarantee (NDL)

(ii) Drains:

(a) Roof drains will be Cast iron drains with dome grate, control-flow type on roof

(b) All leaders will be cast iron no hub / galvanized threaded

(iv) Bulkheads:

(a) The stair bulkhead will be enclosed with stucco finish. A 20 sq/ft Window with 2 sq/ft open area fixed louver were provided at the top of each scissor stair in lieu of Skylight.

(b) The elevator bulkhead will be enclosed with stucco finish.

(v) Metal work at roof levels:

(a) All exterior steel, including fasteners shall be corrosion resistant

(b) The metal work at roof level will include a galvanized steel exterior vertical ship ladder that will be located on the stair bulkhead

~~(c) Railing; NA~~

(d) There is a hatch located at the egress stair to access the mechanical area Above.

(vi) There is a common rooftop terrace for residential unit owners only.

(I0) Interior stairs. Describe:

(i) There will be 2 egress stairs, scissor stair configuration, provided for residential use that service the building from the cellar floor to the roof level. Rated stair enclosure will be constructed of concrete and gypsum wall board. Rated partition between egress stairs will be constructed of high impact gypsum wall board

(ii) All Egress stairs will have a 2 hour rated enclosure will be provided with paint finish

(iii) Stair construction; Concrete for egress stairs. Steel for penthouse stairs

(iv) Stringers (material); Concrete stringers for egress stairs. Steel stringers for penthouse stairs

(v) Treads; Concrete treads for egress stairs. Steel treads with wood finish for penthouse stairs.

(vi) Risers; Concrete risers for egress stairs. Steel risers with wood finish for penthouse.

(vii) Guard rails; Metal guard rails at for egress stairs. Glass guard rail for penthouse stairs

(11) Interior doors and frames.

(i) Unit entrance and interior doors and frames;

Unit entrance doors are solid core stile and rail wood doors and frames are solid wood with 45min fire rating per NYC Building Code.
Interior bedroom doors are solid core stile and rail wood, solid core flush wood with wood frames.

(ii) Corridor doors and frames;

Corridor doors and frames are hollow metal, self-closing with 1 ½ hour fire rating per NYC Building Code.

(iii) Stair hall doors and frames;

Stair doors at public areas will be hollow metal and hollow metal frames, self-closing with 1 ½ hour fire rating per NYC Building Code.

Stair doors at residential unit areas will be solid core wood and solid wood frames, self-closing with 1 ½ hour fire rating per NYC Building Code.

(iv) Roof doors, basement doors and frames.

Roof and cellar doors and frames are hollow metal, self-closing with fire rating per NYC Building Code.

(12) Elevators. Describe:

(i) There is one passenger elevator in the project.

(ii) Elevator manufacture is Hollister Whitney

(iii) The elevator will be new. The elevator will be 2500lbs with a 6'-8" wide x 4'-3" deep cab interior. This car should accommodate approximately 13 people base on each person occupying 2.2 square feet.

(iv) PE1 will be filed as a Passenger elevator. It will be an Automatic, simplex system with solid state controls

(v) Floors served; C,1-10,Roof

(vi) Type; Geared traction.

(vii) Doors; 3'-6" wide, automatic, single speed, side sliding.

(viii) Location of machine rooms; Machine in the Cellar with a sheave room over the hoistway.

(ix) DC motor

(x) AC motor-generator set (manufacturer); Not applicable

(13) Elevator cabs:

(i) Elevator Cab manufacture will be Hollister Whitney

(ii) Floor (material); Stone.

(iii) Walls (material); Metal panels and mirror.

(iv) Ceiling (material); Metal panel.

(v) Lighting; Indirect linear fluorescent.

(vi) Alarm, safety system: The car will be equipped with emergency power, fireman's service, and emergency phone and a code compliant emergency lighting system.

(i) *Auxiliary facilities*:

(1) Laundry rooms. Describe:

(i) One Laundry Room will be located in the Sub Cellar accessible from the common corridor.

(ii) Two commercial washers, Speed Queen, Front load, Electric, Coin operated

(iii) Two commercial dryer, Speed Queen, STT30, Front load, Gas, Coin operated

(iv) Room ventilation (method and final exhaust);

(v) Dryer ventilation is provided via dryer exhaust fan and ducted connections to the exterior of the Building.

(2) Refuse disposal. Describe, including:

(i) There are no incinerators.

(ii) One Compactor located in the sub cellar

(iii) There are no refuse disposal approvals by authority having jurisdiction required.

(vii) Refuse disposal recycle rooms will be located on floors 2nd-10th within each unit. The trash chute will be incorporated into the kitchen millwork and have sprinklers installed as per the governing codes and regulations.

(v) Pick up will be public, by the New York City Department of Sanitation, as per their requirements and schedule, minimum twice per week. Condominium staff to bring trash to the curbside. Retail unit to provide private carting service.

(3) Storage rooms:

There are 9 residential storage rooms located in the sub cellar. The Storage Rooms will be licensed to individual Residential Unit Owners only. The storage rooms will be part of the Residential Common Elements and the costs and expenses to operate and maintain the facility will be included in the Residential Common Expenses.

(4) Exercise room:

The exercise room is located in the cellar. The exercise room will be unattended, for occupants only subject to such rules and regulations as Board may adopt and will be part of the Residential Common Elements and the costs and expenses to operate and maintain the facility will be included in the Residential Common Expenses.

(j) *Plumbing and drainage.*

1) Water Supply: A 3" Domestic Water service line enters the Building in the Cellar Level along East 82nd Street. A DEP Approved backflow preventer is installed on the service in accordance with DEP requirements. Type "L" copper piping shall be used within the Building. Type "K" copper piping shall be used on the service water line and all buried piping.

2) Fire Protection: A 6" Sprinkler Water service line enters the Building in the Cellar Level along East 82nd Street. A DEP Approved backflow preventer is installed on the service in accordance with DEP requirements.

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(i) Standpipe (material size location). There are two Standpipe Risers with the Building, one in each stair. Stair 1 contains a 6" Sprinkler/Standpipe Riser. Stair 2 contains a 4" Standpipe Riser. The Standpipe Piping shall be Schedule 40 Black Steel.

(ii) Hose Racks Hoses and nozzles: None provided; none required.

(iii) Sprinkler Heads: Residential Type Sprinklers heads are to be installed within the Apartment areas. A mix of concealed type, side wall and pendant type heads are installed throughout the Building.

(iv) Siamese connection A 6"x3"x3" Siamese Connection is located at Grade Level along East 82nd Street.

(v) A 750GPM. 50HP Automatic Fire Pump is located on the Cellar Level to provide adequate pressure to the Building's Sprinkler and Standpipe Systems.

(3) There are no Water Storage Tanks within the Building

(4) Water pressure: A duplex domestic water pump package is located in the Sub-Cellar Level. The pumps are each 5HP and deliver 60GPM to maintain 80 PSI water pressure throughout the piping network.

(3) Sanitary sewage system
Sanitary Sewage System: A 8" combined sanitary/ storm water drainage system serves the Building. The connection is made along East 82nd Street. A 6" sanitary line serves the building.

(i) Sewage piping (materials); Piping shall be no-hub standard weight cast iron or Schedule 40 galvanized steel. Service weight cast iron shall be utilized for the buried piping within the Building. Extra heavy cast iron shall be used for buried piping outside the Building.
(ii) Sewage pumps : A duplex sewer ejector pump package is located on the Sub-Cellar level and serves the plumbing fixtures on the Cellar and Sub-Cellar. Each pump is rated at 1.5HP and 50 GPM.
(iii) Sewage disposal (public/private; treatment; drainfield; sewer). Sewer disposal Via New York City Water

(6) Permit(s) required. List and include date(s) obtained.

(7) Storm drainage system

(i) Catch basins (location); None

(ii) Yard and roof drains (location); Control flow type roof drains and associated overflow drains are provided on the main roof.

(iii) Piping (materials); Piping shall be no-hub standard weight cast iron or schedule 40 galvanized steel. Service weight cast iron shall be utilized for the buried piping within the Building

(iv) Eject or sump pumps (describe in detail and describe conditions requiring pumps). A sump pump is provided for the Elevator pit as required by Code

(k) *Heating*. Describe (including space heating and domestic hot water heating):

Space heating within each Apartment is provided via individual, ceiling mounted, Heat Pump Units and associated ductwork distribution. The heat-pump units provide both heating and cooling. Each unit is controlled by a local programmable thermostat. The systems are sized in accordance with Building Code to maintain inside space temperatures at 70 F with outdoor temperatures of 0 F with 15mph wind.

Additional heating is provided in each living room and full bathroom via an electric radiant floor warming mat

Space heating for the common Lobby and areas is provided by a mix of heat-pump units as described above and electric fin-tube radiators and electric cabinet unit heaters.

Domestic Hot Water is provided by a gas-fired hot water heater. The Heater has a 130 gallon storage and 720 gallon per hour recovery, with an input of 500,000 BTU/Hr.

(l) *Gas supply*

A natural gas service is provided by the utility company, Con Edison.

1) Type; Natural
2) Meters; one meter for the Building
3) Piping. Schedule 40 black steel

(m) Air conditioning.

Air-Conditioning within each Apartment is provided via individual, ceiling mounted, Heat Pump Units and associated ductwork. The heat pump units provide both heating and cooling. Each unit is controlled by a local programmable thermostat. The systems are sized in accordance with Building Code to maintain inside space temperatures at 76 F with outdoor temperatures of 80 F.
Each apartment system has a capacity of 8-tons of cooling. The units are manufactured by Daiken, Model Series RXYQ96PBTJ and have efficiency rating

(n) Ventilation

Each Residential Apartment Kitchen is provided with a local Kitchen Exhaust Fan (provided within Hood, by Hood manufacturer) that discharges into a dedicated 8"round exhaust duct that rises up to and above the roof.

Each Residential Apartment Clothes Dryer is vented up to and above the roof via a dedicated 4" round duct and local dryer exhaust fan.

The Building's Toilet Exhaust system is comprised of a main Toilet Exhaust duct up through the Building that terminates above the roof with an Exhaust Fan. Each Residential Toilet Room is provide with a local Toilet Exhaust Fan that discharges into the main Toilet Exhaust duct riser. Each Apartment Room Toilet Exhaust fan is locally controlled.

The Building's Refuse Room is ventilated via a Refuse Exhaust Fan and associated ductwork to the Building's exterior.

The Cellar Level Mechanical Room is ventilated via a ducted connection to the outside as required by Code.

(o) Electrical system

The electric service enters the Building along East 82nd Street at the Cellar Level and drops down into the Building's Electrical Service Room located in the Sub-Cellar. The Main switchgear and utility meters are housed within this room.

(l) Service from main service switchgear (amperes, voltage, phases, wire, protective equipment; the electric service is rated for 120/208 volts, 3-phase, 4-wire. A main service switch rated for 800amperes serves the residential apartments. A second service switch rated for 400 amperes serves the Building's common core loads. A third service switch rated for 800amperes serves the Building's Fire Pump. A fourth service switch rated for 800amperes serves the Building's commercial tenant.

(2) Service to individual units (risers, etc.); Each apartment is provided with metered service rated for 125amperes, 120/208volts, 3-phase, 4-wire. Each Apartment is provided with a 42 pole panel board. The system is adequate to handle modern usage and appliances such as air conditioners, dishwasher, washer, dryer, etc.

(q) *Public area lighting*

All lighting in public areas shall meet the 2008 NYC Building Code and NYC Energy Conservation Code requirements.

Emergency lights will be distributed as per code. Stairwells will be provided with wall mounted emergency lights.
Public Area Lighting Fixtures are as follows.

Laundry Room: Surface mounted fluorescent
Exercise Rom: Linear indirect fluorescent and LED
Bathroom: Linear indirect fluorescent
Cellar Corridor: Linear indirect fluorescent
Sub Cellar Corridor: Recessed LED
Lobby: Linear indirect LED, Fluorescent Pendant
Elevator Cab: Indirect fluorescent linear.

(i) Lighting in mechanical spaces and storage rooms will be ceiling mounted fluorescent fixtures.

20.7(t)

(u) *Permits and certificates.*

See (B)(3)&(4) for certificate of occupancy and permits. Sprinkler alarm to be filed with Fire Department. The sprinkler system must be inspected yearly by a licensed plumber selected by the Condominium. The elevator, which is filed under a separate application with the Department of

Buildings, is required to have an annual maintenance inspection by the elevator maintenance company selected by the Condominium. All of these inspection reports must be filed with Department of Buildings and all necessary defects corrected.

(v) Violations.

As of the date of the report there are no violations. The work necessary to remove any violations due to individual Sponsor's work that may be issued during construction will be performed prior to the issuance of the permanent certificate of occupancy.

(1) Unit interior finish.

Living room, Kitchen, Bedroom: Flooring is engineered wood strips, walls and ceiling are finished with paint.
Master Bathroom: Flooring is stone slab, walls are finished with stone slab, tile and wood panels, and the ceiling is finished with paint.

Second Bathroom: Flooring is ceramic tile. Walls are finished with ceramic tile and paint. Ceiling is finished with paint.

Half Bathroom: Flooring is stone slab. Walls are finished with stone slab and paint. Ceiling is finished with paint.

Corridor: Flooring is stone tile. Walls are finished with wood panels and paint. Ceiling is finished with paint.

(2) Unit Bathroom Fixtures.

Fixtures: Subject to as built conditions as well as Sponsor's right to make substitutions as set forth in the offering plan, the Residential Units will be equipped with the following fixtures and appliances:

Master Bathroom
Toilet: Toto, Maris, Wall mount
Lavatory: Kohler, Kathrlyn, Undermount
Faucet: Dornbracht, Symetrics. Deck mount single lever
Tub: Duravit, Undermount Acrylic,
Tub filler + Hand Shower: Dronbracht, Deque, Thermostat + (2) volume controls
Shower and Handshower: Dronbracht, Men, Thermostat + (2) volume controls

Secondary Bathroom
Toilet: Toto, Maris, Wall mount
Lavatory: Blu Box, Undermount
Faucet: Dornbracht, Lulu, Deck mount single lever

Tub: Duravit, Undermount Acrylic,
Tub filler + Hand Shower: Dronbracht, Men, Thermostat + Diverter

Half Bathroom
Toilet: Laufen, Savoy, Floor mount
Lavatory: Kohler, Kathrlyn, Undermount
Faucet: Dornbracht, Deque, Deck mount single lever

(3) Kitchen and laundry equipment.

Fixtures and Appliances: Subject to as built conditions as well as Sponsor's right to make substitutions as set forth in the offering plan, the Residential Units will be equipped with the following fixtures and appliances:

Refrigerator and Freezer: Miele K1801Vi + F1411Vi
Dishwasher: Miele G5975 SCVi
Cooktop: Miele KM391G
Oven: Miele H4886BP
Hood: Best PK2239
Microwave oven: Dacor MMD24B
Wine Cooler: Gaggenau RW404-760
Washer: Whirlpool WFW96HEAW
Dryer: Whirlpool WGD96HEAW

20.7(w)

(ii) If any equipment or fixtures described are not included in the offering price, or the offering price is conditioned on the equipment and fixtures selected, such fact must be conspicuously noted in the body of the plan.

FINISH SCHEDULE

FLOOR	DESCRIPTION	FLOOR	BASE	WALLS	CEILING
	EGRESS STAIR	CONCRETE	N/A	PAINT	PAINT
SUB CELLAR	ELEVATOR MACHINE ROOM	CONCRETE	N/A	PAINT	PAINT
	LAUNDRY	CONCRETE	N/A	PAINT	PAINT
	STORAGE	CONCRETE	N/A	PAINT	PAINT

	CORRIDOR	CONCRETE	N/A	PAINT	PAINT
CELLAR	STORAGE	CONCRETE	N/A	PAINT	PAINT
	PUMP ROOM	CONCRETE	N/A	PAINT	PAINT
	GAS METER ROOM	CONCRETE	N/A	PAINT	PAINT
	ELECTRICAL ROOM	CONCRETE	N/A	PAINT	PAINT
	BUILDING STORAGE/COM.FRIDGE	CERAMIC TILE	PAINT	PAINT	PAINT
	RESTROOM	CERAMIC TILE	PAINT	PAINT	PAINT
	EXERCISE ROOM	SHEET VINYL	PAINT	PAINT WOOD PANEL. MIRROR	PAINT
	RESIDENTIAL STORAGE	CONCRETE	N/A	PAINT	PAINT
	CORRIDOR	CERAMIC TILE	PAINT	PAINT / WALLCOVERIN G	PAINT
1ST FLOOR	LOBBY	STONE	METAL	GLASS WOOD	PAINT
	RESTAURANT BATHROOMS	CERAMIC TILE	CERAMIC TILE	CERAMIC TILE	PAINT
	RETAIL	CONCRETE	N/A	N/A	N/A
ROOF	VESTIBULE	STONE	PAINT	PAINT	PAINT
	MECHANICAL	CONCRETE PAVER	PAINT	PAINT	N/A
	RIVATE TERRACE	CONCRETE PAVER	N/A	STONE	N/A
	PUBLIC TERRACE	CONCRETE PAVER	N/A	STONE	N/A

(y) Hardwired Smoke detectors and carbon monoxide detectors are provided inside all sleeping areas and within 15 feet outside all sleeping areas in the apartment units.

Smoke Detectors: Edwards EST, SIGA-PS
Carbon Monoxide Detectors: Kidde, Model KN-COPE-1

Fire alarm speakers are provided at the entrance of all apartment units. Common areas are provided with manual/automatic initiation devices and notification devices as required by the New York City Building Code.

(z) *Additional information required*

(1) See attached floor plans for each type of unit indicating room dimensions, total areas, unit boundaries and the relationship of units to each other.

(2) Floor to ceiling heights of units.

LIVING / KITCHEN / BEDROOMS: 8'-11"
BATHROOMS / CORRIDOR: 8'-0"

(aa) In the event that certain conditions in the building(s) cannot be adequately evaluated by a visual examination, the Office of the Attorney General may, in its discretion, direct that an independent engineer or testing laboratory be retained to perform such tests or monitoring as may be necessary in order to make adequate disclosure. Conditions which may require additional testing or monitoring include, but are not limited to: settlement, masonry cracks, rusting of structural steel, adequacy of concrete cover, firestopping, etc. Test results must be reported in the offering plan or in an amendment thereto.
20.7(aa)

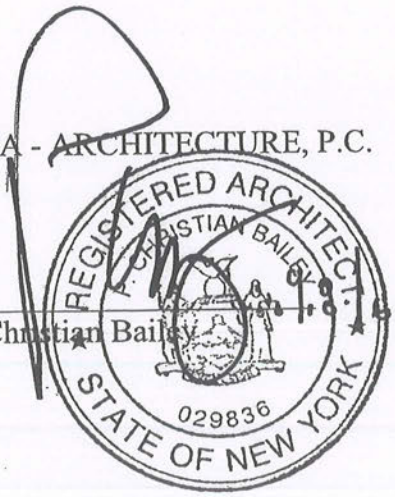
(bb) There is no further development.

(cc) There is no asbestos. This is new construction.

(dd) There is no Lead based paint. This is new construction.

ODA - ARCHITECTURE, P.C.

P Christian Bailey

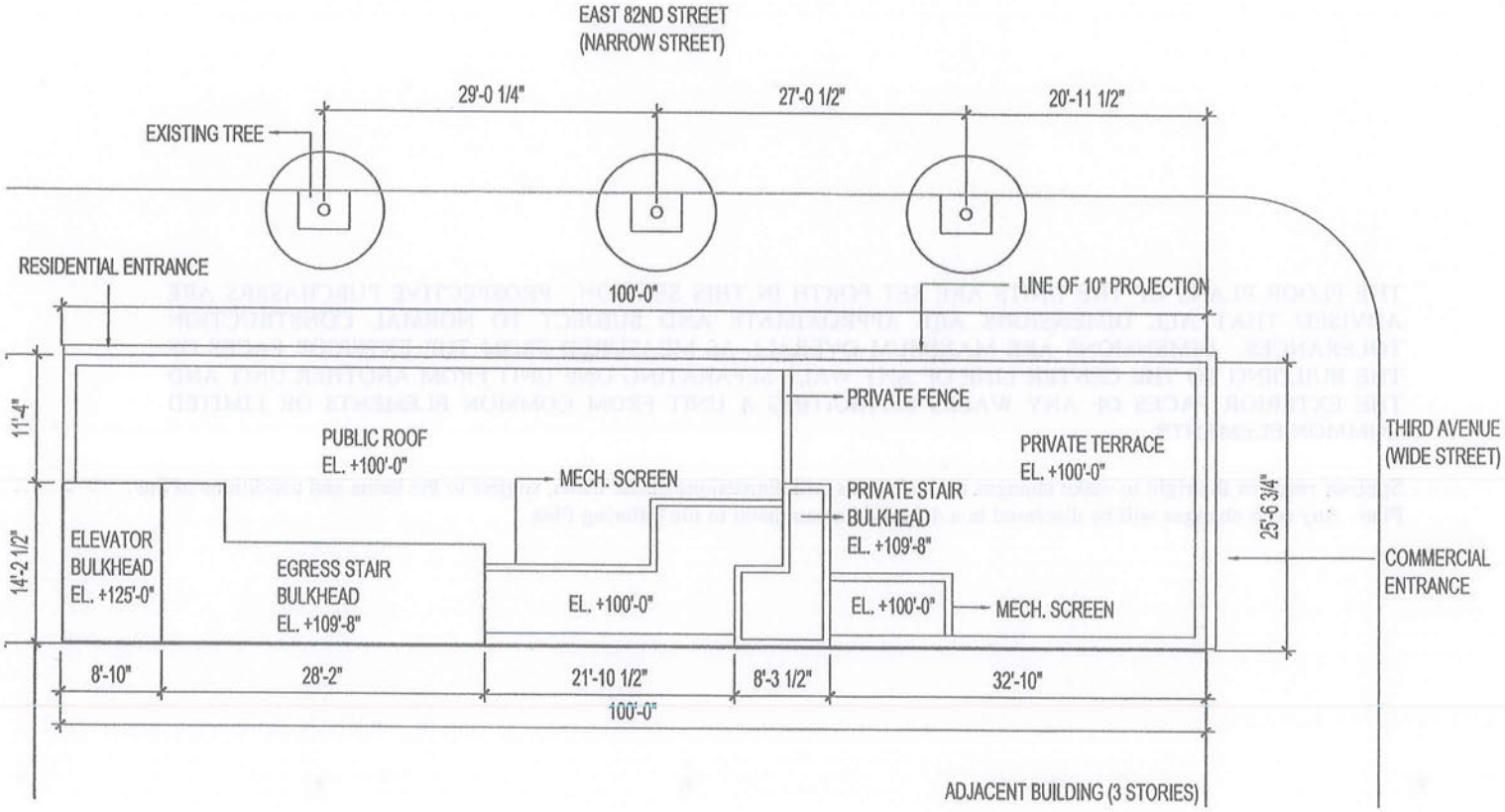


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FLOOR PLANS OF CONDOMINIUM UNITS

THE FLOOR PLANS OF THE UNITS ARE SET FORTH IN THIS SECTION. PROSPECTIVE PURCHASERS ARE ADVISED THAT ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL AS MEASURED FROM THE EXTERIOR FACES OF THE BUILDING TO THE CENTER LINE OF ANY WALL SEPARATING ONE UNIT FROM ANOTHER UNIT AND THE EXTERIOR FACES OF ANY WALLS SEPARATING A UNIT FROM COMMON ELEMENTS OR LIMITED COMMON ELEMENTS.

Sponsor reserves the right to make changes in the layouts and dimensions of the Units, subject to the terms and conditions of the Plan. Any such changes will be disclosed in a duly filed amendment to the Offering Plan.

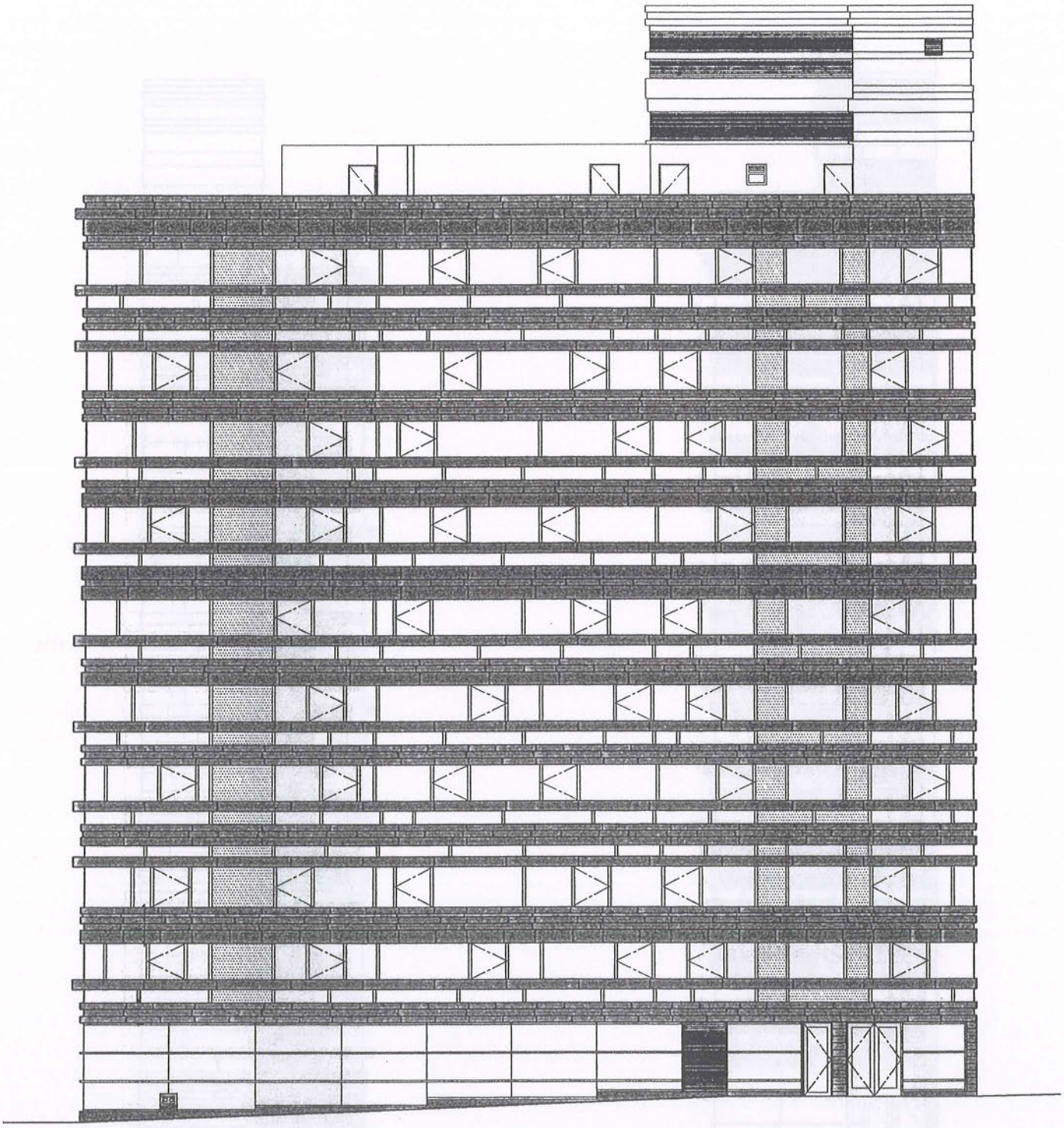


SITE PLAN

0 4 8 16 FEET 32

NEW YORK

Note: All dimensions are approximate and subject to normal construction variances and tolerances. Square footage is approximate and exceeds the usable floor area as it includes columns, mechanical pipes, shafts, shaftways, chaseways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

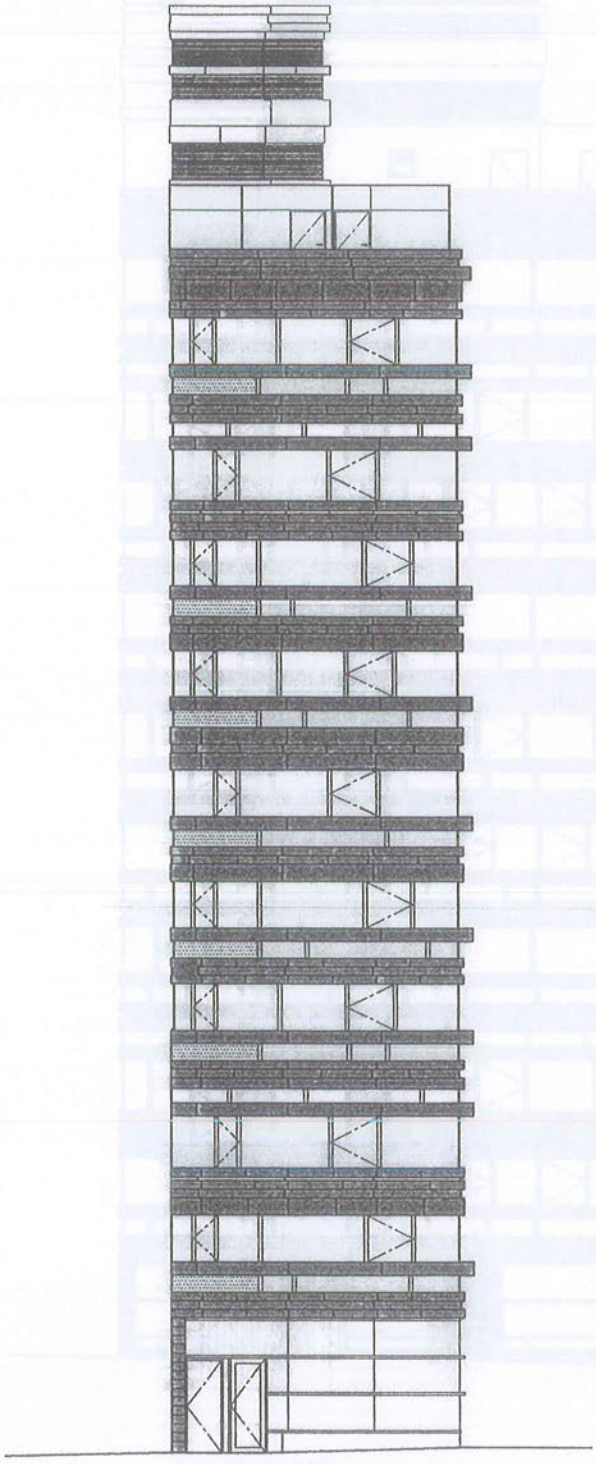


NORTH ELEVATION

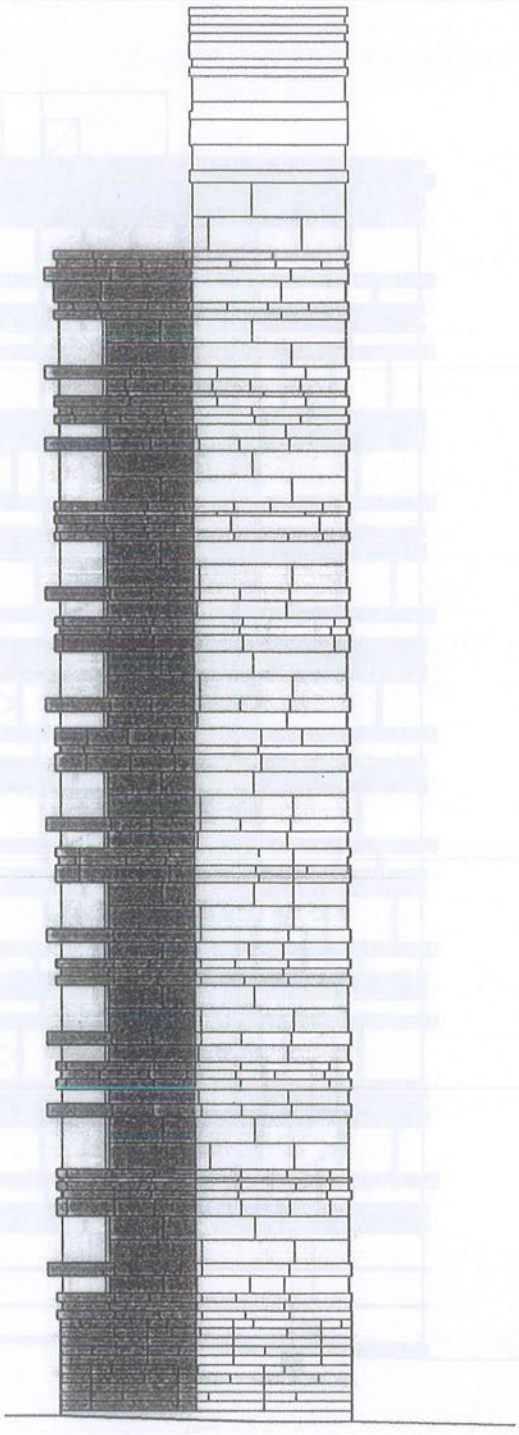
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ODA NEW YORK

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EAST ELEVATION

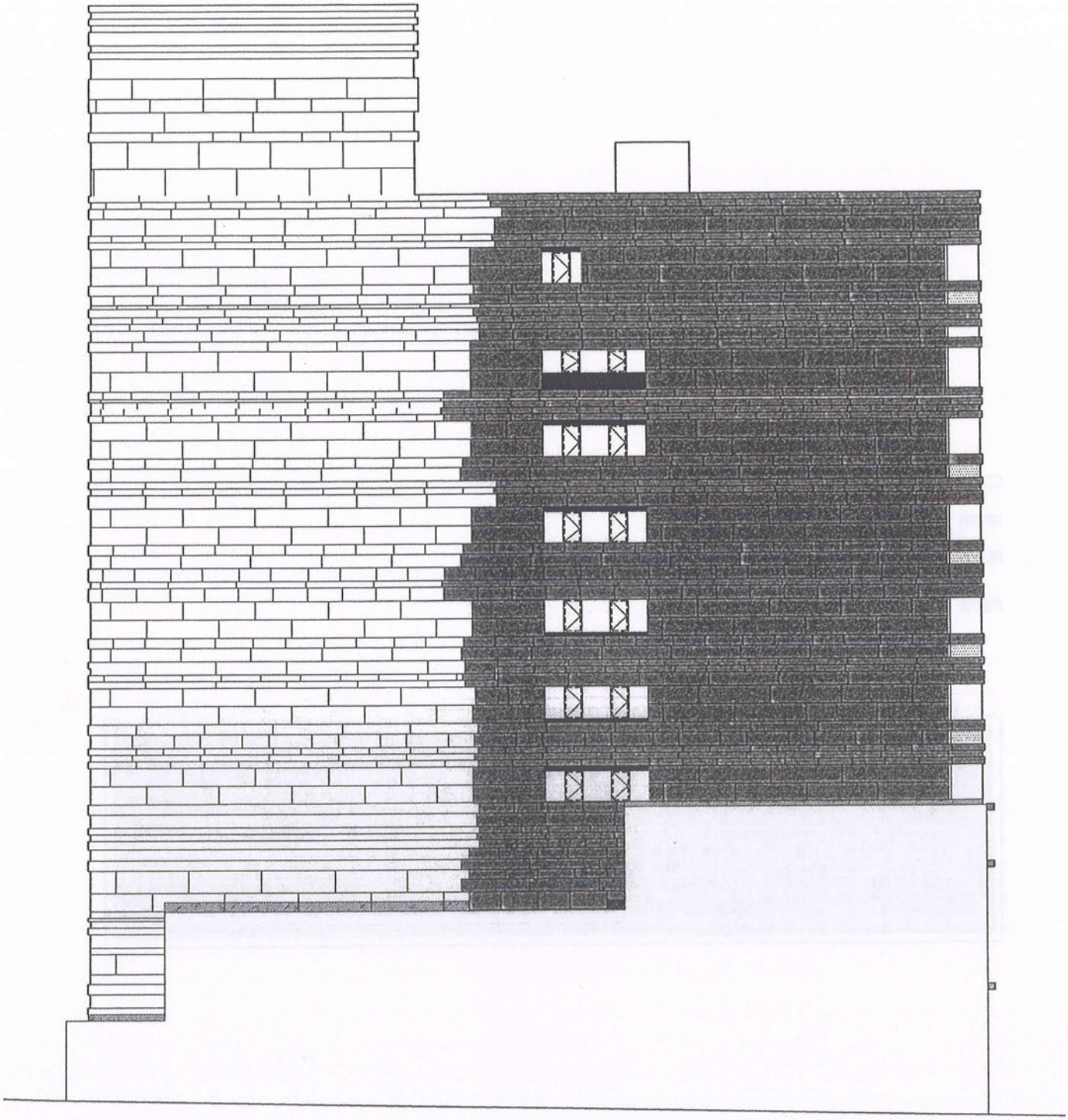


WEST ELEVATION

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NEW YORK

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SOUTH ELEVATION

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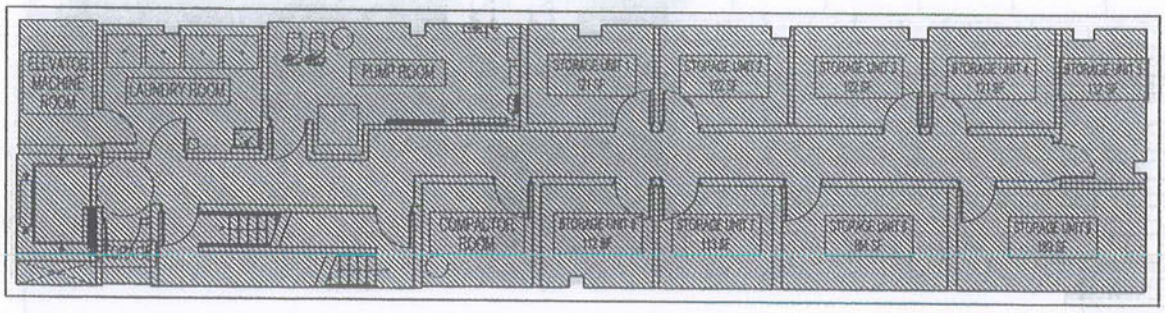
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SUBCELLAR

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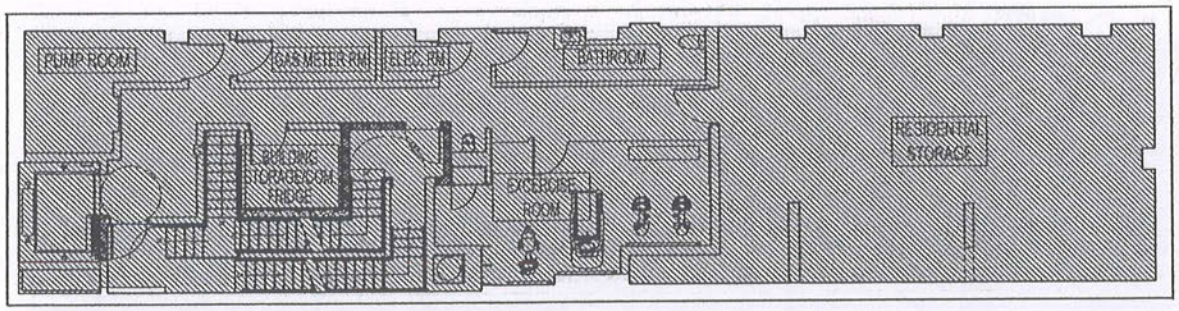
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CELLAR

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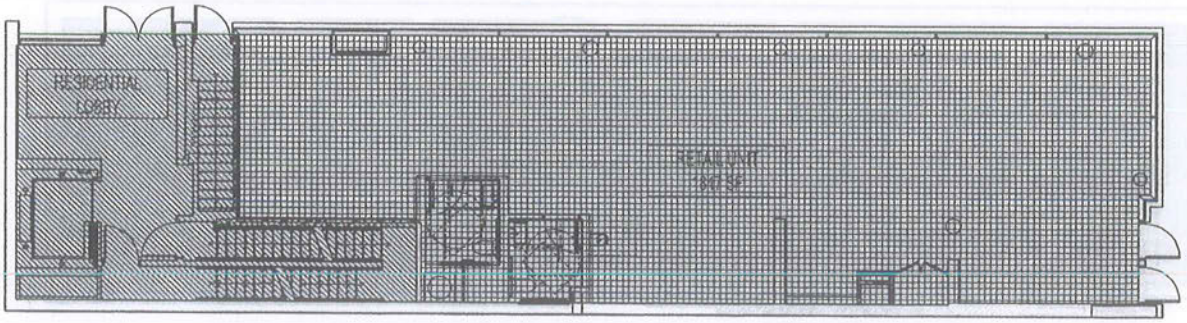
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1ST FLOOR

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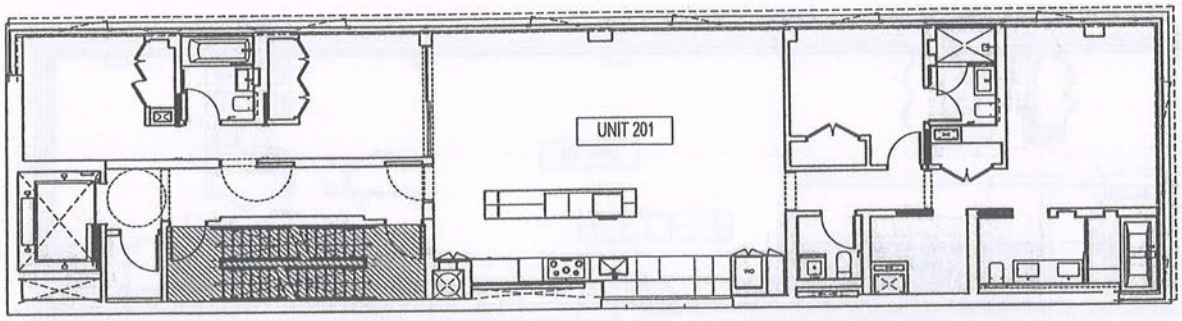
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2ND FLOOR

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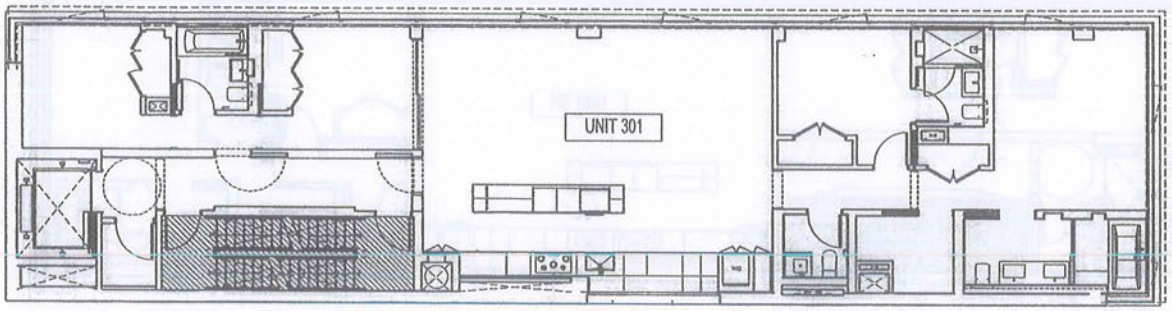
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3RD FLOOR

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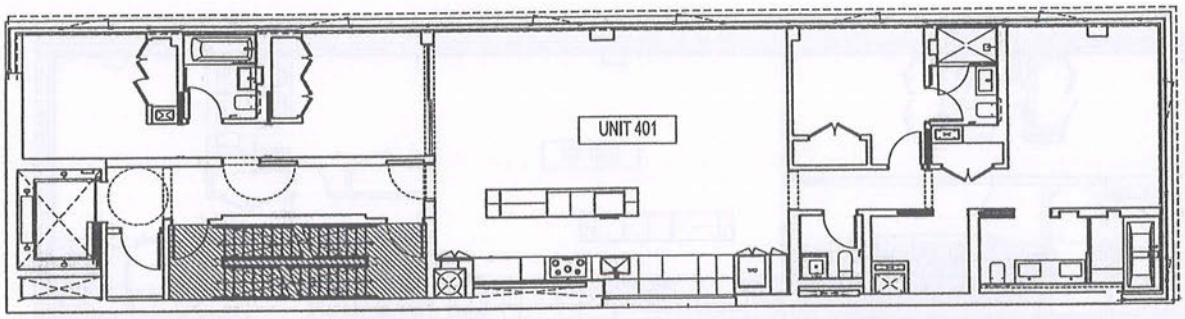
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4TH FLOOR

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ODA NEW YORK

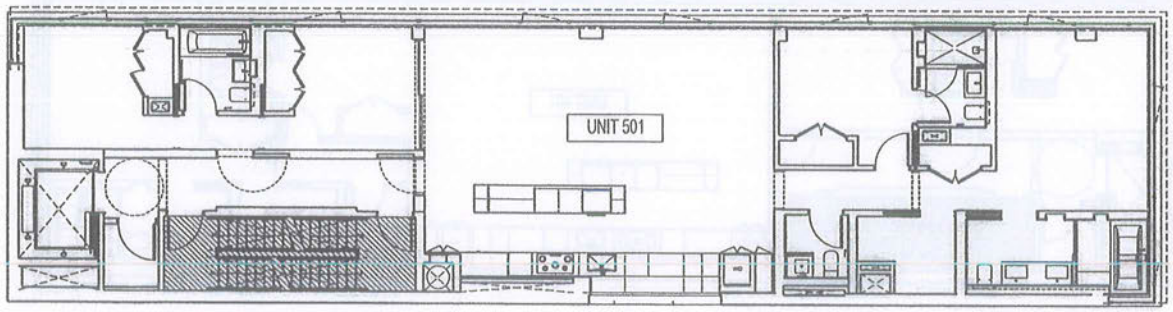
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5TH FLOOR

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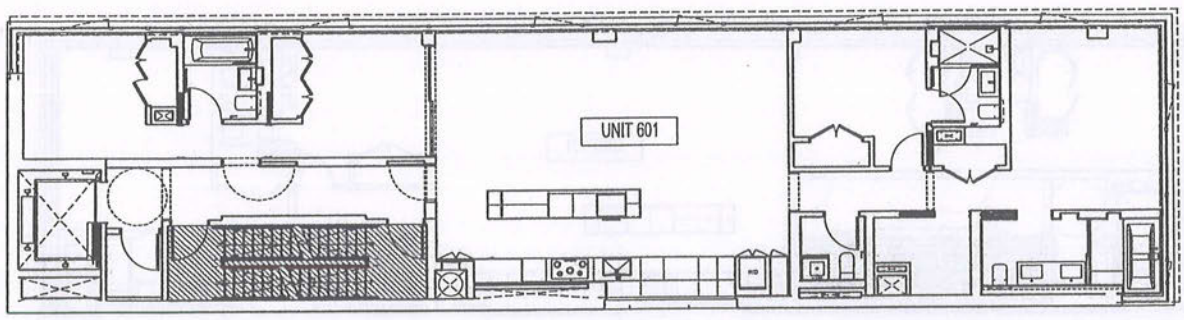
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6TH FLOOR

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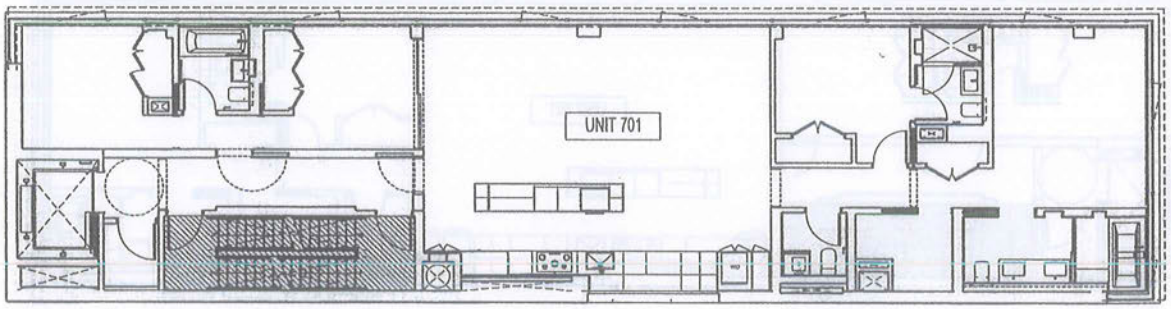
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7TH FLOOR

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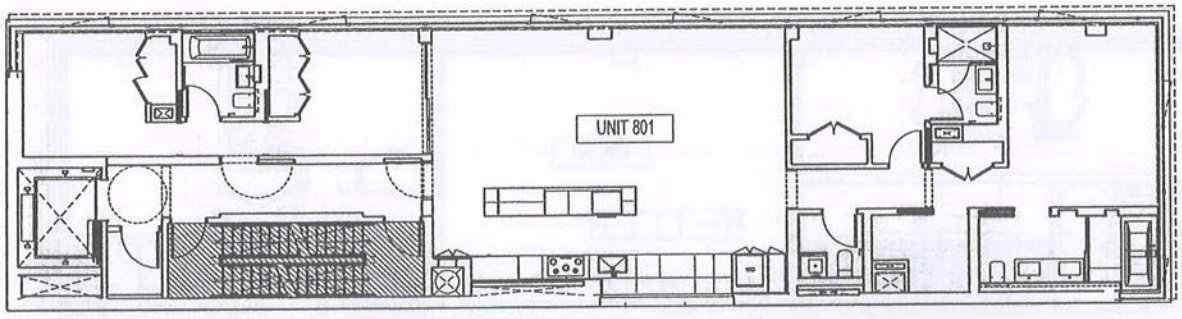
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8TH FLOOR

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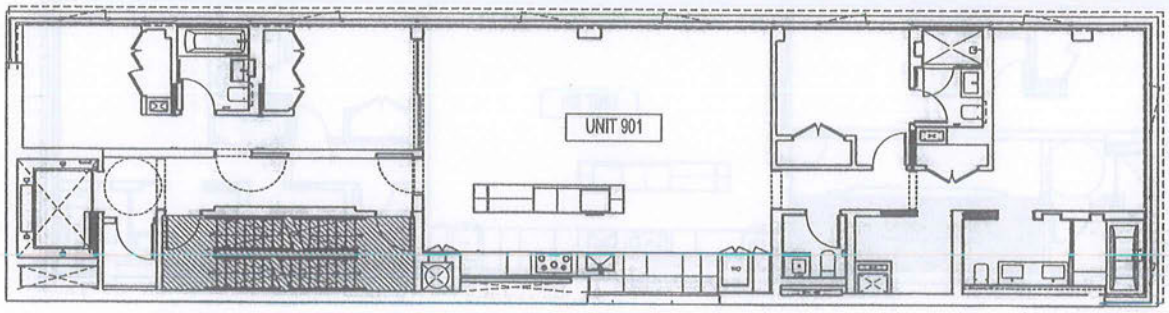
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9TH FLOOR

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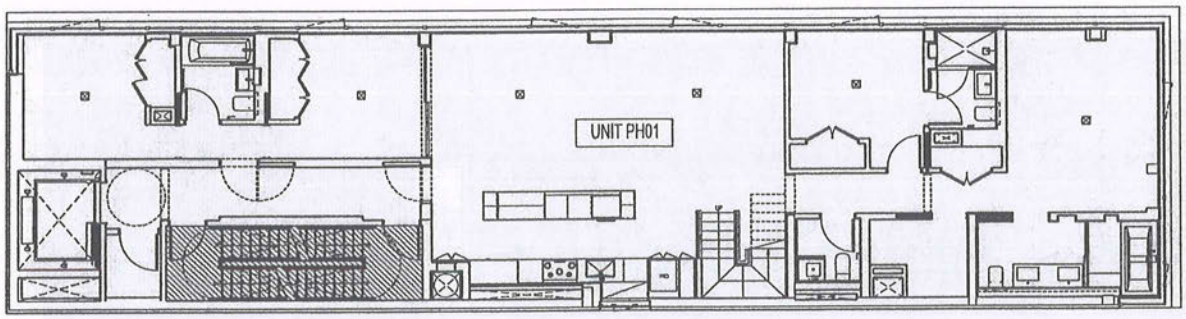
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10TH FLOOR

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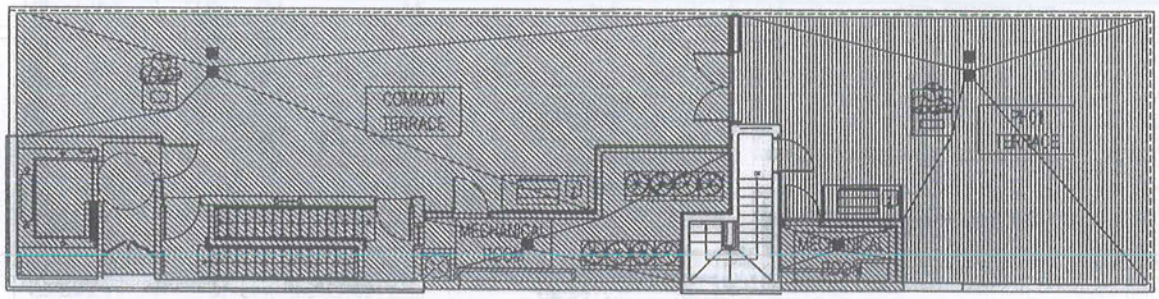
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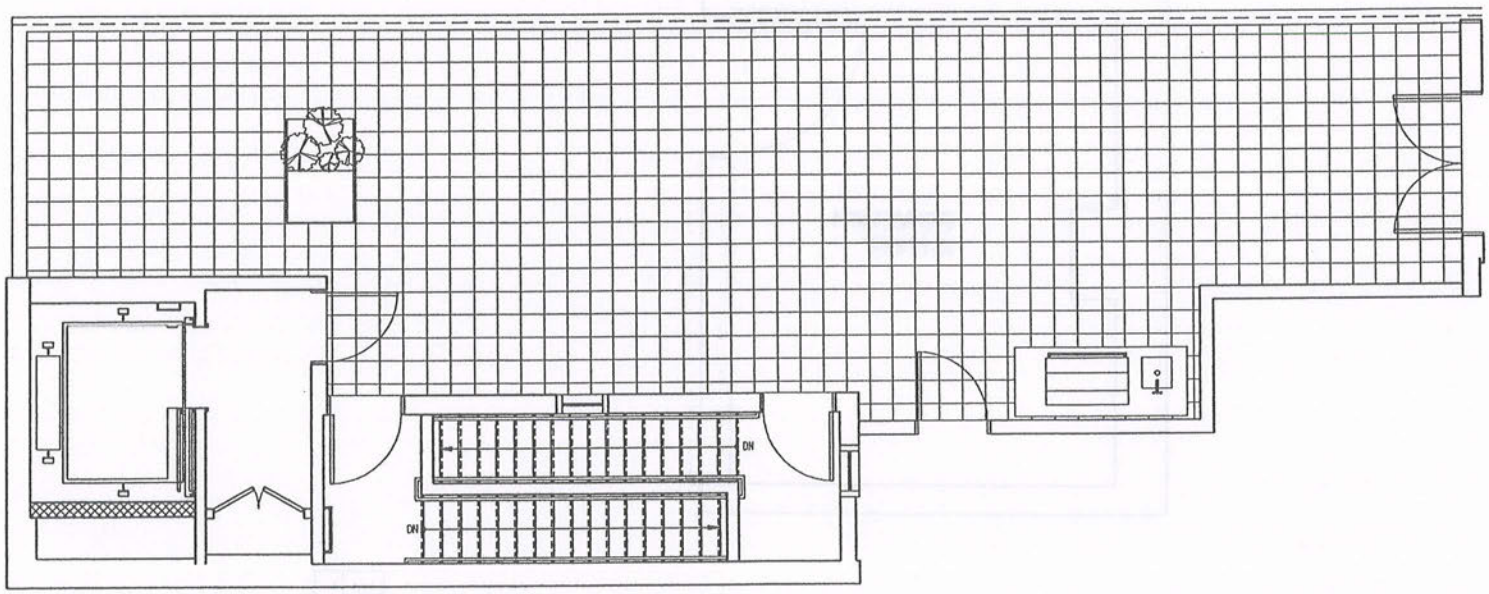


11TH FLOOR

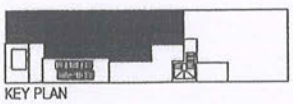
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NEW YORK

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COMMON ROOF TERRACE
Outdoor Area = 883 Sq. Ft.

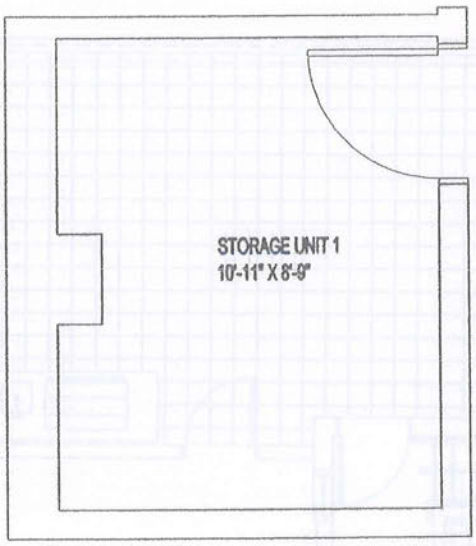

KEY PLAN

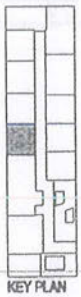
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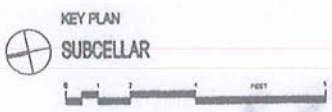
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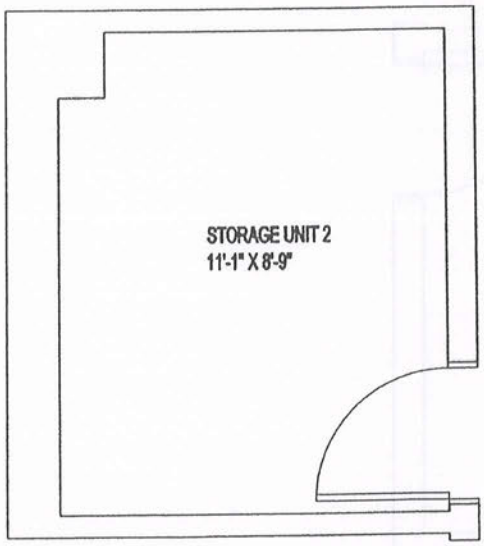


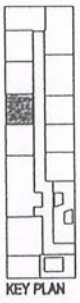
STORAGE UNIT 1
SUBCELLAR
Indoor Area = 93 Sq. Ft.



NEW YORK

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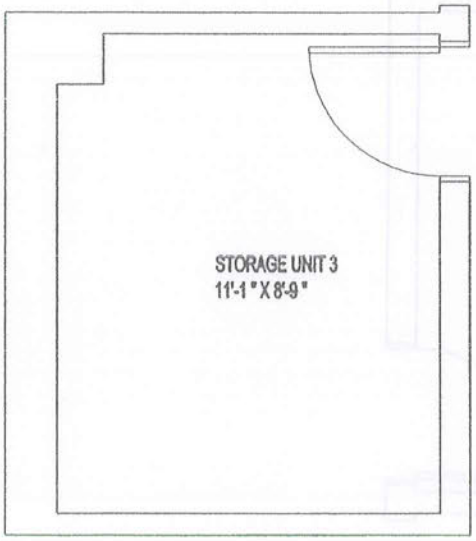


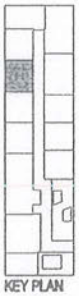
STORAGE UNIT 2
SUBCELLAR
Indoor Area = 95 Sq. Ft.

KEY PLAN
SUBCELLAR

NEW YORK

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KEY PLAN

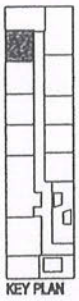
STORAGE UNIT 3
SUBCELLAR
Indoor Area = 95 Sq. Ft.

KEY PLAN
SUBCELLAR

NEW YORK

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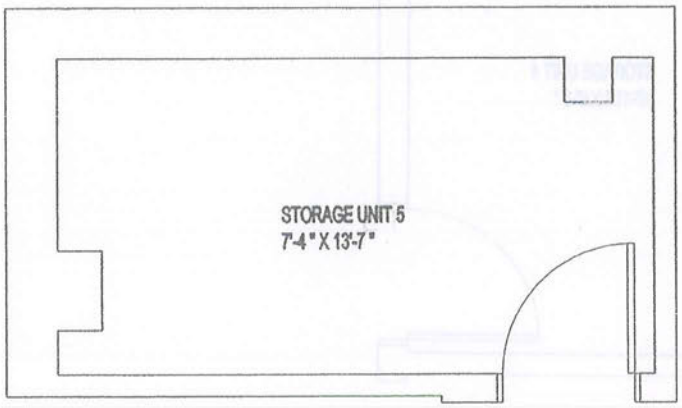


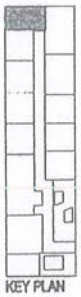
STORAGE UNIT 4
SUBCELLAR
Indoor Area = 95 Sq. Ft.

KEY PLAN
SUBCELLAR

NEW YORK

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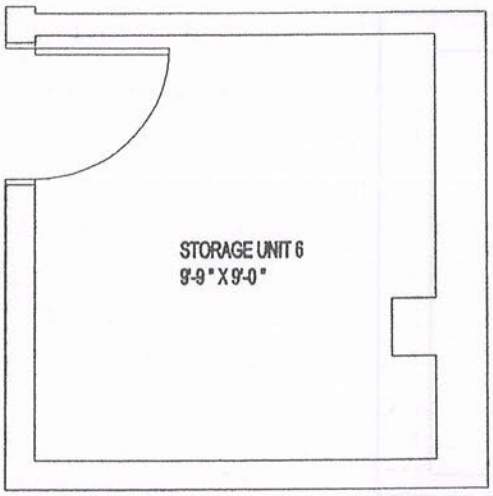


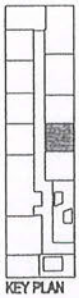
STORAGE UNIT 5
SUBCELLAR
Indoor Area = 96 Sq. Ft.



NEW YORK

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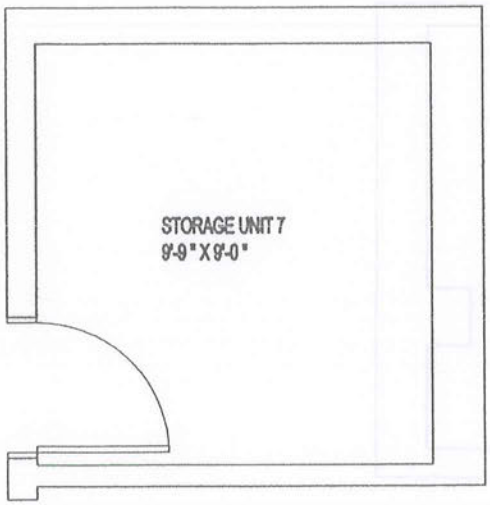


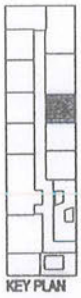
STORAGE UNIT 6
SUBCELLAR
Indoor Area = 86 Sq. Ft.

KEY PLAN
SUBCELLAR

ODA
NEW YORK

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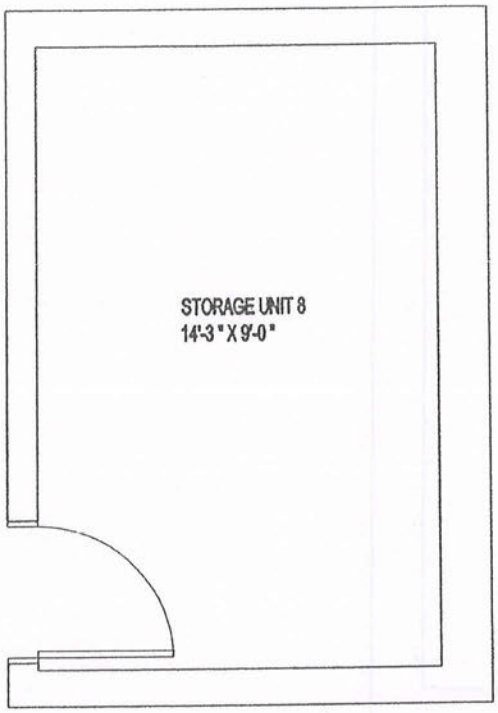


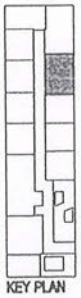
STORAGE UNIT 7
SUBCELLAR
Indoor Area = 88 Sq. Ft.

KEY PLAN
SUBCELLAR

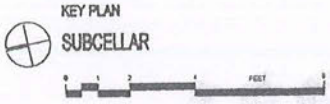
NEW YORK

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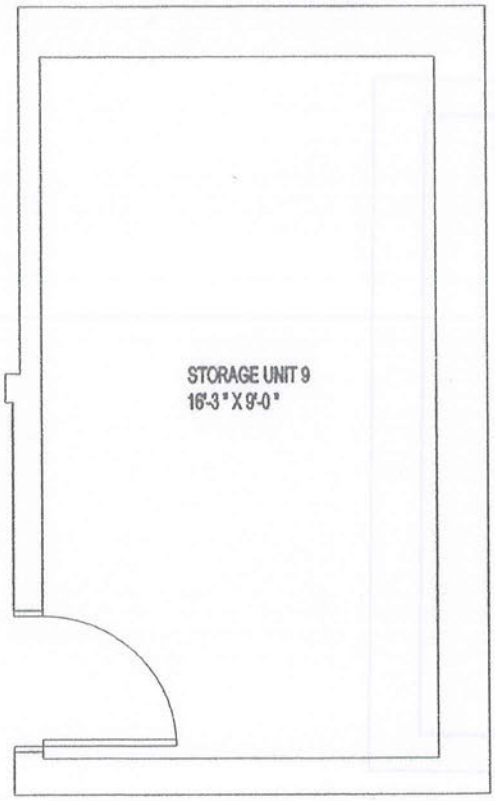


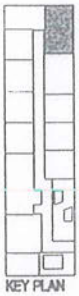
STORAGE UNIT 8
SUBCELLAR
Indoor Area = 128 Sq. Ft.



NEW YORK

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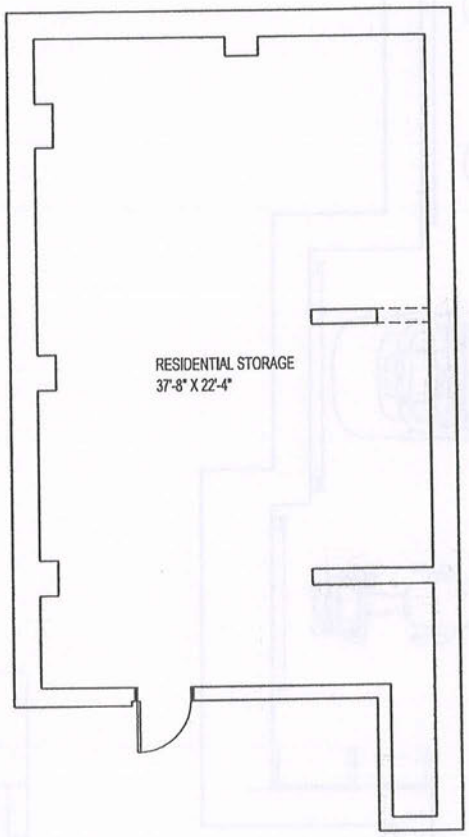


STORAGE UNIT 9
SUBCELLAR
Indoor Area = 146 Sq. Ft.

KEY PLAN
SUBCELLAR

NEW YORK

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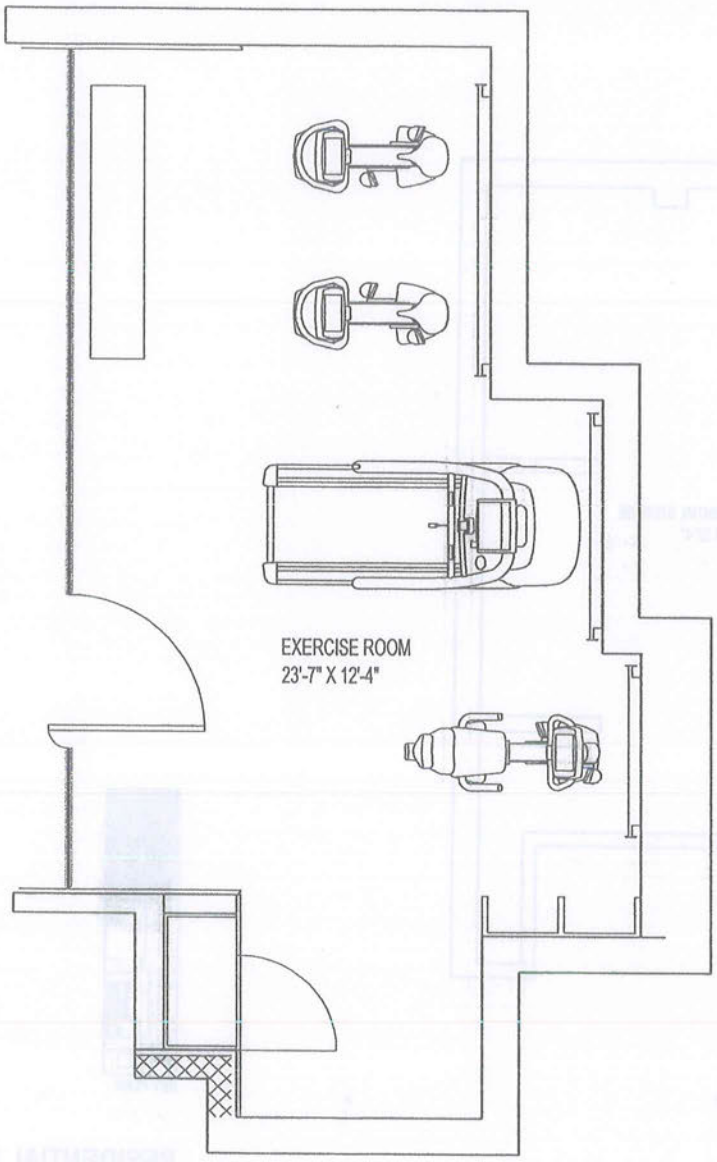


RESIDENTIAL STORAGE
CELLAR
Indoor Area = 1,046 Sq. Ft.

CELLAR

NEW YORK

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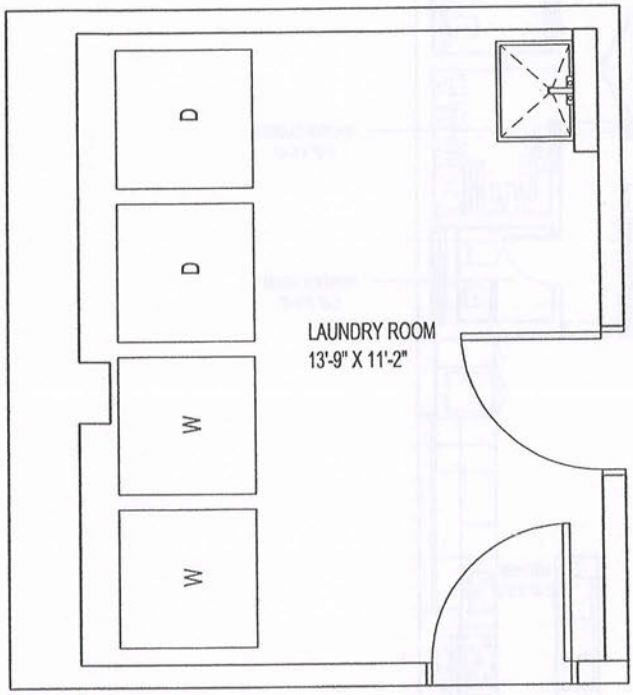


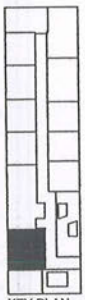
EXERCISE ROOM
CELLAR
Indoor Area = 267 Sq. Ft.

CELLAR

NEW YORK

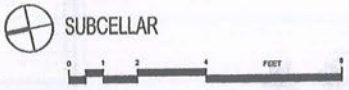
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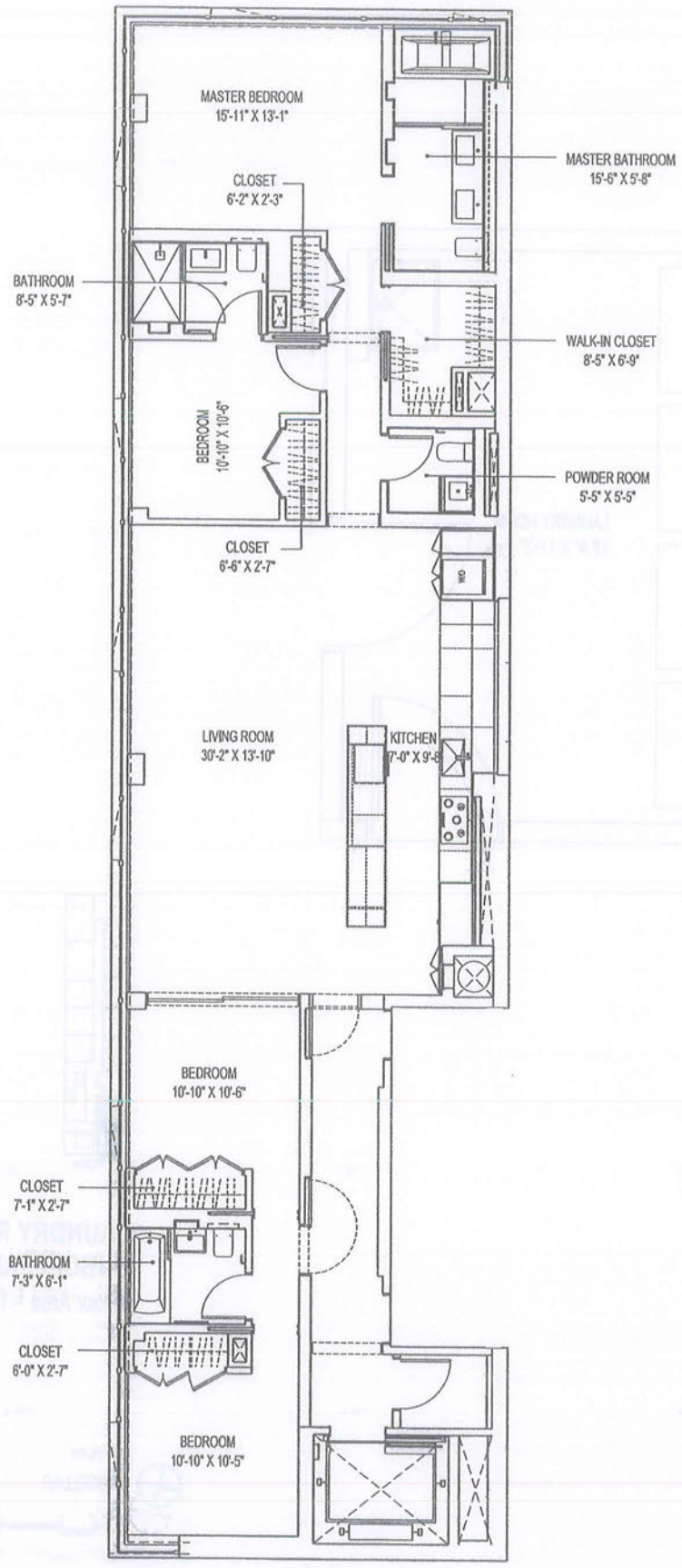
LAUNDRY ROOM
SUBCELLAR
Indoor Area = 188 Sq. Ft.

KEY PLAN
SUBCELLAR



NEW YORK

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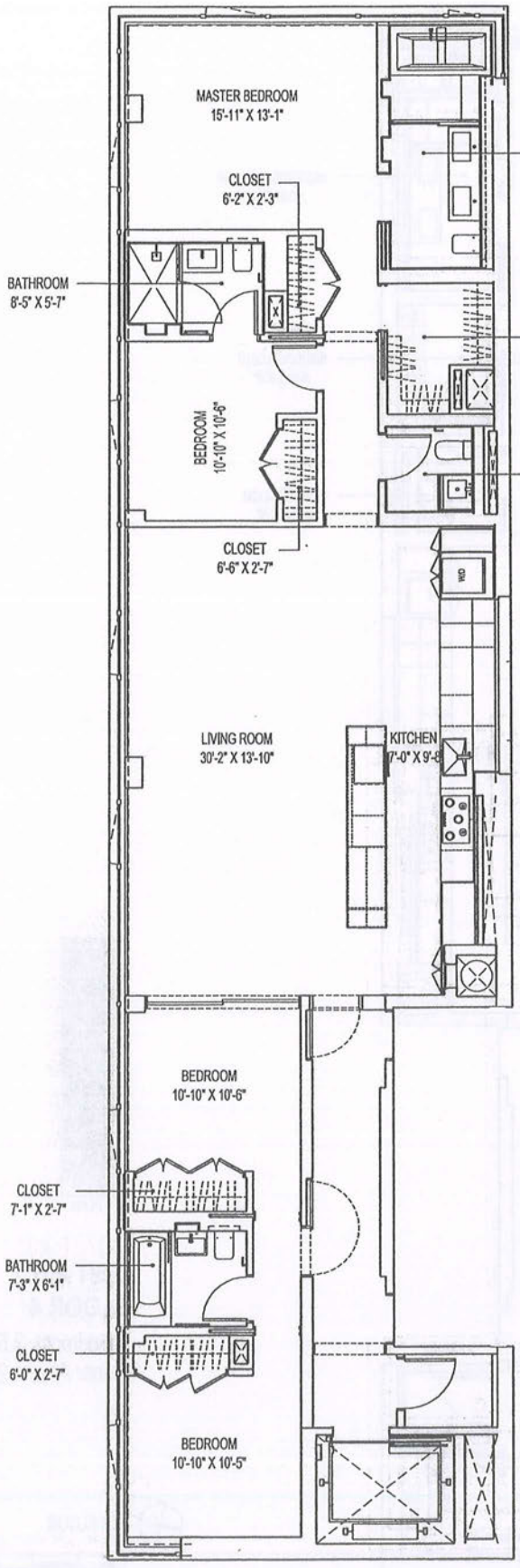


UNIT 201
FLOOR 2
4 Bedroom, 3.5 Bath
Indoor Area = 2,371 Sq. Ft.

2ND FLOOR

NEW YORK

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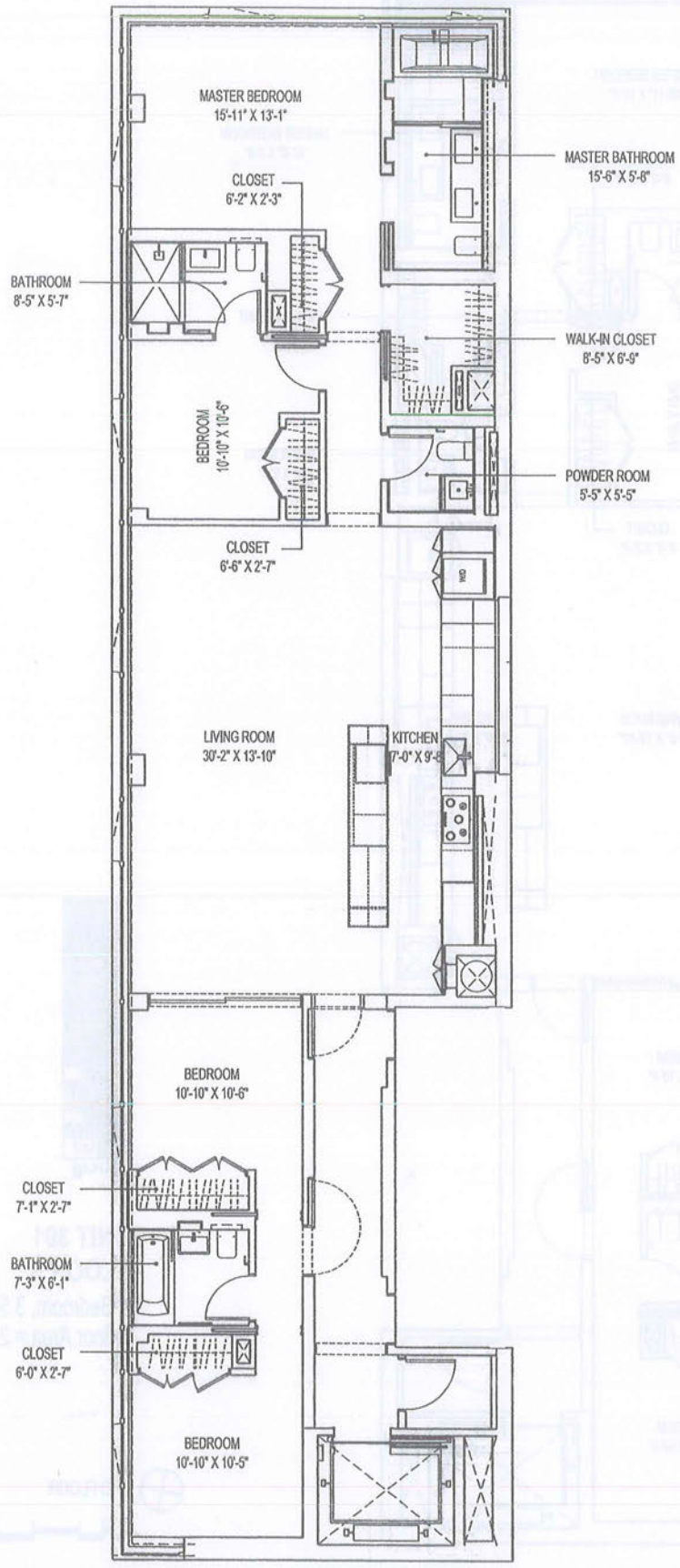


UNIT 301
FLOOR 3
4 Bedroom, 3.5 Bath
Indoor Area = 2,371 Sq. Ft.

3RD FLOOR

NEW YORK

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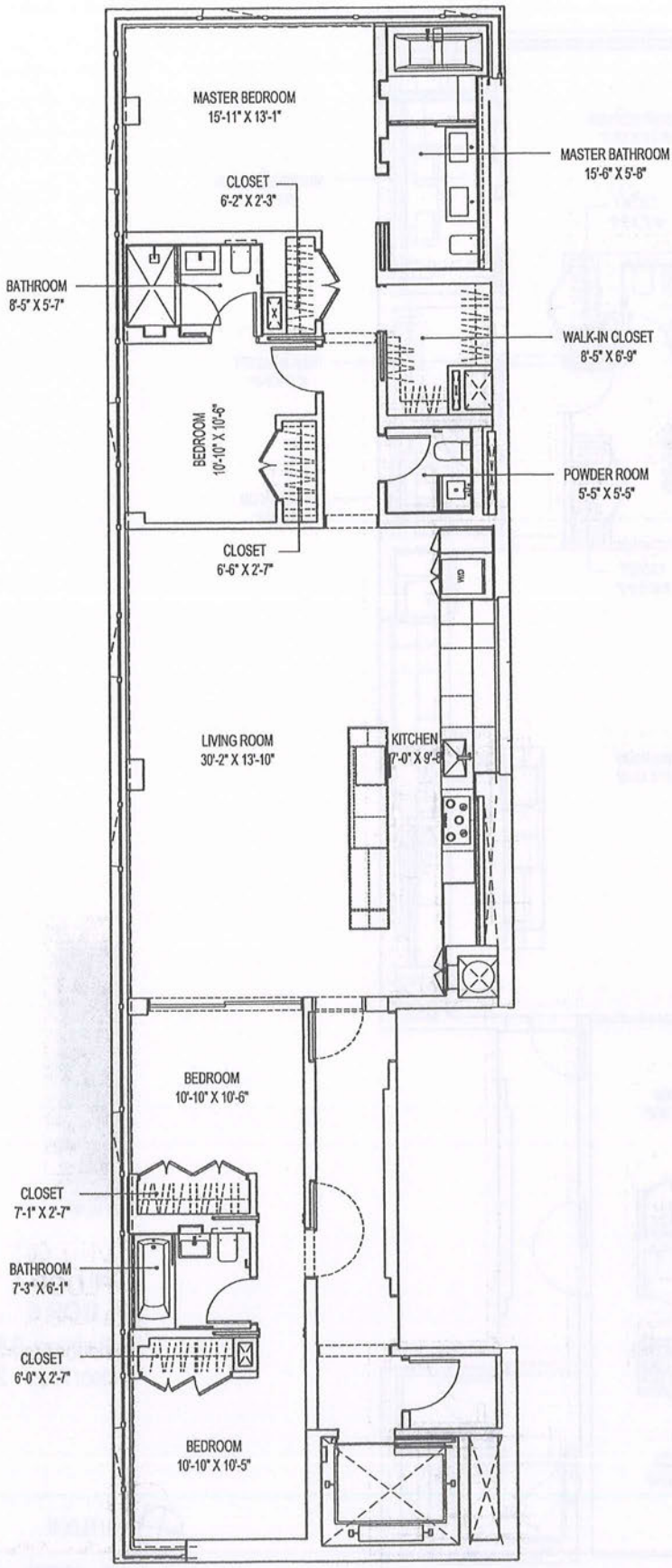


UNIT 401
FLOOR 4
4 Bedroom, 3.5 Bath
Indoor Area = 2,371 Sq. Ft.

4TH FLOOR

NEW YORK

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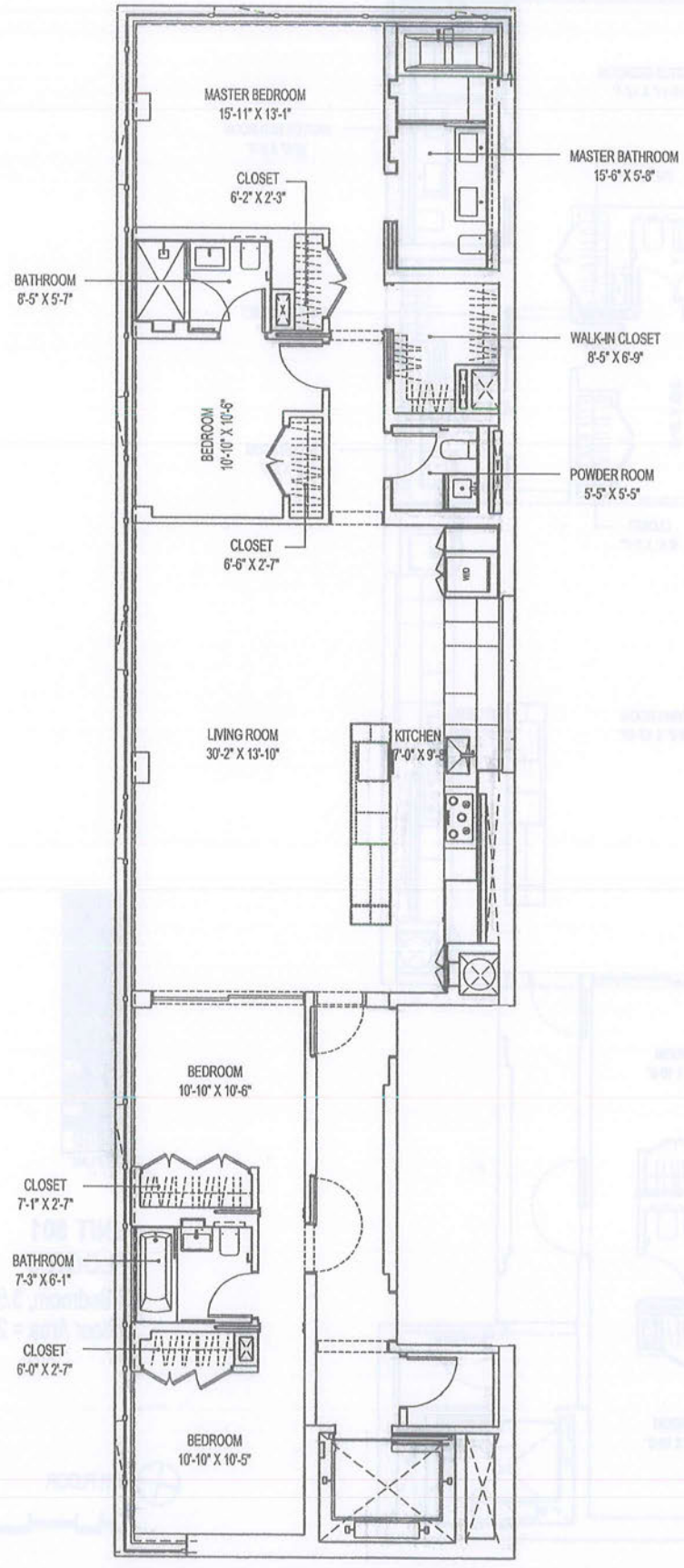
UNIT 501
FLOOR 5
4 Bedroom, 3.5 Bath
Indoor Area = 2,371 Sq. Ft.

5TH FLOOR

0 2 4 8 FEET 16

NEW YORK

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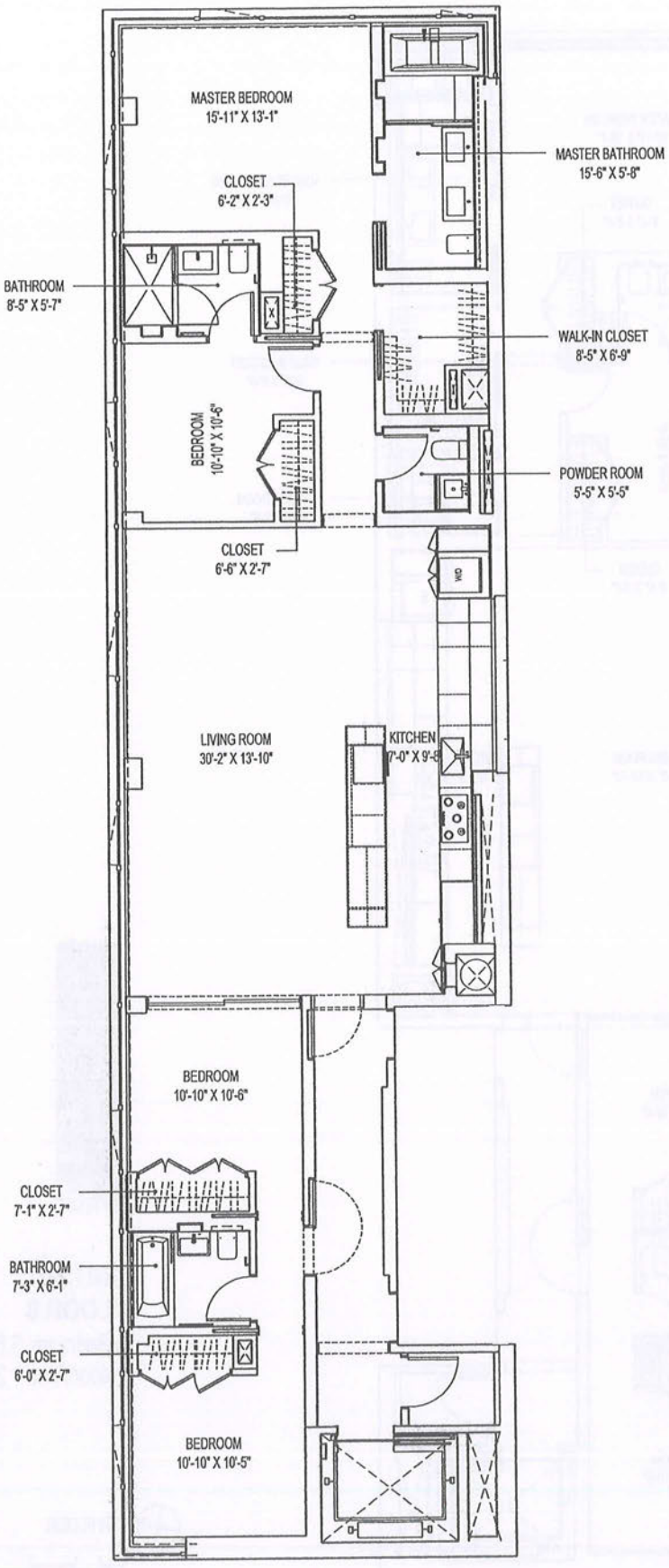


UNIT 601
FLOOR 6
4 Bedroom, 3.5 Bath
Indoor Area = 2,371 Sq. Ft.

6TH FLOOR

NEW YORK

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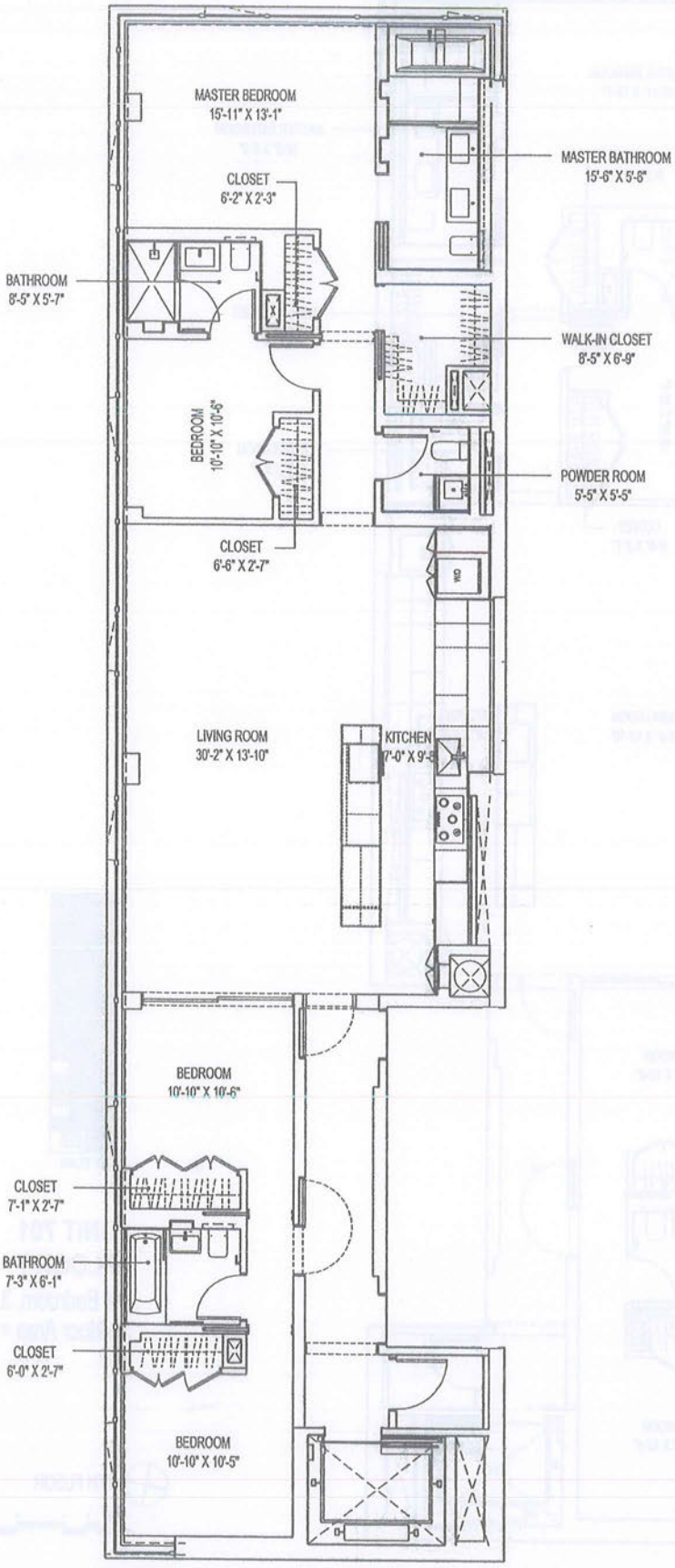


UNIT 701
FLOOR 7
4 Bedroom, 3.5 Bath
Indoor Area = 2,371 Sq. Ft.

7TH FLOOR

NEW YORK

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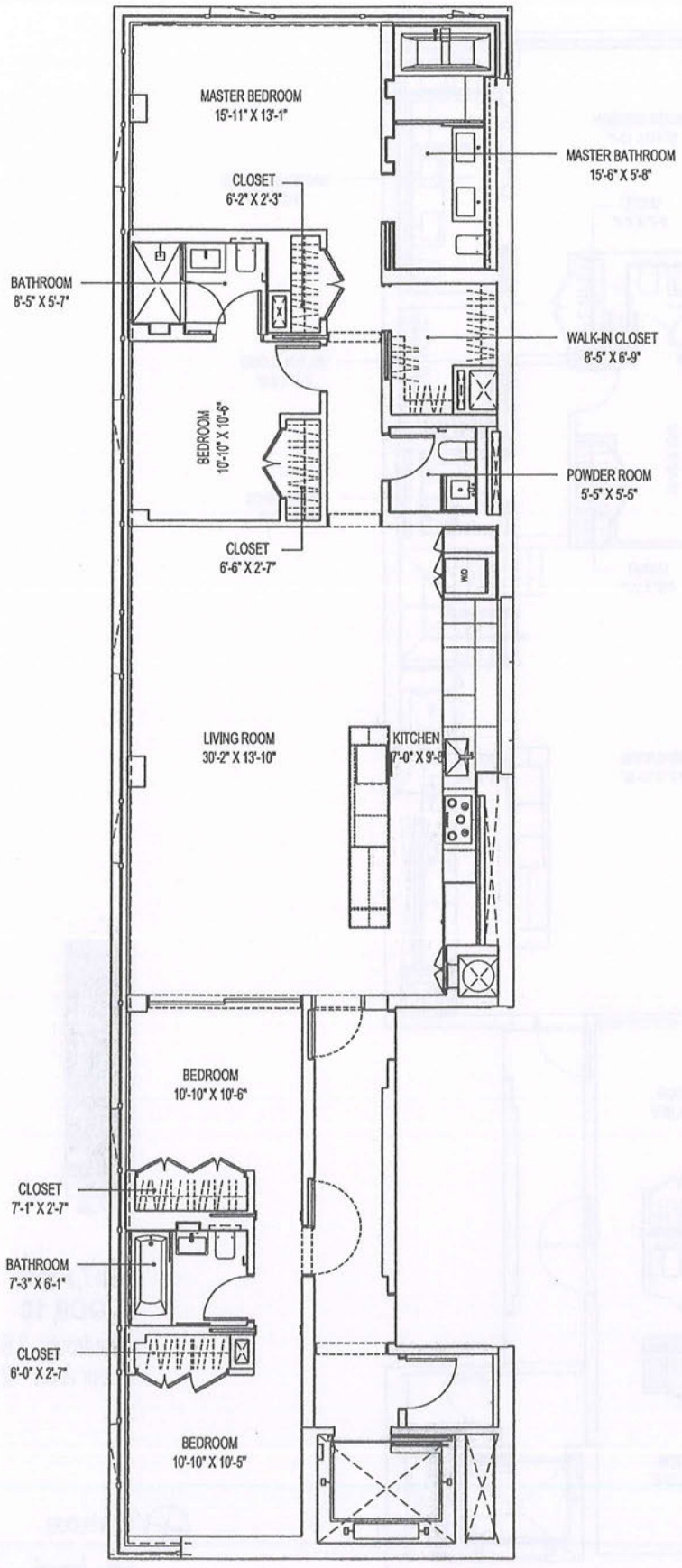


UNIT 801
FLOOR 8
4 Bedroom, 3.5 Bath
Indoor Area = 2,371 Sq. Ft.

8TH FLOOR

NEW YORK

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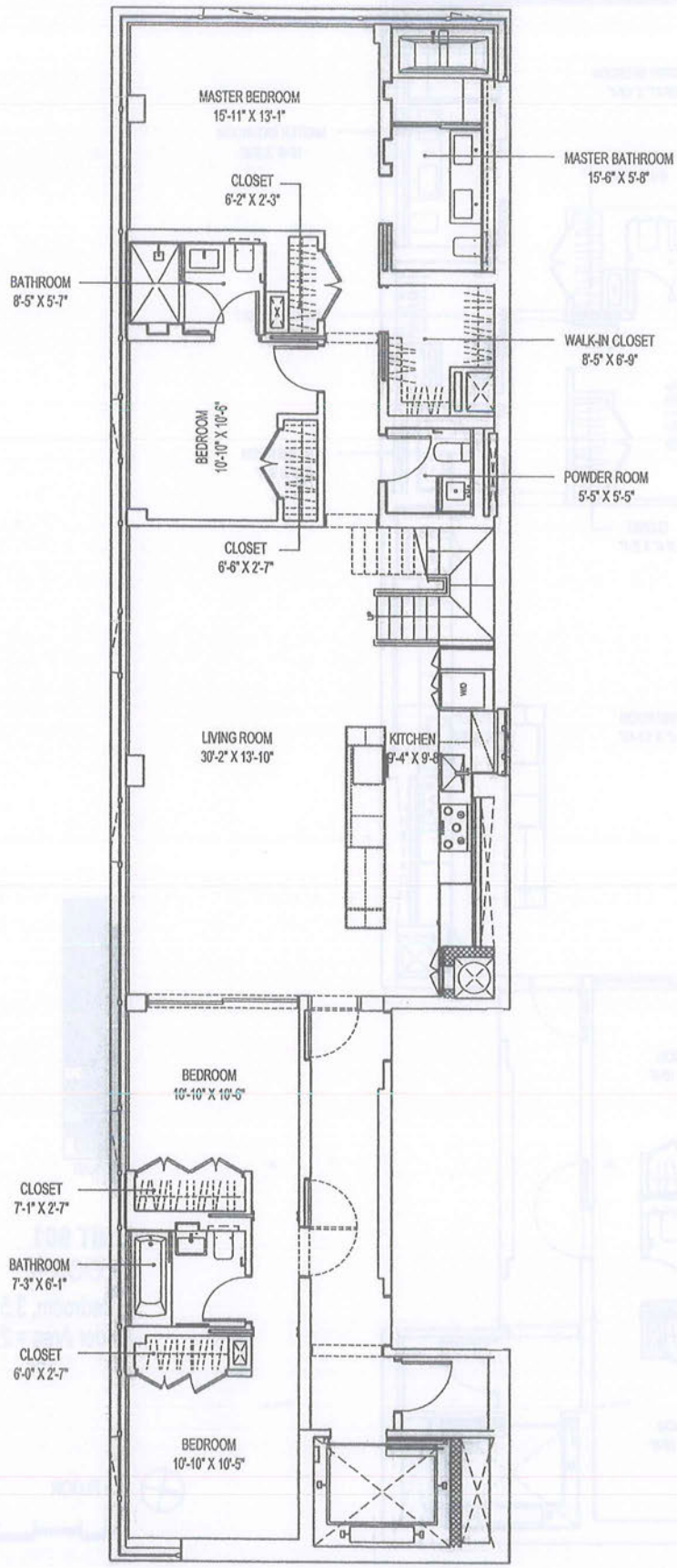


UNIT 901
FLOOR 9
4 Bedroom, 3.5 Bath
Indoor Area = 2,371 Sq. Ft.



NEW YORK

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KEY PLAN

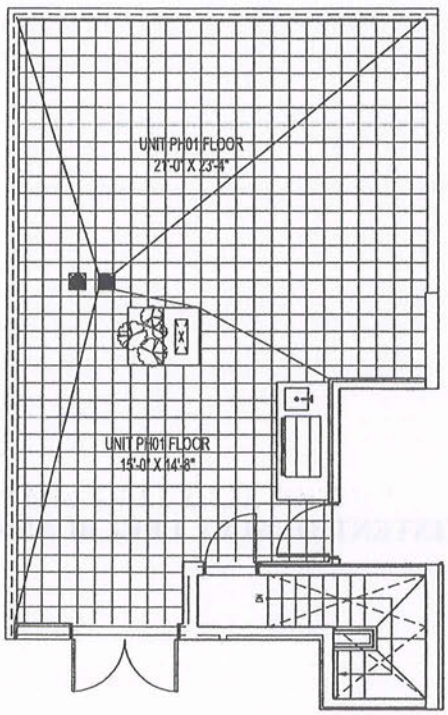
UNIT PH01
FLOOR 10
4 Bedroom, 3.5 Bath
Indoor Area = 2,371 Sq. Ft.

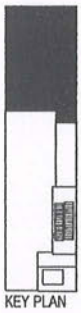
10TH FLOOR

0 2 4 8 FEET 16

NEW YORK

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KEY PLAN

UNIT PH01
FLOOR 11
PRIVATE TERRACE
Indoor Area = 96 Sq. Ft.
Outdoor Area = 708 Sq. Ft.

11TH FLOOR



NEW YORK

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DECLARATION

Establishing a Plan for Condominium Ownership of the Premises 176 East 82nd Street a/k/a 1444 Third Avenue New York, New York Pursuant to Article 9-B of the Real Property Law of the State of New York

Name: **176 EAST 82ND STREET CONDOMINIUM**

Declarant: **DRK Third Avenue LLC**
c/o Nexus Building Development Group Inc.
41 Wooster Street, Second Floor
New York, New York 10012

Date of Declaration: _____, 2017

The land affected by the within instrument lies in Block 1510, Lot 40 on the Tax Map of the Borough of Manhattan County of New York now known as lots ____through _____.

Rosenberg & Estis, P.C.
Attorneys for Declarant
733 Third Avenue
New York, New York 10017
Attention: Lisa R. Radetsky, Esq.

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DECLARATION

OF

176 EAST 82ND STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

DRK Third Avenue LLC, a New York limited liability company, having an office at c/o Nexus Building Development Group, Inc., 41 Wooster Street, Second Floor, New York, New York 10012 ("Declarant" or "Sponsor"), does hereby declare as follows:

ARTICLE 1

SUBMISSION OF THE PROPERTY

1.1. Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act") and pursuant thereto does hereby establish a condominium to be known as 176 East 82nd Street Condominium (the "Condominium").

1.2. Attached to this Declaration and made a part hereof are the By-Laws of 176 East 82nd Street Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

ARTICLE 2

THE LAND

Included in the Property described in Article 1 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the Borough of Manhattan, County of New York and City and State of New York, and more particularly described in Schedule A annexed hereto and made a part hereof. The Land has an area of approximately 2,555 square feet.

ARTICLE 3

THE PROPERTY AND THE BUILDING

Included in the Property is a building (the "Building") having twelve (12) stories, ten (10) of which are located above grade level. The cellar and subcellar are below grade level. The Building contains:

(i) Nine (9) residential units (collectively, the "Residential Units" and individually a "Residential Unit"), located on floors two (2) through ten (10);

(ii) One (1) commercial unit (the "Commercial Unit") located on the first (1st) floor and the cellar level;

(iii) Nine (9) storage spaces to be licensed to the Unit Owners which own the Residential Units, located in a portion of the subcellar level;

(iv) the Common Elements, as defined in Article 6 below, other than the Land;

(v) the Residential Limited Common Elements, as defined in Section 6.3 below; and

(vi) the Commercial Limited Common Elements as more particularly described in Article 14 below.

The owner of a Residential Unit is herein called a "Residential Unit Owner" and all the owners of Residential Units are herein called "Residential Unit Owners". The owner of the Commercial Unit is herein called the "Commercial Unit Owner". The Residential Units and the Commercial Unit are sometimes collectively referred to as the "Units" and individually as a "Unit". The Residential Unit Owner and the Commercial Unit Owner are collectively referred to herein as the "Unit Owners" and individually as a "Unit Owner". The Residential Limited Common Elements and the Commercial Limited Common Elements are collectively referred to herein as the "Limited Common Elements" and individually as a "Limited Common Element".

ARTICLE 4

THE UNITS

Schedule B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; location; approximate square foot area; number of rooms; the portions of the Common Elements (as hereinafter defined) and Limited Common Elements to which the Unit has immediate access; and the percentage interest in the Common Elements appurtenant to such Unit. The location of each Unit is also shown on the floor plans of the Building (the "Floor Plans") certified by Yaarit Sharoni of ODA - Architecture P.C., intended to be filed in the New York County Office of the Register of the City of New York (the "City Register's Office") simultaneously with the recording of this Declaration.

ARTICLE 5

DIMENSIONS OF UNITS

5.1. Each Unit is measured horizontally from the exterior sides of its windows or exterior walls at the midpoint of the Unit's demising walls and vertically from the top of the concrete floor to the underside of the ceiling. Unit dimensions listed on Schedule B are approximate and include allocable portions of the elevator, hallways and entrances reserved for the exclusive or shared use of the Unit Owners. Unit dimensions set forth on Schedule B do not include the area of any Terrace (as such term is hereinafter defined) appurtenant to any Unit.

5.2. Any Common Elements located within any Unit shall not be considered as part of that Unit.

5.3. Each Residential Unit includes, and each Residential Unit Owner shall be responsible for all plumbing, gas, heating fixtures, refrigerators, ranges, and other appliances, as may be affixed, attached or appurtenant to such Unit, including, without limitation, the HVAC system installed in each Unit, which solely serves the Unit. Plumbing, gas, and heating fixtures as used in the preceding sentence shall include exposed gas, steam and water pipes attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, steam, water or other pipes, conduits, wiring or duct work within the walls, ceiling or floors which service other portions of the Building. Each Residential Unit shall also include all lighting and electrical fixtures and appliances within the Unit and any special equipment, fixtures or facilities affixed, attached or appurtenant to the Unit to the extent located within a Unit serving or benefitting only that Unit.

5.4. The Commercial Unit includes and the Commercial Unit Owner shall be responsible for all plumbing, gas, heating fixtures, air-conditioning equipment, heating equipment, and other appliances, located in the spaces contained within or which exclusively service the Commercial Unit, including any systems located outside the Commercial Unit. Plumbing, gas, heating fixtures and air-conditioning equipment as described in the preceding sentence shall include exposed gas, steam and water pipes attached to fixtures, appliances and equipment and the fixtures and equipment to which they are attached, and any special pipes or equipment that the Commercial Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, steam, water or other pipes, conduits, wiring or duct work within the walls, ceiling or floors which service other portions of the Building. The Commercial Unit shall also include all lighting and electrical fixtures within the Commercial Unit and any special equipment, fixtures or facilities affixed, attached or appurtenant to the Commercial Unit to the extent located within the Commercial Unit and serving or benefiting only such Commercial Unit, to the extent that such fixtures do not belong to the tenants who have leased space within such Commercial Unit.

ARTICLE 6

COMMON ELEMENTS

6.1. The Common Elements of the Condominium (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 include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all facilities therein for the common use of the Units and the Unit Owners (except for those Common Elements which are designated for the exclusive use of any of the Unit Owners) or which are necessary or convenient for the existence, maintenance or safety of the Property.

6.2. The Common Elements consist of all portions of the Property, except the Units themselves, including, without limitation, the following:

(a) the Land (as more particularly described in Schedule A attached hereto), together with all easements, rights and privileges appurtenant thereto;

(b) all foundations, columns, girders, beams, supports, pile caps, and their enclosures;

(c) all exterior walls of the Building, not including the portions thereof on the Unit side of the brick work or masonry of such walls; windows and window frames; all walls and partitions separating Units from corridors, elevator shafts, stairs, and other mechanical equipment spaces, other than the portions thereof between the Unit side of such walls and partitions and the brick work, sheetrock or masonry of such walls and partitions separating Units; the portions of the plaster or equivalent partitions separating Units between the Unit side of the plaster or its equivalent on each side of such partition, the partitions and all concrete floors and concrete ceilings;

(d) all stairs, stairways and fire stairs located within the Building, either within or without;

(e) all passages, including the fire passage, halls and corridors located in the cellar and the basement of the Building;

(f) all space devoted to the use of person(s) employed in connection with the operation of the Property, if any;

(g) all central and appurtenant installations for services such as power, light, security system, telephone, television, cable, internet service, gas, cold water, heat and air-conditioning and including all pipes, ducts, chutes, wires, cables, and conduits and the enclosures used in connection therewith, whether located in common areas or in the Units;

(h) all mechanical equipment and mechanical equipment space located in the Building, which are not otherwise defined as Residential Limited Common Elements or located within the Commercial Unit, which solely service the Commercial Unit;

(i) all hallways, mechanical areas, and passages located in the Building, which are not otherwise defined as Residential Limited Common Elements or located within one or more of the Commercial Unit, which solely service the Commercial Unit;

(j) all tanks, pumps, motor fans, compressors, control equipment and elevator equipment;

(k) hot water and condensed water systems servicing the Units;

(l) all sewer pipes;

(m) all areaways and any drains contained therein;

(n) all exterior glass surfaces of windows in the Building, except for the windows of the Commercial Unit;

(o) the roof, including roof-top mechanical rooms (but excluding those portions of the roof which is Terrace (as such term is hereinafter defined) designated as Limited Common Elements) which service the Building;

(p) all other parts of the Property and all apparatus, installations, systems, equipment, facilities, pipes, conduits, ducts, chutes, wires and cables and their enclosures existing in the Building or on the Property for common use or necessary or convenient to the existence, maintenance or safety of the Property;

(q) sprinkler system for the Building, including all piping, fittings, valves and sprinkler heads, excluding however, all such items located within a Unit and servicing only a single Unit which shall be the responsibility of such Unit Owner to maintain; and

(r) all Building storage rooms (excluding those storage rooms designated as a Residential Limited Common Element), telephone rooms and other service, mechanical and utility rooms in the Building.

6.3. The Residential Limited Common Elements consist of those portions of the Property designated on the Floor Plans as Residential Limited Common Elements; and also those Common Elements which exclusively serve or exclusively benefit all or a combination of the Residential Units or the Residential Unit Owners whether or not designated as Residential Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telephone, television, internet service and telecom providers). The Residential Limited Common Elements include, without limitation, the following:

(a) all halls, passages, corridors, storage rooms, housekeeping areas, mechanical and other rooms, areas and spaces (including their respective floors, ceilings and enclosing walls) located in the Building which exclusively serve or benefit the Residential Units and are not part of any Unit;

(b) those stairs and stairways in the Building shown on the Floor Plans as Residential Limited Common Elements (and excluding, however, those portions of stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or Unit);

(c) the lobby and entrance from East 82nd Street, the mail boxes, the elevator access area to the elevator in the lobby, all of which are located on the ground floor;

(d) the one (1) passenger elevator which services the cellar, floors one (1) through ten (10) and the roof, including the elevator cabs, the elevator shafts and the walls thereof, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith, to the extent the same exists therein;

(e) the recreational roof terrace (the "Roof Terrace") and any other amenities, to the extent existing therein and dedicated for use solely by occupants of Residential Units, excluding, however, those portions of designated as Limited Common Elements appurtenant to individual Residential Units;

(f) all plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water, including pumps, valves, pressure reducers, meters and water heaters, excluding, however, all such items located within a Residential Unit and servicing only an individual Residential Unit;

(g) smoke detection alarm system, sprinkler system, telephone system, internet system and cable television system, excluding however, all such items located within a Residential Unit and servicing only an individual Residential Unit which shall be the responsibility of such Residential Unit Owner to maintain;

(h) all security monitors and equipment and other security facilities serving or benefiting only the Residential Units;

(i) all Building storage rooms, including the room containing the Storage Spaces to be licensed to the Residential Unit Owners, telephone rooms and other service, mechanical and utility rooms serving or benefiting only the Residential Units;

(j) the sidewalk facing East 82nd Street adjacent to the entrance to the Building providing access to the Residential Unit, including any street trees located thereon; and

(k) all other systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which exclusively serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Residential Units.

6.4. The Commercial Limited Common Elements consist of those portions of the Property designated on the Floor Plans as Commercial Limited Common Elements; and also those Common Elements, which exclusively serve or exclusively benefit the Commercial Unit or the Commercial Unit Owner whether or not designated as a Commercial Limited Common Element (or

designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telephone, television, internet service and telecom providers). The Commercial Limited Common Elements include, without limitation, the following:

(a) all halls, passages, corridors, storage rooms, mechanical and other rooms, areas and spaces (including the respective floors, ceilings and enclosing walls thereof) located in the Building which exclusively serve or benefit the Commercial Unit and are not part of any Unit;

(b) those stairs and stairways in the Building shown on the Floor Plans as a Commercial Limited Common Element (and excluding, however, those portions of stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or Unit);

(c) all plumbing fixtures and equipment for distribution of cold water and equipment for producing and distributing hot water, including pumps, valves, pressure reducers, meters and water heaters servicing only the Commercial Unit;

(d) smoke detection alarm system, sprinkler system, telephone system, internet system and cable television system within the Commercial Unit and servicing only the Commercial Unit, which shall be the responsibility of the Commercial Unit Owner to maintain;

(e) all security monitors and equipment and other security facilities serving or benefiting only the Commercial Unit;

(f) all Building storage rooms, telephone rooms and other service, mechanical and utility rooms serving or benefiting only the Commercial Unit;

(g) the sidewalk facing Third Avenue and that portion of East 82nd Street adjacent to the Commercial Unit, including any street trees located thereon; and

(h) all other systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which exclusively serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Commercial Unit.

ARTICLE 7

USE OF RESIDENTIAL UNITS

7.1. As more particularly set forth in the By-Laws, Residential Units may be used only as a residence and for permitted professional and ancillary business uses as permitted by law, and not more than one (1) family may occupy a Residential Unit at one time. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other

legal entity, may only be occupied by said individual, or an officer, director, stockholder or employee of such corporation, or a partner or employee of such partnership, or member or employee of such limited liability company, or said fiduciary (including directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries) or the beneficiary of said fiduciary, or a principal or employee of such other entity, respectively, or members of the immediate family (including domestic partners) or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Residential Unit by such family members (including domestic partners or guests). Any use of a Residential Unit must conform to the terms and conditions of the then existing certificate of occupancy for such Unit and applicable federal, state and local governmental and municipal regulations (including any zoning variance applicable to such Unit).

7.2. The recreational roof terrace (the "Roof Terrace") located on the roof of the Building is a Residential Limited Common Element and may be used by the Residential Unit Owners and their guests for passive recreational uses, as are permitted by applicable law, subject to the Rules and Regulations of the Condominium.

7.3. The Unit Owner of Unit PH may use the roof terrace adjacent to Unit PH (the "Terrace"), which is a Limited Common Element appurtenant to Unit PH and is for the exclusive use of the Unit Owner that owns Unit PH. The Terrace may be used by the Unit Owner of Unit PH and his or her guests for passive recreational use, as are permitted by applicable law, subject to the Rules and Regulations of the Condominium.

7.4. Notwithstanding the foregoing or anything contained in the By-laws or the Rules and Regulations to the contrary, Declarant may, without the permission of the Condominium Board, (a) grant permission for the use of any Unsold Unit (as such term is hereinafter defined) as a professional office or for any other purpose, provided such use is permitted by law, does not violate the then existing certificate of occupancy for such Unit and the user of the Unit complies with all applicable governmental and municipal regulations; and (b) use any Unsold Unit as a model and sales and/or promotion office in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations. "Unsold Unit" shall mean those Units not sold to a "Purchaser" pursuant to the Offering Plan for the Building (the "Offering Plan"), including any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Declarant or a successor owner of the Unsold Units or a transferee who has the written consent of the Declarant or a successor owner of Unsold Units (as applicable) at the time in question, or a Unit that is acquired, individually or collectively, by a principal of Declarant or a group of which Declarant or one or more principals of Declarant is a member or a permitted transferee pursuant to Article 26 below. Anything contained herein to the contrary notwithstanding, if any of such Units are used for commercial office use as herein above provided, they shall nevertheless be deemed Residential Units hereunder and shall be entitled and subject to all of the rights and restrictions provided or imposed hereunder with respect to the Residential Units.

ARTICLE 8

CHANGES IN THE CONDOMINIUM

8.1. Except as prohibited by law, Declarant or its successor shall have the right, without the vote or consent of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior; (b) change the layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one (1) or more Unsold Units into two (2) or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one (1) or more Units, altering the boundary walls between any Unsold Units, or otherwise; (d) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clause and the percentage interests in the Common Elements appurtenant thereto; provided, however, that the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto and, provided further, that Declarant or its successor shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

8.2. In the event of any change pursuant to Section 8.1, such change may only be made after Sponsor has disclosed such changes in a duly filed amendment to the Offering Plan. No change in size of a Unit or its layout will be made with respect to any Unit for which a Purchase Agreement is then in effect and with respect to which the Purchaser is not in default unless the Purchaser consents thereto. Except for Sponsor's right to make certain changes in Unsold Units, as set forth in subparagraphs (a) through (d) of Section 8.1, once this Declaration is filed and recorded, no change may be made by Sponsor in the number of Units or number of rooms within a Unit, nor may the size of a Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid, or otherwise, nor may the common interest of any Unit or the amount or quality of the Common Elements be changed, unless the Plan and the Declaration are amended with the consent of all Unit Owners directly affected. Sponsor or its successor shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction, including filing an amendment to the Plan and the Declaration, and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

8.3. The provisions of this Article 8 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its successor. By the written permission of the Condominium Board, which shall not be unreasonably withheld, any Unit Owner may be given, with respect to the Unit belonging to such Unit Owner, the same rights as are set forth in this Article 8 with respect to Unsold Units, except that such Unit Owner may not subdivide his or her Unit into separate Units. In addition to the restrictions set forth above in this Article 8, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the respective Units, the availability of

Common Elements for exclusive or shared use and the overall dimensions of the respective Units. The certification referred to in the preceding sentence shall be delivered (a) in the case of any Unsold Unit, at Declarant's election, by Declarant, the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board, and (b) in the case of any Unit, by either the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board.

8.4. Any Unit Owner who shall make any changes to his or her Unit in accordance with this Article 8 shall be solely responsible for all costs and expenses, including professional fees and expenses, incurred by such Unit Owner and/or Condominium Board in connection therewith.

ARTICLE 9

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York (the "Secretary of State") is hereby designated as agent of the Board of Managers upon whom process against it may be served, and the post office address to which the Secretary of State shall mail a copy of any process against it served upon him as President, having an office at c/o Nexus Development Group, Inc., 41 Wooster Street, 2nd Floor, New York, New York 10012. As required by law, the Board of Managers shall notify the Secretary of State of any change in the managing agent or person authorized to receive a copy of any process served against the Secretary of State.

ARTICLE 10

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The respective percentage interests of each Unit in the Common Elements has been determined upon the basis of floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit or, the availability of Common Elements and/or the Limited Common Elements for exclusive or shared use and the overall dimensions of the particular Unit and the Terrace appurtenant thereto, if any.

ARTICLE 11

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit, upon any other Common Element, (b) any Unit, encroaches upon any other Unit, or upon any portion of the Common Elements, or (c) any encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration or repair to the Common Elements made by or with the consent (when required by the By-laws) of the Condominium Board or made by Declarant or its successor in accordance with this Declaration or the By-laws, or (iii) any repair or restoration of the Building (or

any portion thereof) or of any Unit or Common Element or after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

ARTICLE 12

FACILITIES AND ALL OTHER COMMON ELEMENTS

Each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all facilities and all other Common Elements, located in any of the other Units or elsewhere on the Property which serve his, her or its Unit. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace the facilities and all other Common Elements located in such Unit or elsewhere on the Property which serve other Units. The Condominium Board shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Property, provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for the permitted purposes thereof. Such entry shall be permitted on not less than one (1) day notice, except that no notice will be necessary in the case of an "emergency" (a condition requiring repairs or replacements immediately (a) necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or (b) required to avoid the suspension of any necessary service in the Building).

ARTICLE 13

EASEMENTS

13.1. Each Unit Owner shall have, in common with all other Unit Owners, an easement, for the exclusive use of the Common Elements, except for those Limited Common Elements which are designated for the exclusive use of certain Unit Owners as set forth herein.

13.2. Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement to install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property, and provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one (1) days' notice, except that no notice will be necessary in the case of an emergency.

13.3. Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

13.4. Declarant or its successors and assigns shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one (1) or more signs on the Property for the purposes of advertising the sale or lease of any Unsold Unit.

13.5. Declarant or its successor and the Condominium Board shall have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easements in any portion of the Property, as Declarant, its successor, 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 owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for their permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of the Units for the purposes permitted pursuant to applicable Law and regulations subject, however, to the terms and conditions contained in this Declaration.

ARTICLE 14

LIMITED COMMON ELEMENTS

14.1. Certain portions of the Common Elements are limited and restricted in use to the Unit Owners to which those Common Elements are appurtenant, and are thereby identified as Limited Common Elements. The use of Limited Common Elements by any Unit Owner having exclusive use thereof is subject to the structural repairs or structural replacements to said Limited Common Element and subject to the Rules and Regulations of the Condominium. Included among Limited Common Elements for each Unit are: (a) the Unit entrance doors (to and from common hallways), (b) the Unit windows and interior portions of the window frames (but not any Unit skylights or skylight frames), and (c) any Terrace to which a Unit Owner has exclusive use.

14.2. There is a Terrace appurtenant to Unit PH and such Terrace is accessed from the Unit and the Unit Owner of Unit PH shall have the exclusive use of such Terrace as a Limited Common Element. The Terrace shall include any pavers, decking and drains, hose bibs, electrical outlets, lighting and light fixtures, enclosures and dividers, to the extent contained therein, installed as part of the original construction of the Building. The Terrace is for passive recreational use only. The Terrace may not be rented out or employed for any commercial purpose. Use of the Terrace must be in compliance with all applicable laws and regulations and the Rules and Regulations of the Condominium.

14.3. The cost of normal maintenance and repair of Limited Common Elements (*i.e.*, keeping surface areas clean and absent of cracks, breaks, or similar damage and replacing such surface areas when appropriate) will be borne by the Unit Owner having the exclusive use thereof. The cost of repairing and/or replacing Limited Common Elements shall be shared equally by the Unit Owners affected, unless the need for repair or replacement was occasioned by the negligence of one (1) of the Unit Owners or his or her guest(s) or agent(s), in which case the cost shall be borne by

the Unit Owners as a Common Expense. Structural repairs of the Limited Common Elements will also be borne by the Unit Owners as a Common Expense, unless such repair is required due to the negligence of the Unit Owner who owns the Unit to which such Limited Common Elements are apportioned.

ARTICLE 15

THE COMMERCIAL UNIT

15.1. The Commercial Unit may be used for any lawful purpose, including, without limitation, for retail, restaurant, including an establishment for the sale of prepared food, a wine store, banking, commercial, office, municipal, school annex, and utility purposes. The Commercial Unit may be used for retail purposes including a restaurant or an establishment for the sale of prepared food (and ancillary uses). The Condominium Board will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration. The following uses are prohibited:

(a) the repair, servicing or maintenance of any vehicles, machinery or equipment or the operation of an "automobile repair shop";

(b) funeral home or mortuary;

(c) massage parlor or sex club or for the sale or display of pornographic or obscene material;

(d) a drug or alcohol treatment center, a shelter for homeless persons, an AIDS treatment center, a facility housing or treating criminal or mentally disturbed persons;

(e) for any obscene or pornographic purpose or any other commercial sex establishment including the sale or viewing of any pornographic or obscene goods, wares, printed materials, videos, digital video discs, movies or other digital transmission;

(f) the sale of illegal drugs or marijuana;

(g) massage parlor, abortion clinic, any automobile service, fueling, washing or repair operation; or

(h) a dry cleaner other than a "drop off" dry cleaner.

15.2. The Commercial Unit Owner shall not amend the Certificate of Occupancy for the Building in any manner that would specifically permit any of the Prohibited Uses.

15.3. No income derived from any use of the Commercial Unit will constitute income to the Condominium Board or the Residential Unit Owners.

15.4. Except to the extent prohibited by law, the Commercial Unit Owner shall have the right, without the vote or consent of the Board, by Managing Agent or any other Unit Owner to: (a) mortgage or otherwise hypothecate its Unit; (b) decorate or make alterations, additions or improvements, in, to and upon its Commercial Unit, which shall include the right to make alterations to the storefront appurtenant to the Commercial Unit; (c) change the layout of, or number of rooms in, its Commercial Unit from time to time; (d) change the size of its Commercial Unit by subdividing the same into any desired number of condominium units (or by combining any units resulting from each subdivision); and (e) reapportion among the newly created condominium units resulting from any subdivisions (or combinations) the percentage interests in the Common Elements appurtenant thereto, provided such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act; provided, however, that (i) the percentage interest in the Common Elements of any Unit owned by any other Unit Owner shall not be changed by reason thereof, unless the Unit Owner of such Unit shall consent thereto, and (ii) such Commercial Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall hold the Board and all other Unit Owners harmless from any liability arising from any such decoration, alteration, addition, improvement, change, designation or reapportionment. Each Unit Owner by accepting a deed or otherwise succeeding to title to their respective Units, together with the Sponsor, shall be deemed to have irrevocably approved.

15.5. The Commercial Unit Owner shall have the unilateral right with regard to the Commercial Unit to amend the Declaration in order to reflect changes as set forth above in Section 15.1, or to cause the Board to do so and all of the Unit Owners by accepting a deed or otherwise succeeding to title to their respective Units, together with the Declarant, shall be deemed to have irrevocably consented to any such amendments. If the Commercial Unit is subdivided, the owner of each Commercial Unit resulting from a subdivision will generally have all of the rights (without the consent of the Board or other Unit Owners) set forth above in Section 15.1, described as pertaining to the Unit Owner of the original Commercial Unit or a portion thereof in question.

15.6. The Commercial Unit Owner shall not be responsible for the payment of all line items constituting the Common Expenses of the Condominium, but only for 12.60 percent of the following line items: (i) Water and Sewer Charges; Repairs, Maintenance and Supplies, Insurance, Management, Licenses and Permits; Accounting and Legal, Replacement Reserve and Contingency. Notwithstanding the foregoing, in the event that the Commercial Unit Owner causes a separate water meter to be installed in the Commercial Unit, the Commercial Unit Owner shall no longer be responsible for the payment of Water and Sewer Charges as noted above.

ARTICLE 16

POWER OF ATTORNEY TO THE CONDOMINIUM BOARD

Each Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board, an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine), (a) to acquire or lease any Unit, together with its Appurtenant Interests (as hereinafter defined), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar

sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (b) to convey, sell, lease, mortgage or otherwise deal with (but not to vote the interest appurtenant to) any such Unit so acquired or leased; (c) to execute, acknowledge and deliver and record in the City Register's Office and elsewhere, if required by law, regulation or administrative practice, such instruments and documents including, without limitation (i) any declaration or other instrument affecting the Condominium which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements which the Condominium Board deems necessary or appropriate; and (d) to initiate, prosecute and settle matters related to real estate taxes on behalf of all Unit Owners.

ARTICLE 17

ACQUISITIONS OF UNITS BY THE CONDOMINIUM BOARD

If (a) any Unit Owner surrenders his Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest in the Terrace appurtenant to such Unit, if applicable, (iii) the interest of such Unit Owner in any other Units, if applicable, theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any, and (iv) the interest of such Unit Owner in the Common Elements and any other assets of the Condominium (such interests in (i), (ii), (iii) and (iv) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act; or (b) the Condominium Board acquires or leases a Unit, together with its Appurtenant Interests, or purchases, at a foreclosure or other similar sale, a Unit, together with its Appurtenant Interests, then, in any such event, title to any such Unit, together with its Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 18

COVENANTS RUNNING WITH THE LAND

18.1. All provisions of this Declaration, the By-Laws and the Rules and Regulations (true copies of which are annexed hereto and made a part hereof), including, without limitation, the provisions of this Article 18 shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions thereof shall be

binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

18.2. If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the New York 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 New York 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 New York 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 New York Condominium Act.

18.3. Subject to Section 18.2, if this Declaration and the By-Laws are sufficient to submit the Property to the provisions of the New York 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 other applicable law to the extent permitted under such applicable law with the same force and effect as if immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 19

AMENDMENTS OF DECLARATION

19.1. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or any successor owner of any

Unsold Units, except as hereinafter set forth, any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66 2/3 percent in number and in common interest of all Unit Owners taken in accordance with the provisions of the By-Laws, provided however, no such amendment shall diminish the rights and privileges of the Commercial Unit Owner unless the Commercial Unit Owner specifically consents thereto. Notwithstanding the foregoing, the Board of Managers may approve an amendment to this Declaration without obtaining the approval of the Unit Owners, if the sole purpose of such amendment is to amend the Floor Plans to either (a) combine two (2) Units or more Units into a single Unit in an instance where a Unit Owner owns Units which are contiguous Units whether or not such Units are located on the same floor, or (b) incorporate the elevator vestibule into a Unit in instances where a Unit Owner owns all of the Units located on a floor, subject to compliance with applicable law and regulation. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its successor or any Unsold Units, no amendment, modification, addition or deletion pursuant to the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its successor or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners coupled with an interest, and the Condominium Board is hereby authorized by the Unit Owners so to act as their attorney-in-fact. Subject to the rights of Declarant or its successor pursuant to Articles 7 and 8 of this Declaration, Articles 7 and 8 of this 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) 100 percent 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. If any changes are made by the Declarant to the Property, the Condominium, any Units, Terrace, or the Common Elements in accordance with Article 8 hereof, then Declarant or its successor or the owner of an Unsold Unit shall have the right to execute, or (on its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Declarant or its successor deems appropriate to effectuate the same) reflecting such changes.

19.3. Notwithstanding anything contained in this Declaration to the contrary, no change in the common interest of any Unit Owner shall be made or effective without the consent of all Unit Owners whose common interests would be affected thereby.

19.4. The provisions of Sections 19.1 and 19.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or any successor owner of the Unsold Units.

ARTICLE 20

TERMINATION OF CONDOMINIUM

The Condominium shall continue until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least 80 percent in number and in common interest of all Unit Owners. No such vote under clause (b) in the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any. Declarant will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least 80 percent in number and in common interest of all other Unit Owners so elect for such withdrawal, at which time Declarant may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective common interest, provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his share of such net proceeds all liens on his Unit in the order of priority of such liens.

ARTICLE 21

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 22

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision thereof.

ARTICLE 23

CERTAIN REFERENCES

23.1. A reference in this Declaration to any gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

23.2. The terms "herein," "hereof," or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used.

23.3. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 24

SEVERABILITY

Subject to the provisions of Sections 18.2 and 18.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforceable to the fullest extent permitted by law.

ARTICLE 25

COVENANT OF FURTHER ASSURANCES

25.1. Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Condominium Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

25.2. If any Unit Owner or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

25.3. If any Unit Owner or the Condominium Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which the Condominium Board or Unit Owner or other party is required to execute, acknowledge and deliver or take pursuant to this Declaration at the request of Declarant, then Declarant, is hereby authorized as attorney-in-fact for the Condominium Board or such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action, in the name of the Condominium

Board or such Unit Owner or other party and such document or action shall be binding on the Condominium Board or such Unit Owner or other party, as the case may be.

ARTICLE 26

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Declarant as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant who is the successor owner of the Unsold Units or, with written consent of Declarant or a successor owner of Unsold Units, any transferee who purchased one or more Unsold Units (as applicable) from Declarant or a successor owner of Unsold Units and if (if included in said consent) such transferee's successors and assigns (a "permitted transferee"). Subject to the foregoing, Declarant shall have the rights, at any time, in its sole discretion, to assign or, otherwise transfer its interest herein, whether by merger, consolidation, lease, assignment or otherwise.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the day of _____, 2016.

DRK Third Avenue LLC

By: _____
Name: Yaniv Cohen
Title: Manager

STATE OF NEW YORK)
:ss.:
COUNTY OF)

On the _____ day of _____ in the year 2017, before me, the undersigned, a Notary Public in and for said state, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

176 East 82nd Street Condominium
176 East 82nd Street a/k/a 1444 Third Avenue
New York, New York 10012
Block 1510 Lots [___] to [___] (f/k/a Lot 40)

SCHEDULE A
TO THE DECLARATION
OF 176 EAST 82ND STREET CONDOMINIUM

METES AND BOUNDS DESCRIPTION OF PROPERTY

176 East 82nd Street Condominium
176 East 82nd Street
New York, New York 10012
Block 1510, Lots [___] to [___] (f/k/a Lot 40)

SCHEUDULE B – DESCRIPTION OF UNITS
176 EAST 82ND STREET CONDOMINIUM
176 EAST 82ND STREET A/K/A 1444 THIRD AVENUE
NEW YORK, NEW YORK

Unit Designation	Tax Lot Designation	Floor Number(s)	Unit Square Footage per Floor	Total Square Footage per Unit	Limited Common Element	Percentage of Common Interest	Location (in Portion of Building Facing in the Direction Set Forth Below)	Limited Common Elements to Which Unit has Immediate or Exclusive Access
Commercial:								
Comm 1		1st						
Residential								
Res1		2nd						
Res2		3rd						
Res3		4th						
Res4		5th						
Res5		6th						
Res6		7th						
Res7		8th						
Res8		9th						
Unit PH		10th						Roof Terrace

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BY-LAWS OF

176 EAST 82ND STREET CONDOMINIUM

EXHIBIT G

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EXHIBIT A RULES AND REGULATIONS FOR THE RESIDENTIAL UNIT OWNERS OF 176 EAST 82ND STREET CONDOMINIUM A-1

EXHIBIT G

BY-LAWS OF THE
176 EAST 82ND STREET CONDOMINIUM

ARTICLE 1

GENERAL

1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of 176 East 82nd Street Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 2,555 square feet of land (the "Land") located on Lot 40, which forms a part of Block 1510 on the Tax Map of the Borough of Manhattan, County, City and State of New York, the building and other improvements now or hereafter to be constructed thereon (hereinafter collectively called the "Building"), including, without limitation, the Units, the Residential Limited Common Elements, the Residential Special Limited Common Elements, the Commercial Limited Common Elements and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the Office of the Register of the City of New York ("City Register's Office"), together with these By-Laws. References herein below to the Common Elements may be deemed to include any one (1) or more of the Residential Limited Common Elements and the Limited Common Elements. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration.

1.2 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as such term is hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 Principal Office of Condominium. The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Manhattan, County of New York reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as such term is hereinafter defined).

ARTICLE 2

BOARD OF MANAGERS

2.1 Number, Term and Qualification.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board" or the "Board" or the "Board of Managers") which shall be comprised of representatives of the Unit Owners. From and after the holding of the first (1st) annual meeting of Unit Owners, the Board shall consist of three (3) persons.

2.1.2 At the first (1st) annual meeting, the Residential Unit Owners shall elect three (3) managers to the Residential Board each, a "Residential Board Member" and together, the "Residential Board Members"), which will govern the affairs of the Residential Units. In addition, there will be a Condominium Board: two (2) managers will be elected by the Residential Unit Owners (including Declarant)and one (1) manager designated by the Commercial Unit Owner (the "Commercial Board Member"). The foregoing is subject, however, to Declarant's right to designate certain Board Members (defined herein below) during the Initial Control Period, as hereinafter set forth The Residential Board Members and the Condominium Board Members are hereinafter collectively, the "Board Members" and each a "Board Member." Each Board Member elected by the Unit Owners shall serve for a one-year term. Prior to the fifth (5th) anniversary of the First Unit Closing (as such term is defined in the Offering Plan for the Building (the "Offering Plan")), for so long as Declarant or its successor owns at least fifteen (15%) percent of the Unsold Units, Declarant or the successor owner of the Unsold Units may elect one (1) member of the Board of Managers, and for so long as Declarant or its successors own at least one (1) Unsold Unit, Declarant or its successor, as the case may be, may designate one (1) member of the Board of Managers. Any person who wishes to serve as a member of the Board or wishes to nominate a person to serve as a member of the Board (other than those persons designated by Declarant or its successor) shall give written notice to the managing agent of the Condominium no less than fourteen (14) days prior to the annual meeting at which such election is being held. There shall be no limit on the number of successive terms a Board Member may serve.

2.1.3 Except for Board Members elected or designated by Declarant or its successor, all Board Members shall be either Unit Owners or officers, directors, shareholders, partners, members, principals, employees or beneficiaries of corporations, partnerships, limited liability companies, fiduciaries or any other entities which are Unit Owners, Permitted Mortgagees (as such term is defined as Section 7.1 hereof), or family members (including domestic partners) of any of the foregoing. Other than Board Members elected or designated by Declarant or its successor, no Board Member shall continue to serve after he ceases to be qualified as set forth above.

2.2 Powers and Duties.

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners). All

determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

2.2.2 Subject to the provisions of subsection 2.2.1 and without limiting the generality thereof, the Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1 Operation, care, upkeep, maintenance, repair or replacement of the Common Elements, except to the extent that certain Unit Owners are responsible for certain Limited Common Elements designated for their exclusive use, as set forth in the Declaration and in Section 6.9 hereof.

2.2.2.2 Determination and collection of Common Charges (as such term is hereinafter defined).

2.2.2.3 Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

2.2.2.4 Adoption of, and amendments and additions to, the Rules and Regulations (as such term is hereinafter defined).

2.2.2.5 Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating the signatories required therefor.

2.2.2.6 Obtaining and reviewing insurance of the Property, including the Units, pursuant to the provisions of Section 6.2.

2.2.2.7 Making repairs, restorations, additions and improvements to, or alterations of, the Common Elements, except to the extent that certain Unit Owners are responsible for certain Limited Common Elements designated for their exclusive use, as set forth in the Declaration and in Section 6.9 hereof.

2.2.2.8 Levying fines against Unit Owners for violations of the Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owner of the Unit against which they are levied).

2.2.2.9 Adjusting and settling insurance claims and executing and delivering releases in connection therewith, as set forth in Section 6.2.

2.2.2.10 Borrow money on behalf of the Condominium and all Unit Owners when required for major and minor maintenance repairs, additions, improvements, replacements, working capital, bad debt and unpaid Common Expenses, depreciation, obsolescence and similar purposes. Such debt may be incurred no earlier than the fifth (5th) anniversary of the first (1st) conveyance of a Unit and the consent of a majority in interest of Unit Owners must be obtained. In order to secure such loans, the Board of Managers may (a) assign the rights to receive future income and Common Charges that it will be entitled to collect from Unit Owners; (b) create a

security interest in, assign, pledge, mortgage or otherwise encumber funds or other real or personal property that it holds; (c) agree that to the extent of any amounts due under any of the provisions of the agreements under which the debt was incurred and subject to the provisions of Section 339-l(2) of the Real Property Law of the State of New York all Common Charges received and to be received by it, and the right to receive such funds shall constitute trust funds for the purpose of paying such debt and the same shall be expended for such purpose before expending any part of the same for any other purpose; and (d) agree that at the lender's direction it will increase Common Charges to the extent necessary to pay any amounts when due under any of the provisions of the agreements under which the debt was incurred.

2.2.2.11 Collection of Common Charges from Unit Owners.

2.2.2.12 Enforcing obligations of Unit Owners.

2.2.2.13 Execution, acknowledgment and delivery of (a) any declaration or other instrument affecting the Property which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Building, or (b) any consent, covenant, restriction, easement or declaration affecting the Property which the Board deems necessary or appropriate.

2.2.2.14 Prepare, execute and record, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.15 Accepting the surrender of any Unit in the name of the Board or its designee, on behalf of all Unit Owners.

2.2.2.16 Purchasing, leasing or otherwise acquiring in the name of the Board or its designee, on behalf of all Unit Owners, Units offered for sale or lease by their owners.

2.2.2.17 Purchasing any Unit, at foreclosure or other similar sale, in the name of the Board or its designee, on behalf of all Unit Owners.

2.2.2.18 Organizing corporations, limited liability companies, or other entities to act as designees of the Board with respect to such matters as the Board may determine, including, without limitation, in connection with the acquisition of title to any Unit the Board on behalf of all Unit Owners.

2.2.2.19 Selling, leasing, mortgaging or otherwise dealing with (but not voting the interest appurtenant to) any Unit, if acquired by the Board or its designee, on behalf of all Unit Owners.

2.2.2.20 Making repairs and restorations of the Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of

condemnation or eminent domain proceedings, provided however to the extent any casualty affects only the Residential Units, or that portion of the Building in which the Residential Units are located, the Members elected by the Residential Unit Owners shall make all determination with respect to the restoration thereof.

2.2.2.21 Any act with respect to a matter determinable by the Board and deemed necessary or desirable by the Board in connection therewith shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board.

2.2.2.22 Filing on behalf of all of the Unit Owners tax certiorari petitions to obtain reductions in the real estate tax assessments for the Units, provided however, the Commercial Unit Owner shall have the right to file a separate certiorari proceeding with respect to the Commercial Unit.

2.2.2.23 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or its successor owns or controls at least fifteen (15%) percent in Common Interest of all Units (but only for a maximum period of five (5) years from the date of the first (1st) closing of title to a Unit under a Purchase Agreement pursuant to the Offering Plan), the Board may not, without Declarant's prior written consent: (i) make any addition, alteration or improvement to the Common Elements (unless required by law); (ii) assess any Common Charges for the creation of, addition to, or replacement of, all or part of any reserve, contingency or surplus provided for in Schedule B of the Offering Plan, as the same has been and may from time to time be amended; (iii) hire any additional employee or engage any independent contractor to provide services to the Condominium on a continuing basis; (iv) enter into any service or maintenance contract for work not covered in Schedule B of the Offering Plan, or otherwise provide services in excess of those contemplated by Schedule B or elsewhere in the Offering Plan; (v) apply the Sponsor's Working Capital Fund for any purpose other than the reduction of the Common Charges payable by the Residential Unit Owners, as contemplated in the Plan; or (vi) borrow money on behalf of the Condominium.

2.3 Managing Agent and Manager. The Board shall, with respect to decisions on matters which the Board is entitled to make, employ a managing agent and/or a manager at a compensation established by the Board, to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in subsections 2.2.(2.1), (2.3), (2.6), (2.7), (2.11) and (2.20). The Board may also delegate to such managing agent or manager other powers granted to it by these By-Laws, except the powers set forth in subsections 2.2.(2.2), (2.4), (2.5), (2.8), (2.9), (2.10) and (2.19).

2.4 First Board. Until the first (1st) annual meeting of Unit Owners, the Board shall consist of one (1) person designated by Declarant, from time to time. Within 30 days of the first (1st) anniversary of the First Unit Closing (as such term is defined in the Offering Plan) or after Units totaling more than fifty (50%) percent of the Common Interests have closed, such first (1st) Board shall call the first (1st) annual meeting of Unit Owners in accordance with the provisions of Section 3.1.

2.5 Removal. Subject to the provisions of Section 2.4 and subsection 3.9.3, any Board Member may be removed, with or without cause, by a vote of Unit Owners present in person or by proxy at a regular or special meeting of Unit Owners at which a quorum is present and any Board Member designated as such by Declarant may be removed, only for cause, by a vote of all Unit Owners, present in person or by proxy at a meeting of all Unit Owners at which a quorum is present. Any Board Member whose removal has been proposed shall be given an opportunity to be heard at the meeting.

2.6 Vacancies. Subject to the provisions of Section 2.4 and subsection 3.9.3, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board for the remainder of the term of the member creating such vacancy and until a successor shall be elected at the next annual meeting of Unit Owners.

2.7 Organization Meeting of Condominium Board. The first (1st) meeting of the Board following each annual meeting of Unit Owners shall be held within ten (10) days after such annual meeting at such time and place in the Borough of Manhattan as shall be fixed by a majority of the members thereof, and no notice shall be necessary to the newly elected Board Members in order to legally constitute such meeting, provided that a majority of the members of the Board shall be present thereat.

2.8 Regular Meetings of Condominium Board. Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that at least four (4) of such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail or electronic transmission, at least five (5) business days' prior to the day named for such meeting.

2.9 Special Meetings of Condominium Board. Special meetings of the Board may be called by the President or Secretary-Treasurer of the Condominium by giving five (5) business days' prior notice to each member of the Board, by personal delivery, mail or electronic transmission, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary-Treasurer of the Condominium in like manner and on like notice on the written request of at least one (1) member of the Board.

2.10 Waiver of Notice. Any Board Member may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 Determinations by Condominium Board; Quorum.

2.11.1 Except as otherwise set forth in subsection 2.11.3, all determinations of the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any such Board meeting, a majority of the members thereof shall constitute a quorum and the votes of a majority of such members present shall constitute the decision of the Board.

2.11.2 If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.3 Members of the Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing.

2.12 Compensation. No member of the Board shall receive any compensation for acting as such.

2.13 Liability of Condominium Board and Unit Owners. To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by any managing agent or manager thereof shall state that it is made by the Board, managing agent or manager only as agent for all Unit Owners, that such Board Members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate common interests of all Unit Owners and, unless expressly stated to the contrary in such contract (as determined by the Board in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to such Unit Owner's interest in his Unit and his Appurtenant Interest in the Common Elements so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for his payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Board. Board Members shall have no liability to Unit Owners for errors of judgment, negligence or otherwise, except that a Board Member shall be liable for his own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their Appurtenant Interests in the Common Elements, indemnify each Board Member against any liability or claim except those arising out of his own bad faith or willful misconduct. The Board may contract or effect any other transaction with any Board

Member, any Unit Owner, Declarant or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

2.14 Fidelity Bonds. The Board may obtain fidelity bonds in amounts deemed appropriate by it for all of its members, officers and employees and of the managing agent or manager, if any, employed by it and the premiums on such bonds shall constitute Common Expenses.

2.15 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint such committees as the Board may deem appropriate, each to consist of one (1) or more members of the Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers of the Board during the intervals between the meetings of the Board insofar as may be permitted by law.

2.16 Principal Office of Condominium Board. The principal office of the Board shall be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Board.

2.17 Status of Condominium Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of Section 2.18, the provisions of this Section 2.17 shall no longer be applicable.

2.18 Incorporation of Condominium Board. To the extent and in the manner provided in the New York Condominium Act, the Board may, as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and by-laws.

2.19 Condominium Board as Agent of Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. On a date not later than 30 days after the first (1st) anniversary of the First Unit Closing, the first (1st) annual meeting of Unit Owners shall be held. At such meeting,

the incumbent Board shall resign and a new Board shall be elected (as provided herein) consisting of three (3) Board Members: two (2) members elected by the Residential Unit Owners (including Declarant) (subject, however, to Declarant's right to designate certain Board Members during the Initial Control Period, as hereinafter set forth) and one (1) member elected by the Commercial Unit Owner. Thereafter, annual meetings of Unit Owners shall be held on a date within 45 days of the anniversary of the First Unit Closing. Unit Owners shall receive no less than 20 days written notice of such annual meetings. At each annual meeting, the Unit Owners shall elect the three (3) members of the Board who shall each serve for a one-year term. There shall also be transacted such other business as may properly come before such meeting. Written notices of persons who intend to run for election to the Board of Managers shall be delivered to the managing agent by such person or the persons who wish to nominate such persons no less than fourteen (14) days prior to the annual meeting of Unit Owners.

3.2 Place of Meetings. Meetings of Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the Board.

3.3 Special Meetings. The President of the Condominium shall call a special meeting of Unit Owners if so directed by resolution of the Board or upon a petition signed and presented to the Secretary-Treasurer of the Condominium by not less than 25 percent in common interest of Unit Owners.

3.4 Notice of Meetings. Notice of each annual or special meeting shall be given by the Secretary-Treasurer of the Condominium to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, mail or telegram, at least five (5) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address as any Unit Owner has designated by notice in writing to the Secretary-Treasurer at least ten (10) days prior to the giving of notice of the applicable meeting.

3.5 Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 Order of Business. The order of business at all meetings of Unit Owners shall be as follows:

(a) Roll call;

(b) Proof of notice of meeting;

(c) Reading of minutes of preceding meeting;

(d) Reports of officers;

(e) Reports of members of the Board;

(f) Reports of committees;

(g) Election of inspectors of election (when so required);

(h) Election of members of the Board (when so required);

(i) Unfinished business; and

(j) New business.

3.7 Title to Units. Title to Units and the Appurtenant Interests may be taken by any individual, corporation, partnership, limited liability company, association, trust or other entity, or any two (2) or more of such owners as joint tenants, tenants-in-common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 Voting.

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on his behalf (who need not be a Unit Owner) shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary-Treasurer of the Condominium and shall be revocable at any time by written notice to such Secretary-Treasurer by the Unit Owner so designating. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board and the common interest of such Unit shall be excluded from the total of interests ("Common Interests") in the Common Elements when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as set forth in Section 3.9, at all meetings of Unit Owners each Unit Owner (or his proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its successor) shall be entitled to cast one vote for each 0.0001 percent (rounded off to the nearest .0001 percent) of Common Interest attributable to his or its Unit.

3.9 Election of Condominium Board: Rights of Declarant.

3.9.1 All elections of Board Members shall be determined by plurality vote.

3.9.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interest owned by such Unit Owner, and, in addition, the name of the proxy if such ballot is cast by a proxy. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding anything in this Section 3.9 or these By-Laws to the contrary, so long as Declarant or its successor owns at least one (1) Unsold Unit, and whenever there is a vacancy on the Board, Declarant shall have the right to designate, prior to the election of members of the Condominium Board at the annual meeting of Unit Owners, a sufficient number of Board

Members so that Declarant or its successor shall have designated the following number of Board Members at any one time: (a) one (1) member, if Declarant owns less than 50 percent in Common Interest of all Units; and (b) two (2) members, if Declarant owns 50 percent or more in Common Interest of all Units before the fifth (5th) anniversary of the First Unit Closing. The number of Board Members may not be increased prior to the fifth (5th) anniversary of the First Unit Closing. After the end of the Sponsor Control Period (as such term is defined in the Offering Plan), the majority of the Board Members must be Unit Owners of the Building who are not controlled by Declarant. Any vacancy created by removal or by any other cause of the Board Member designated by Declarant shall be filled by a member designated by Declarant.

3.10 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws, the term "Majority of Unit Owners" means those Unit Owners having more than 50 percent of the total authorized votes of all Unit Owners (determined in accordance with the provisions of Section 3.8), who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 50 percent of the Common Interests attributable to all Units shall constitute a quorum at all meetings of Unit Owners.

3.12 Majority Vote. Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

ARTICLE 4

OFFICERS

4.1 Designation. The principal officers of the Condominium shall be a President, Vice-President and Secretary-Treasurer thereof, all of whom shall be elected by the Board. The Board may appoint such other officers as in its judgment may be desirable. None of the officers of the Condominium need be Unit Owners nor have any interest therein nor be Board Members until the first (1st) organizational meeting of the Board after the first (1st) annual meeting of Unit Owners. Thereafter, the President, the Vice-President and Secretary-Treasurer of the Condominium must be members of the Board.

4.2 Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organizational meeting thereof, except that the initial officers of the Condominium shall be elected by the initial Board and shall hold office at the pleasure of such Board and until their successors is elected.

4.3 Removal of Officers. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and his successor may be elected, at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and at all meetings of the Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as he may in his discretion decide are appropriate to assist in the conduct of the affairs of the Condominium.

4.5 Vice President. The Vice President shall take the place of the President under whom such Vice President serves and perform the duties of the President whenever such President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board under whom such President and Vice President serves shall appoint some member of such Board to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the board or by the President under whom such Vice President serves.

4.6 Secretary-Treasurer. The Secretary-Treasurer of the Condominium shall keep the minutes of all meetings of Unit Owners and of the Board and 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 Secretary-Treasurer shall have charge of such books and papers as the Board shall direct and shall also be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent appointed by the Board) in such depositories as may from time to time be designated by the Board and shall in general perform all the duties incident to the office of secretary and/or treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) officers thereof or by such other person or persons as may be designated by the Board.

4.8 Compensation of Officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

ARTICLE 5

NOTICES

5.1 Notices. All notices required or desired to be given hereunder to the Board shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested to the office of the Board or to such other address as the Board may designate from time to time, by notice in writing to all Unit Owners and Permitted Mortgagees, and, if there is a managing agent of the Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested to the Property address of such Unit Owner or to such other

address as may have been designated by such Unit Owner from time to time, in writing, to the Board. All notices to Permitted Mortgagees shall be sent by certified or registered mail, return receipt requested to their respective addresses, as designated by them from time to time, in writing to the Board. Except as otherwise expressly provided, all notices shall be deemed to have been received on the date of personal delivery or on the fifth (5th) day after mailing.

5.2 Waiver of Service of Notice. Whenever any notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6

OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 Except as otherwise provided herein, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements ("Common Expenses") shall be determined by the Board and as set forth below, shall be borne by the Unit Owners. Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be Common Expenses. Common Expenses may also include such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements (including those portions of the Common Elements described as Limited Common Elements) and such amounts, determined by the Board, as may be required for the purchase, lease or sublease by the Board or its designees, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell, lease, transfer or convey such Unit or which is to be sold at a foreclosure or other sale. The Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners, *pro rata* in accordance with their respective Common Interests (except as otherwise provided in the Declaration or these By-Laws), charges ("Common Charges") to meet Common Expenses. The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of the budget on which Common Charges are based to all Unit Owners and Permitted Mortgagees thereof. In addition, until the Units are separately assessed for real estate tax purposes, the Board may assess each of the Units Owners n proportion to the Common Interest allocated to each of the Units and the Board shall pay the real estate taxes on behalf of all of the Unit Owners. At the Board's election, to be exercised in its sole and absolute discretion, the Board may assess such real estate taxes in advance so that the Boar will be in receipt of all amounts required to pay the real estate taxes before the same are due. Such reimbursement shall be treated as if it were a Common Charge.

6.1.2 As set forth in the Offering Plan, Sponsor agreed to make certain Sponsor used to abate a portion of the Common Charges that would otherwise be payable by the Residential Unit Owners for each of the first seven (7) years of Condominium Operation. For so long as Sponsor owns at least one (1) Residential Unit, the Board of Managers shall be obligated to used the proceeds of the Sponsor Working Capital Fund to abate a portion of the Residential Common

Charges, as follows: during the First Year of Condominium Operation, $234,000, during the second year: $198,000; during the third year: $162,000; during the fourth year: $126,000; during the fifth year: $90,000; during the sixth year: $54,000 and during the seventh year: $36,000 (each a "Scheduled Common Charge Contribution" and, collectively, the "Scheduled Common Charge Contributions"). In no event shall the Board apply any portion of the Sponsor Working Capital Fund to reduce the Common Charges payable by the Commercial Unit Owner. At such time when Sponsor no longer owns any of the Residential Units, the Board may use the proceeds of the Sponsor Working Capital Fund as permitted by these By-Laws, provided however, in no event shall the Board of Managers distribute the proceeds of the Sponsor Working Capital Fund to the Unit Owners. In the event that Sponsor fails to contribute any portion of the Sponsor Common Charge Contribution (which may be contributed, in part, by Sponsor paying the full amount of the Common Charges on the Units which it owns), the Condominium Board shall have all rights to the same pursuant to applicable law, including, without limitation, the right to file a Common Charge Lien against Units owned by Sponsor in accordance with Section 339-z of the New York Real Property Law.

6.1.3 The excess of all rents, profits and revenues derived from the rental or use of any space forming part of or included in any Common Element remaining after the deduction of the expenses in connection therewith shall constitute income of the Unit Owners and be collected on behalf of the Unit Owners by the Board. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.4 Allocations of insurance costs for the Condominium may be made by the Board in accordance with Section 339-bb of the Real Property Law of the State of New York.

6.2 Insurance.

6.2.1 The Board shall be required to obtain and maintain, to the extent obtainable, the following insurance: (a) fire insurance with all risk endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit or not covered by the Condominium Board's insurance policy), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount not less than an amount sufficient to avoid any defense based on co-insurance or other insurance or of any invalidity arising from any acts of the insured and of pro-rata reduction of liability but in no event greater than the full insurable replacement value of the Building (exclusive of foundation and footings), without deduction for depreciation; each of said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one (1) year; (c) workmen's compensation and New York State disability benefits insurance; (d) water damage legal liability insurance; (e) elevator liability and collision insurance; (f) at the option of the Board, fidelity insurance covering all officers, members of the Board of Managers of the Condominium and employees of the Condominium and of

the managing agent or agents who handle funds of the Condominium; and (g) such other insurance as the Board may reasonably determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be borne by the Unit Owners in proportion to their respective Common Interests. If additional coverage or other coverage is added by the Condominium, the premium for such coverage will be increased, thereby increasing the amount of Common Charges payable by all Unit Owners.

6.2.2 All such policies shall provide that adjustment of loss shall be made by the Board. Insurance proceeds with respect to any loss shall be payable to the Board, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000.00, shall be payable to a bank or trust company designated by the Board as Insurance Trustee pursuant to the provisions of Section 12.5.

6.2.3 The amount of fire insurance and all risk extended coverage to be maintained until the first (1st) Board meeting following the first (1st) annual meeting of Unit Owners shall be in an amount of no less than $3,000,000.00.

6.2.4 All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of pro-rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all Permitted Mortgagees. Upon request in each instance, duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, shall be delivered to Unit Owners and Permitted Mortgagees at least ten (10) days' prior to expiration of the then current policies.

6.2.5 The Board also shall be required to obtain and maintain comprehensive general liability insurance in such limits as the Board may from time to time determine, covering (a) the Board, the managing agent thereof, each Board Member and each officer and employee of the Condominium and (b) each Unit Owner, and covering all claims for personal injury or property damage arising out of any occurrence on the Property, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit or within the Limited Common Elements, if any, exclusive to his Unit. Such insurance shall also cover cross-liability claims of one insured against another. The Board shall review such insurance limits once each year. Until the first (1st) meeting of the Board following the first (1st) annual meeting of Unit Owners, such liability insurance shall have a limit of no less than $1,000,000.00 covering all claims for personal injury or property damage arising out of one occurrence and $2,000,000 in the aggregate.

6.2.6 Any insurance maintained by the Board may provide for such deductible amounts as the Board determines.

6.2.7 The Unit Owners shall each carry, at their expense, insurance on the personal property and improvements contained in their Unit and public liability insurance in an amount of no less than $1,000,000.00 per occurrence. The Unit Owners shall upon request deliver to the Board of Managers certificate evidence such insurance.

6.2.8 The Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

6.3 Repair or Reconstruction after Fire or Other Casualty.

6.3.1 Except as set forth in the next subsection, in the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board will arrange for the prompt repair and restoration thereof (including any damaged Units, but excluding any appliances, fixtures, furniture, furnishings, or other personal property not constituting a part of such Unit or not covered by the Condominium Board's insurance policy and subject to the limitation set forth in the next sentence). The aforesaid restoration obligation of the Condominium Board with respect to the Units shall be limited to solely restoring any damaged Unit to the condition that the Unit was in on the date that Declarant conveyed title to the Unit to the original Unit Owner (*i.e.*, the Closing Date) or the Condominium Board may elect to assign the insurance proceeds attributable to such Unit, in which case such Unit Owner would be responsible for the restoration of the Unit to the condition that the Unit was in on the Closing Date. If the insurance proceeds are insufficient to cover the cost of repairs or restorations, the Condominium Board may assess the deficit as a Common Expense to the Unit Owners in proportion to their respective share of the Common Elements. Any surplus insurance proceeds will be paid to all Unit Owners at the discretion of the Board in proportion to their respective Common Interests, except that no payment may be made to a Unit Owner until there has first been paid, out of his share of such funds, such amounts as may be necessary to eradicate unpaid liens on his Unit (other than mortgages that are Permitted Mortgages (as such term is hereinafter defined) in the order of priority of such liens.

Each Unit Owner should make sure that he is adequately insured to the extent of any changes, modifications and/or deletions that he may have made to his Unit subsequent to the initial transfer of the Unit from Declarant.

6.3.2 If 75 percent or more of the Building is destroyed or substantially damaged and if 75 percent or more of all Unit Owners, both in number and in Common Interest, do not promptly resolve to proceed with the repair or restoration of the same, the Building may not be repaired and will 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 the resulting sale, together with the net proceeds of insurance policies, will be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his share of such funds, such amounts as may be necessary to eradicate all unpaid liens on his Unit (other than mortgages that are Permitted Mortgages, as such term is defined in the Declaration) in the order of priority of such liens. If Declarant or a successor owner of Unsold Units is then a Unit Owner, Declarant or such successor owner of Unsold Units will have the right to vote at any meeting of Unit Owners called for the purpose of deciding whether or not to proceed with the restoration or repair of the Building. As used in this Section 6.3, the words "promptly resolve" shall mean not more than 60 days from the date of such damage or destruction.

6.3.3 Any dispute between Unit Owners or between any Unit Owner and the Board arising under this Section 6.3 shall be determined by arbitration.

6.4 Payment of Common Charges.

6.4.1 All Unit Owners shall be obligated to pay Common Charges assessed by the Board pursuant to the provisions of Section 6.1 at such time or times (but not less than monthly) as the Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first (1st) day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale or other conveyance by him (made in accordance with these By-Laws) of such Unit together with its Appurtenant Interests in the Common Elements. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges; and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit, convey such Unit together with its Appurtenant Interests in the Common Elements, to the Board or its designee, corporate or otherwise, on behalf of all Unit Owners and in such event be exempt from Common Charges thereafter accruing. However, in no event shall Declarant or a successor owner of the Unsold Units be permitted to convey any Unsold Unit to the Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgagee shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by law, the Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit in proportion to their respective Common Interests.

6.4.3 All liens provided for in subsection 6.4.2, to the extent permitted by applicable law, shall be subordinate to liens for real estate taxes and any first mortgage liens on the Unit. As used in these By-Laws, the term "Permitted Mortgage" means only a mortgage of a Unit or Units permitted to be placed thereon pursuant to the provisions of these By-Laws.

6.5 Collection of Common Charges. The Board shall take prompt action to collect any Common Charges due to the Board which remain unpaid for more than ten (10) days after the due date for payment thereof, including, without limitation, the institution of such actions for the recovery of interest and expenses as provided in this Article 6.

6.6 Default in Payment of Common Charges. In the event any Unit Owner fails to make payment of Common Charges, such Unit Owner shall be obligated to pay (a) a "late charge" of $.04 for each dollar of such amounts which remain unpaid for more than ten (10) days from their due date

(although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) interest at the rate of two (2%) percent per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (less any "late charges" theretofore collected on such amounts) computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by its managing agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner.

6.7 Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Board, acting on behalf of all Unit Owners, shall have 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 such Unit). A suit to recover a money judgment for unpaid Common Charges may be maintained without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 Statement of Common Charges. The Board shall promptly provide any Unit Owner who so requests with a written statement of all unpaid Common Charges due to it from such Unit Owner.

6.9 Maintenance and Repairs.

6.9.1 Except as otherwise provided in the Declaration or these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (including any portion of the Limited Common Elements included therein and maintained as a part of such Unit pursuant to subsection 6.15.4 but excluding other Common Elements included therein) and the interior side of entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense and (b) in or to the Common Elements, shall be made by the Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense. The Unit Owner of Unit PH shall be responsible for cleaning and general upkeep of the terrace (referred to herein as the "Terrance") which is appurtenant to Unit PH and is a Limited Common Element.

6.9.2 Notwithstanding the provisions of subsection 6.9.1 hereof:

6.9.2.1 In the event that any painting, decorating, maintenance, repairs or replacements to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner, the entire cost thereof shall be borne by such Unit Owner or (b) the Board, the

entire cost thereof shall be charged to all Unit Owners as a Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2 Neither the interior nor the exterior glass surfaces of all windows located in any Unit shall be colored or painted. The interior glass surfaces of all windows located in any Residential Unit shall be washed and cleaned by the owner thereof at such Residential Unit Owner's sole cost and expense. The Commercial Unit Owner shall be responsible to maintain both the interior and exterior surfaces of the windows in the Commercial Unit. The exterior surfaces of the windows in the Residential Units shall be cleaned from time to time by the Board of Managers. All normal maintenance, repairs and replacements made to a particular Unit shall be made by the Unit Owner owning such Unit at his own cost and expense. Any structural or extraordinary repairs or replacements made to a Unit, which the Board determines are not caused by the acts or negligence of the Unit Owner owning such Unit, shall be made by the Board, and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. Notwithstanding the foregoing, any and all replacements of glass windows or glass portions of the Terrace in Unit PH because of breakage or otherwise shall be made by the Board at the sole cost and expense of the Unit Owner of Unit PH.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any yard, roof or any part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (a) the Board with respect to such parts of the Building required to be maintained by it and (b) each Unit Owner with respect to the interior surfaces of windows and window treatments in or appurtenant to his Unit.

6.10 Violations of Maintenance Obligations.

6.10.1 In the event that any Unit Owner, after receipt of written notice from the Board, fails or neglects in any way to perform any obligations of his with respect to the painting, decorating, maintenance, repair or replacement of his Unit as provided in this Article 6 or of any Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Board shall perform or cause to be performed such painting, decorating, maintenance, repairs or replacements unless such Unit Owner, within five (5) days after receiving notice of such default by the Board, cures such default, or in the case of 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, repairs or replacements in such Unit Owner's Unit, together with interest thereon at the rate of two (2%) percent 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 Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.11 Structural Alterations, Additions, Improvements and Repairs of Units.

6.11.1 Except as otherwise provided in the Declaration and in this subsection 6.11.1, no Unit Owners, shall make any structural alteration, addition, improvement or repair in or to his Unit without the prior written approval of the Board of Managers which approval shall not be unreasonably withheld or delayed. The Board of Managers shall not unreasonably withhold its consent to a proposed alteration which would combine two (2) or more Unsold Units in instances where a Unit Owner owns contiguous Units. Non-structural alterations and any interior decorating which do not affect the Building systems may be performed without the Board's prior approval. The Board shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural alteration, addition, improvement or repair in or to such Unit Owner's Unit within 30 days after the receipt of such request, and failure to do so within the stipulated time shall constitute the Board's consent to the proposed alteration, addition, improvement or repair. Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the Board may, at its option, require the Unit Owner to execute an agreement, in form and substance satisfactory to the Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work shall be performed (an "Alteration Agreement"). Prior to the commencement of any alterations being performed in their Unit, all Unit Owners will be required to obtain their own individual work permits and file separate alteration applications with the appropriate authorities. Such Unit Owners shall be responsible for the cost and expense of obtaining all required "sign offs" from the appropriate governmental authorities in connection with any open building permits or alteration applications filed for the Unit. Notwithstanding anything to the contrary contained in this subsection 6.11.1, in no event shall any provision contained in this subsection requiring the approval of the Board apply to Declarant, a successor owner of Unsold Units, a transferee who has the written consent of the Declarant or a successor owner of Unsold Units (as applicable) for any structural alteration, addition, improvement, or repair to any Unit or Units, including, without limitation, any work to (a) combine two (2) or more Unsold Units in instances where a Unit Owner owns contiguous Units; or (b) to subdivide any Unit. In addition, Declarant, a successor owner of Unsold Units, a transferee of a Unit who has the written consent of the Declarant or a successor owner of Unsold Units (as applicable), or a Commercial Unit Owner shall not be required to enter into an Alteration Agreement with the Board.

6.11.2 All structural alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any structural alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Board and all other Unit Owners harmless from any liability arising therefrom.

6.11.3 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the Board shall be executed by the Board, provided that the Board shall not incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, material man, architect or engineer retained by the Unit Owner on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to

the contrary set forth above, in no event shall Declarant or a successor owner of the Unsold Units or persons who are permitted transferees of Unsold Units as defined in Article 25 of the Declaration be required to pay any amounts (a) to architects, engineers or other professionals retained by the Board in connection with such alterations or (b) to the Board for the execution of any such applications.

6.11.4 Notwithstanding anything to the contrary contained in this Section 6.11 of the By-Laws, the provisions of subsection 6.11.1 which require Unit Owners to obtain the consent of the Board of Managers to perform any alteration, addition or improvement in a Unit including, without limitation, the subdivision of the Unit into two (2) or more Units and to enter into an Alteration Agreement with respect thereto, shall not apply to the Commercial Unit Owner provided that no such alteration performed by the Commercial Unit Owner shall affect the structural supports of the Building or adversely affect the buildings systems which serve the Residential Units.

6.12 Alterations, Additions or Improvements to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions or improvements in or to any Common Element shall be made either by the Board or Unit Owner required to maintain such Common Element and the cost and expense thereof shall be charged either to all Unit Owners as a Common Expense or to the Unit Owner responsible therefor, as the case may be. Whenever in the judgment of the Board the cost of any such alteration, addition or improvement would exceed $100,000.00 in the aggregate in any calendar year, then such proposed alteration, addition or improvement shall not be made unless first approved by a Majority-in-Interest of the Unit Owners who shall be required to bear the cost and expense thereof as aforesaid and by the Mortgage Representatives (as such term is hereinafter defined), if any. The foregoing limitation shall not apply in the event such work is required to conform to applicable legal requirements. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions or improvements costing in the aggregate $100,000.00 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners or said Mortgage Representatives.

6.13 Special Alterations of Certain Common Elements.

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by a Unit Owner is required as a condition precedent to any alteration, addition or improvement to a Limited Common Element (collectively sometimes referred to in this Section 6.13 as a "Special Alteration") proposed to be made by Declarant, or a successor owner of an Unsold Unit, or a permitted transferee of an Unsold Unit, or the Board (collectively sometimes referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by said Unit Owner (referred to in this Section 6.13 as the "Consenting Party"). The Proponent shall give to the Consenting Party notice setting forth in reasonable detail the material aspects of such proposed Special Alteration. If the Consenting Party does not give notice of any objection to the Proponent within 20 days after the Proponent gives its notice, then the Consenting Party shall be deemed to have consented to the making of the proposed Special Alteration. If the Consenting Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Consenting Party) within such 20-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Consenting Party unreasonably withheld its consent. If in such Arbitration it is determined that the Consenting Party unreasonably withheld its consent to such proposal if (a) the Proponent makes

or causes to be made reasonable provisions providing (i) for the costs and expenses of the Special Alteration to be paid by it and (ii) that all costs and expenses for maintaining and repairing such Special Alteration after its completion will not be charged to the Consenting Party, (b) the proposed Special Alteration would not unreasonably or unnecessarily interfere with the use and enjoyment of the owners, tenants and occupants of those Units affected by the Special Alteration and (c) the proposed Special Alteration would not materially threaten or weaken the structure of the Building.

6.13.2 Nothing contained in subsection 6.13.1 hereof shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as the Proponent believes will meet the objections of the Consenting Party or of any arbitrator or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any alteration to other Common Elements without the Consenting Party's approval (unless otherwise expressly provided elsewhere herein or in the Declaration).

6.13.3 Except as set forth hereinabove, alterations to be made to the Terrace of Unit PH which is a Limited Common Element may not be made without the consent of the Board, which may be withheld in the Board's sole discretion.

6.14 Restrictions on Use of Units.

6.14.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

6.14.1.1 Each Unit shall be used only as set forth in this Section 6.14, Unit may be owned by an individual, corporation, partnership, limited liability company, fiduciary or any other legal entity and may only be occupied by (a) the individual Unit Owner (or members of his family or guests), (b) an officer, director, stockholder or employee of such corporation (or members of his family or guests), (c) a partner or employee of such partnership (or members of his family or guests), (d) a member or employee of such limited liability company (or members of his family or guest), (e) the fiduciary or beneficiary of such fiduciary (or members of his family or guests) or (vi) a principal or employee of such other entity (or members of his family or guests), as the case may be. Unless otherwise consented to by the Board, occupants of a leased Unit must be (i) an individual lessee (or members of his family or guests), (ii) an officer, director, stockholder or employee of a corporate lessee (or members of his family or guests), (iii) a partner or employee of a partnership lessee (or members of his family or guests), (iv) a member or employee of a limited liability company lessee (or members of his family or guest), (v) a fiduciary or beneficiary of a fiduciary lessee (or members of his family or guests), or (vi) a principal or employee of such other entity which is a lessee (or members of his family or guests). Notwithstanding anything contained in this subsection 6.14.1.1, in no event shall transient occupancy agreements or arrangements be permitted. "Members of his family" or words of similar import whenever used herein shall be deemed to mean spouse, domestic partner, parents, parents-in-law, brothers, sisters, children and grandchildren and nothing contained herein shall be deemed to prohibit the exclusive occupancy of any Unit by such family members or guests. Notwithstanding the foregoing, the Board may consent to occupancy of a Unit by persons other than those set forth above.

6.14.1.2 The Units may be used for dwelling purposes, in conformance with the terms and conditions of the then existing certificate of occupancy for the Building and applicable federal, state and local governmental and municipal laws, rules and regulations.

6.14.1.3 No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this subsection 6.14.1) may be accommodated therein without the prior consent of the Board, which consent may be withheld in accordance with the absolute discretion of the Board.

6.14.1.4 Notwithstanding the provisions of this subsection 6.14.1, Declarant may, without the permission of the Board (a) grant permission for the use of any Unsold Unit as a professional office or for any other purpose provided such use is permitted by law, does not violate the then existing certificate of occupancy for such Unit and the user of such Unit complies with all applicable governmental regulations; and (b) use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations.

6.15 Use of Common Elements.

6.15.1 Subject to the provisions of subsection 6.15.4 hereof, Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.15.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other part of the Common Elements without the prior consent of the Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.15.3 The provisions of subsection 6.15.1, (.2) and (.3) hereof shall not apply to Declarant or its successor so long as there are any Unsold Units, provided, however, that no such party shall use such Common Elements in such a manner as will unreasonably interfere with the use of the other Units for their permitted purposes.

6.15.4 The Terraces shall be used by the Unit Owners in accordance with the provisions of applicable law. The Terrace which is a Limited Common Element of Unit PH (a) may be used for passive recreational use only (*e.g.* reading and quiet personal enjoyment), (b) may not be used for any commercial purpose, and (c) must be used in accordance with the Rules and Regulations.

6.16 Use of Commercial Unit; Permits and Licenses.

6.16.1 Subject to the provisions of these By-Laws, the Commercial Unit may be operated for any lawful purpose (including, without limitation, for retail, restaurant, including a "fast food establishment" or cabaret, banking, commercial, office, residential, community center, educational annex, storage and utility purposes).

6.16.2 Notwithstanding the provisions of Section 6.16.1, no part of any Commercial Unit shall be used for any of the following uses (collectively, the "Prohibited Uses"):

(a) the repair, servicing or maintenance of any vehicles, machinery or equipment or the operation of an "automobile repair shop" (in each case other than as may be incidental to the operation of a parking garage facility);

(b) funeral parlor;

(c) massage parlor or sex club or for the sale or display of pornographic or obscene material; or

(d) a drug or alcohol treatment center, a shelter for homeless persons, an AIDS treatment center, a facility housing or treating criminal or mentally disturbed persons,

(e) for any obscene or pornographic purpose or any other commercial sex establishment including the sale or viewing of any pornographic or obscene goods, wares, printed materials, videos, digital video discs, movies or other digital transmission;

(f) the sale of illegal drugs or marijuana;

(g) an amusement gallery, bowling alley, game room, pool hall, auditorium, funeral home, mortuary, video arcade, warehouse, storage facility, ice skating, roller skating, mini-car racetrack, massage parlor, a so called "off-track betting" operation, abortion clinic, gym, any motel, hotel or tourist court, any automobile or truck sales storage, service, fueling, washing or repair operation; or

(h) a flea market.

6.16.3 A Commercial Unit Owner shall not at any time use or occupy, or suffer or permit anyone to use or occupy its Commercial Unit, or do or permit anything to be done in its Commercial Unit in violation of the certificate of occupancy for its Commercial Unit or for the Building. In no event shall the Commercial Unit Owner amend the Certificate of Occupancy in a manner that would specifically permit any of the Prohibited Uses.

6.16.4 If any governmental license or permit, other than a certificate of occupancy, shall at any time be required for the proper and lawful conduct of business in a Commercial Unit then being conducted or to be conducted in that Commercial Unit or any portion thereof, then the subject Commercial Unit Owner, at its own expense, shall duly procure and thereafter maintain such license or permit.

6.16.5 The Commercial Unit Owner shall take all commercially reasonable measures, including, without limitation, the installation of sound-rated insulation, to ensure that no excessive noise emanates from any portion of the Commercial Unit.

6.16.6 The Commercial Unit Owner shall sort and separate such waste products, garbage, refuse and trash into such categories as provided by law, and in accordance with the Rules

and Regulations adopted by the Condominium for the sorting and separating of such designated recyclable materials. The Commercial Unit Owner shall comply with the requirement to rinse recyclable bottles and containers before placing them in the designated receptacles, in accordance with all applicable law and regulations. All food and other wet refuse shall be placed in separate receptacles reasonably approved by the Board and shall be stored in a refrigerated room within the Commercial Unit until removed by the refuse collection contractor. If applicable, all medical waste, regulated waste and hazardous waste shall be separated into red bags or containers or other appropriately labeled bags or containers and removed from the Building and disposed of by an appropriately licensed medical waste hauler approved by the Board at the Commercial Unit Owner's sole cost and expense in compliance with all applicable laws and regulations. The Board reserves the right, where permitted by law, to refuse to collect or accept from the Commercial Unit Owner any waste products, garbage, refuse, or trash which is not separated and sorted as required by law. Where permitted by law, the Board reserves the right to require the Commercial Unit Owner to arrange for such collection, at the Unit Owner's sole cost and expense, utilizing a contractor satisfactory to the Board. The Commercial Unit Owner shall pay all costs, expenses, fines, penalties, or damages which may be imposed on the Condominium or the Commercial Unit Owner by reason of the Unit Owner's failure to comply with the provisions of these By-Laws, and, at the Commercial Unit Owner's sole cost and expense, the Commercial Unit Owner shall indemnify, defend, and hold the Board and the Condominium harmless (including legal fees and expenses) from and against any actions, claims, and suits arising from such Commercial Unit Owner's non-compliance, utilizing counsel reasonably satisfactory to the Board, if the Board so elects. The Commercial Unit Owner shall be liable to the Board for any costs, expenses, or disbursements, including attorneys' fees, of any action or proceeding by the Board against the Unit Owner, predicated upon Unit Owner's breach of this Article.

6.17 General Provisions as to Use.

6.17.1 No nuisance shall be allowed in the Property nor shall any use or practices be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation to maintain or repair such portion of the Property.

6.17.2 The Board may, in its discretion, grant permission for the use of a Unit for a use other than its original intended use, provided such use is permitted by law or court order, does not violate the then existing Certificate of Occupancy for such Unit, these By-Laws or the Declaration, and the Unit Owner thereof complies with all Legal Requirements. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in the title to such Unit shall be required to obtain the prior written approval of the Board before using such Unit for any purpose other than those expressly set forth above.

6.17.3 No portion of a Residential Unit (other than the entire Unit) may be sold, conveyed, leased or subleased. No Residential Unit may be used to operate a short term stay business or for short term occupancy on websites such as Airbnb and HomeAway.

6.17.4 Declarant, or a successor owner of the Unsold Units, or a successor owner of Unsold Units (as applicable),without the permission of the Board, may (a) use or grant permission for the use of any Unsold Unit for any purpose (including, without limitation, use for a home occupation), provided such use is permitted by law or court order, does not violate the then existing Certificate of Occupancy for such Unit, and the user of such Unit complies with all applicable Legal Requirements; (b) use of any one (1) or more Unsold Units as models and sales and/or leasing offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable Legal Requirements; and (c) lease Unsold Units to any party(ies).

6.17.5 Each Unit Owner shall promptly comply with all Legal Requirements applicable to its Unit. No Unit Owner shall use or permit the use of Hazardous Materials on, about, under, or in its Unit or the Property. Each Unit Owner agrees to indemnify and hold harmless the Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought hereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property. As used herein, the term "Hazardous Materials" means petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identifies in, or regulated by, any Environmental Law; and "Environmental Laws" means all federal, state and local laws, rules, regulations, ordinances, requirements and orders whether now existing or hereafter enacted, promulgated or issued, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material and/or the protection of human health and the environment.

6.18 Use of and Alterations to Storage Spaces. To protect the security of the Building, any licensee of any Storage Space must also at all times be the lessee or owner, of a Unit, provided, however that the foregoing restrictions shall not apply: (a) to Declarant, or a successor owner of the Unsold Units or a transferee who has the written consent of Declarant or a successor owner of Unsold Units (as applicable); or (b) to the Board or its designees. If an action shall be brought to foreclose a perfected security interest in and to a License Agreement by reason of a non-payment of a loan secured by such Storage Space, in the event that the license for such Storage Space is not being sold together with the Unit to which the same is appurtenant, the Board, acting on behalf of all Unit Owners, shall be obligated to purchase the Storage Space at the foreclosure sale, in the name of the Board or its designee, corporate or otherwise. No materials which pose a health or safety threat or which create a nuisance may be stored in a Storage Space. The Storage Spaces may be used only for storage purposes, in compliance with all applicable laws and without causing the dissemination of noxious odors, dirt or other sanitary problems. Except as otherwise expressly permitted herein, no licensee of a Storage Space (other than Declarant or its successors-in-interest) may make any alteration, addition, improvement or repair in or to its Storage Space without the prior approval of the Board and complying with all Legal Requirements and all applicable Rules and Regulations.

6.19 Other Provisions as to Use. No nuisance shall be allowed on the Property, nor shall any use or practice be allowed which is a source of annoyance to its residents or occupants or which interferes with the peaceful possession or proper use of the Property by its residents or occupants.

No immoral, improper, offensive or unlawful use shall be made of the Property or any portion thereof and all valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the full expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property.

6.20 Right of Access.

6.20.1 Each Unit Owner shall grant a right of access to his Unit and/or Terrace to the Board, the managing agent, manager, superintendent and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations (as such term is hereinafter defined) by such Unit Owner or correcting any conditions originating in his Unit or Terrace and threatening another Unit or Terrace or all or any part of the Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the Common Elements within his Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the Common Elements, his Unit or Terrace or any other Unit or Terrace in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than one day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the use of the Units or Terraces for their permitted purposes. In case of an emergency (*i.e.*, a condition requiring repairs or replacements 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), such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.20.2 A Unit Owner shall grant a right of access to his Unit or Terrace, and the Board shall grant rights of access to the Common Elements, to Declarant and its contractors, subcontractors, agents and employees, for the purposes of fulfilling Declarant's obligations as set forth in the Offering Plan, provided that access thereto shall be exercised in such a manner as will not unreasonably interfere with the use of the Terrace for its permitted purposes.

6.21 Rules and Regulations. Annexed hereto as Exhibit A and made a part hereof are the Rules and Regulations for the Residential Unit Owners of 176 East 82nd Street Condominium ("Rules and Regulations of 176 East 82nd Street Condominium" or the "Rules and Regulations") concerning the use of the Units or Terraces, the Residential Limited Common Elements and the Limited Common Elements. The Board may from time to time modify, amend or add to such Rules and Regulations, except that a majority of Residential Unit Owners may overrule the Board with respect to any such modification, amendment or addition. Copies of any newly adopted, or any modifications, amendments or additions to the Rules and Regulations shall be furnished by the Board to each Unit Owner not less than 30 days prior to the effective date thereof.

6.22 Real Estate Taxes, Water Charges and Sewer Rents.

6.22.1 Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Board shall promptly pay such taxes, charges and rents as a Common Expense, and the Unit Owners shall be required to reimburse the Board, as a Common Expense, for their proportionate share of such taxes. In the event of a proposed sale of any Unit, the Board (so long as the Board is still paying such real estate taxes), on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such owner's Unit to the date of the closing of title to such Unit.

6.22.2 Water for the Building shall be supplied by the City of New York. Water charges and sewer rents for the water used in the Residential Units and the Residential Limited Common Elements shall be paid by the Board of Managers as a Common Expense.

6.22.3 The cost of water charges and sewer rents used for the occupancy and operation of the Commercial Unit (other than the use of the lavatories) will be the sole responsibility of the Commercial Unit Owner. The Commercial Unit Owner shall reimburse the Board of Managers for the charges therefor based upon submeter readings within 30 days following the presentation of an invoice for such amounts. The cost of water charges and sewer rents shall be deemed as additional "Common Charges" due and owing from the Commercial Unit Owner. Payments received after such time will be subject to a late charge equal to one and one-half (1.5%) percent per month. In addition, the Commercial Unit Owner shall be responsible for any cost incurred by the Board to obtain any such submeter reading. Any disputes regarding the reading of the water meter shall be determined by arbitration as set forth in Article 12 herein below.

6.23 Gas. The charges for cooking gas, the operation of gas clothes dryers and the PTAC units used in the Residential Units shall be paid by the Residential Unit Owners directly to the utility company. The charges for gas usage for the operation of equipment and the PTAC units used in the Commercial Unit shall be paid by the Commercial Unit Owner directly to the utility company.

6.24 Electricity. Electricity shall be supplied to the Condominium through one (1) or more electrical meters and that the cost thereof shall be borne by each Unit Owner. Each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit either to the Condominium or to the utility company as directed by the Condominium.

6.25 Utilities Serving the Common Elements. The cost and expense of water and electricity serving or benefiting any Common Element shall (a) be considered part of the expense of maintaining such Common Element, (b) be determined by the Board, and (c) be charged to the Unit Owners as a Common Expense. Any disputes as to the apportionment of such cost or expense shall be determined by arbitration.

6.26 Abatement and Enjoinment of Violations by Unit Owners.

6.26.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to such other rights set forth in these By-Laws, to (a) enter any Unit or Common Element in which, or as to which, such violation or breach exists and to summarily abate and

remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any matter of trespass, or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.26.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant, or a successor owner of the Unsold Units shall give to Declarant and its successor the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings either at law or in equity, the continuance of any such violation or breach.

6.27 Vault Charges. All license fees, and all periodic taxes and charges, for vaults or other protrusions beyond the building line, if any, shall be paid by the Board and charged to the Unit Owners as a Common Expense.

ARTICLE 7

MORTGAGES

7.1 Permitted Mortgages. As used herein the term "Permitted Mortgagee" means the holder of any Permitted Mortgage encumbering a Unit or Units which is permitted to be placed thereon pursuant to Article 8 hereof. As more fully set forth in said Article 8, each Unit Owner may mortgage his Unit to a bank, trust company, insurance company, savings and loan association or any institutional or non-institutional lender, including, without limitation, the seller of a Unit, as a Permitted Mortgagee, provided that (a) the mortgage be substantially in the form of the New York statutory 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 (c) the owner making such mortgage first satisfies all unpaid liens against his Unit, other than Permitted Mortgages.

7.2 Notice to Condominium Board. A Unit Owner who mortgages his Unit or the holder of such mortgage shall notify the Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board. A Unit Owner who satisfies a mortgage covering his Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Board shall maintain such information in a book entitled "Mortgages of Units."

7.3 Notice of Default and Unpaid Common Charges. Whenever so requested in writing by a Permitted Mortgagee, the Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws which may to the Board's knowledge then exist. The Board, when giving notice to a Unit Owner of any such default, shall, if requested, also send a copy of such notice to any Permitted Mortgagee thereof.

7.4 Performance by Permitted Mortgagees. The Board shall accept payment of any sum or performance of any act by any Permitted Mortgagee of a Unit Owner required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.5 Examination of Books. The Board shall keep detailed, accurate records, in chronological order, of the receipts and expenditures arising from the operation of the property. Such records and the vouchers authorizing the payments shall be available for examination by the Unit Owners during business hours upon reasonable prior notice. A written report summarizing such receipts and expenditures shall be rendered by the Board to all Unit Owners at least once annually.

7.6 Representatives of Mortgagees.

7.6.1 In the manner more particularly set forth in subsection 7.5.2 hereof, the holders of Institutional Mortgages (as such term is hereinafter defined) may, at their election, designate one or more (but not more than three (3)) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Institutional Mortgages with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the Board, the act of any such representative (or a majority of such representatives if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages. As used herein, the term "Institutional Mortgage" means any first mortgage covering a Unit or Units (a) which is a Permitted Mortgage, and (b) the initial holder of which is (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

7.6.2 Any designation of a Mortgage Representative made by the holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages shall be binding upon the holders of all Institutional Mortgages. Any such designation of any Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof and (b) notice of such subsequent designation is given to the Board. Unless otherwise permitted by law, all Permitted Mortgagees other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but shall be subject to all determinations made by such Mortgage Representatives pursuant to the Declaration or these By-Laws.

7.7 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to the determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Selling and Leasing. No Unit Owner other than Declarant, or a successor owner of the Unsold Units or a transferee who has the written consent of Declarant or a successor owner of Unsold Units (as applicable) may sell or lease his Unit except by complying with the following provision:

8.1.1 Any Unit Owner who receives a *bona fide* offer to (a) purchase his Unit together with its Appurtenant Interests in the Common Elements or (b) lease his Unit (such offer to purchase or lease a Unit, as the case may be, is called a "*Bona fide* Offer," the party making any such *Bona fide* Offer is called a "*Bona fide* Offeror" and the Unit Owner to whom the *Bona fide* Offer is made is called an "Offeree Unit Owner"), which he intends to accept shall give notice in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested, to the Board of the receipt of such *Bona fide* Offer. Said notice shall also state the name and address of the *Bona fide* Offeror, the terms of the proposed transaction as set forth in an executed contract of sale or lease (which is made subject to approval by the Condominium Board) made with the prospective purchaser or lessee and such other information as the Board may reasonably require. The giving of such notice to the Board shall constitute an offer by such Unit Owner to sell his Unit together with its Appurtenant Interest in the Common Elements or to lease his Unit to the Board, or its designee, corporate or otherwise, on behalf of all other Unit Owners, upon the same terms and conditions as contained in such *Bona fide* Offer and shall also constitute a representation and warranty by the Unit Owner who has received such *Bona fide* Offer, to the Board on behalf of all Unit Owners, that such Unit Owner believes the *Bona fide* Offer to be *bona fide* in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may reasonably request. Not later than 20 days after receipt of such notice together with such further information as may have been requested, the Board may elect, by sending written notice to such Offeree Unit Owner before the expiration of said 20-day period, by delivering personally or sending certified or registered mail, return receipt requested, to purchase such Unit together with its Appurtenant Interests in the Common Elements or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners, upon the same terms and conditions as contained in the *Bona fide* Offer and as stated in the notice from the Offeree Unit Owner, provided that such election to purchase said Unit is not being exercised in violation of Federal laws which prohibit discrimination or on the basis of race, color, national origin, religion, sex, family status or disability.

8.1.2 In the event the Board shall timely elect to purchase such Unit together with its appurtenant interests in the Common Elements or to lease such Unit, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or a lease shall be executed at the office of the attorneys for the Board, in accordance with the terms of the *Bona fide* Offer, within 45 days after the giving of notice by the Board of its election to accept such offer. If, pursuant to such *Bona fide* Offer to purchase said Unit, the *Bona fide* Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit together with its Appurtenant Interests in the Common

Elements is to be sold, shall convey the same to the Board, or to its designee, on behalf of all other Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed to the Unit), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in such *Bona fide* Offer.

8.1.3 In the event the Board or its designee shall fail to accept such offer within 20 days after receipt of notice as aforesaid, said contract of sale or lease, as the case may be, shall be deemed approved by the Condominium Board. In the event the sale or lease pursuant to the said contract of sale or lease is not consummated for any reason, then, should such Offeree Unit Owner thereafter elect to sell or lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1.

8.1.4 Any deed to a *Bona fide* Offer or shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any *Bona fide* Offer to lease a Unit shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Board, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board 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 Real Property Law of the State of New York.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Board or a *Bona fide* Offer or shall be the then current form of condominium apartment lease recommended by The Real Estate Board of New York, Inc. and shall contain such other modifications as shall be approved in writing by the Board. Any lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 Any purported sale or lease of a Unit in violation of this Section 8.1 shall be voidable at the election of the Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the purported landlord. Said Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.1.8 The foregoing restrictions contained in this Section 8.1 shall not apply to any sale being conducted by a lender as part of a foreclosure proceeding or any transaction in any subsequent sale of such Unit acquired by a lender or its designee in a foreclosure or by deed-in-lieu of foreclosure.

8.1.9 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units. Declarant or any successor owner of the Unsold Units shall have the right to freely sell Unsold Units or to freely lease all or any part thereof without having to first offer the same for sale or lease to the Board.

8.1.10 The foregoing restrictions of this Section 8.1 shall not apply to the Commercial Unit. The Commercial Unit Owner shall have the right to freely sell or enter into a lease for all or any part of the Commercial Unit without having to first offer the same for sale or lease to the Board.

8.2 Consent of Unit Owners to the Purchase or Lease of Units by Condominium Board. The Board shall not exercise any option herein above set forth to purchase or lease any Unit without the prior approval of 75 percent in number of the members of the Condominium Board. Further, no Unit acquired by the Condominium Board or its designee pursuant to this Article 8 shall carry voting rights as long as such Unit is so held.

8.3 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein its Appurtenant Interests in the Common Elements, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant interests in the Common Elements of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance or other disposition of such part of the Appurtenant Interests in the Common Elements of all Units. Nothing in this Section 8.3 shall permit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

8.4 Release by Condominium Board of Right of First Refusal. The right of first refusal contained in Section 8.1 may be released or waived by the Board only in the manner provided in Section 8.5. In the event the Board shall release or waive its right of first refusal as to any Unit, such Unit may be sold, conveyed or leased, free and clear of the provisions of Section 8.1.

8.5 Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary-Treasurer of the Condominium stating that the provisions of Section 8.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board, and that as a result thereof the rights of the Board thereunder have terminated, shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith. The Board shall furnish, without charge, such certificate upon request to any Unit Owner with respect to whom the provisions of Section 8.1 have, in fact, terminated.

8.6 Financing of Purchase of Units by Condominium Board. The purchase of any Unit by the Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit Owner, in proportion to his respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit, provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interests in the Common Elements.

8.7 Exceptions. The provisions of Section 8.1 shall not apply with respect to any lease, sale or conveyance of any Unit by (a) the Unit Owner thereof to his spouse, domestic partner, adult children, parents, parents-in-law, adult siblings or to any one or more of them or to any related or controlled entity of the Unit Owner thereof, (b) Declarant or its successor with respect to the Unsold Units, (c) the Board, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or (e) a Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a *bona fide* transaction; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article 8.

The term "related or controlled entity" shall mean an entity which owns more than 50 percent of the legal and beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than 50 percent of the legal and beneficial interest thereof.

8.8 Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his Unit by gift, or may devise his Unit by will or have his Unit pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article 8.

8.9 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners as tenants in common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired unit and the entire Property as herein provided.

8.10 Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Unit unless and until he shall have paid in full to the Board all unpaid Common Charges theretofore assessed against such Unit and until such Unit Owner shall have satisfied all unpaid liens against his Unit, other than Permitted Mortgages.

8.11 Mortgage of Units. Subject to Article 7 and Section 8.10 hereof, each Unit Owner shall have the right to mortgage his Unit without restriction, provided that any such mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required in order to permit a particular bank, trust company, insurance company, savings and loan association or other institutional or non-institutional

lender to make the mortgage loan and the Board is notified in writing of the making of such mortgage.

ARTICLE 9

COMMERCIAL UNIT

9.1 Right to Lease. Subject to the terms of the Declaration and these By-Laws, a Commercial Unit Owner shall have the right to lease in whole or in part a Unit for such rent and term and on such other conditions as may be agreed upon by the Commercial Unit Owner(s) and any tenant of such Unit or a portion thereof. The Commercial Unit Owner(s) shall not lease either Commercial Unit or any portion thereof or permit its Unit or any portion thereof to be used or occupied by anyone other than for the permitted uses as permitted by Applicable Law, subject however to certain restrictions set forth in the Declaration and in these By-Laws.

9.2 Subordinate to Declaration and By-laws. Any lease entered into by a Commercial Unit Owner shall be consistent with and subordinate to the Declaration and to these By-Laws and shall provide in reference to any commercial tenant that such tenant shall maintain, at its expense, public liability insurance policies naming as parties insured the Unit Owners, the Board of Managers and their agents in such amounts as may then be customarily by required by landlords with respect to similar commercial tenancies in the City of New York. Any insurance policy to be maintained pursuant to the terms of any such lease shall provide that said policy shall not be cancelled or materially amended upon not less than twenty (20) days prior written notice the Board of Managers and the Unit Owner. The commercial tenant of a Commercial Unit shall also deliver to the Board of Managers certificate evidencing such insurance.

9.3 Non-Disturbance Agreement. Upon request from the Commercial Unit Owner, the Board will enter into a Non-Disturbance and Attornment Agreement (a "Non-Disturbance Agreement") with a tenant under a lease for either of the Commercial Units or any portion thereof (a "Tenant") on terms and conditions reasonably acceptable to the Board of Managers. Such agreement will provide, in part, that so long as a lease has not been terminated on account of a Tenant's default that has continued beyond applicable cure periods (an "Event of Default"), the Board of Managers shall not name or join a Tenant as a defendant in any exercise of Board's rights and remedies arising upon a default by the Commercial Unit Owner in its obligations to pay Common Charges and Assessments unless applicable law requires a Tenant to be made a party thereto as a condition to proceeding against the Commercial Unit Owner or prosecuting such rights and remedies. In the latter case, the Board of Managers may join a Tenant as a defendant in such action for such purpose, but shall not terminate the lease or otherwise adversely affect a Tenant's rights under the lease or the Declaration.

Any such Non-Disturbance Agreement shall further provide that if the lease has not been terminated on account of an Event of Default by a Tenant, then, when the Board of Managers or its successor takes title to the Commercial Unit: (a) the successor landlord shall not terminate or disturb a Tenant's possession of Tenant's premises under the lease, except in accordance with the terms of the lease and these By-Laws; (b) the successor landlord shall be bound to a Tenant under all the terms and conditions of the lease; (c) Tenant shall recognize and attorn to the successor landlord

as Tenant's direct landlord under the lease as affected by these By-Laws; and (d) the lease shall continue in full force and effect as a direct lease, in accordance with its terms, between the successor landlord and a Tenant.

ARTICLE 10

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, the Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the Common Elements so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by the Board. The award made for any such taking shall be payable to the Board, provided, however, that if any such award exceeds $1,000,000.00, such award shall be payable to the Insurance Trustee and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be borne and shared by all Unit Owners to the extent that the taking involves the Common Elements shared by all of the Unit Owners in accordance with their respective Common Interests. Notwithstanding any provisions contained herein to the contrary, in the event that 75 percent or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of the Common Elements, such repairs or restorations shall not be made and the proceeds of any such award with respect thereto will be divided among the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units other than mortgages which are not Permitted Mortgages. As used in this Article 10, the words "promptly resolve" shall mean not more than 60 days from the date of such taking.

ARTICLE 11

RECORDS AND AUDITS

11.1 Records. The Board or the managing agent thereof shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board shall keep a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

11.2 Audits. Within four (4) months after the end of each fiscal year, an annual report of receipts and expenditures prepared by an independent certified public accountant, shall be submitted by the Board to all Unit Owners and if so requested, to any Permitted Mortgagee. The cost of such report submitted by the Board shall be paid by the Unit Owners as a Common Expense.

11.3 Availability of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained

at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE 12

ARBITRATION

12.1 General Procedure. Any arbitration provided for in these By-Laws shall be conducted before one (1) arbitrator in the Borough of Manhattan by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in the Borough of Manhattan before one (1) arbitrator appointed, on application of any party, by any Justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his appointment. All expenses of arbitration hereunder, including the fees and expenses of counsel and experts, shall be Common Expenses. Any arbitrator appointed or selected in connection with any arbitration hereunder shall be a member of a law firm whose principal office is in the Borough of Manhattan and which has at least five (5) members.

12.2 Agreement by Parties. The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 hereof with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 13

MISCELLANEOUS

13.1 Waiver. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

13.2 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision hereof.

13.3 Certain References.

13.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

13.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used.

13.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

13.4 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

13.5 Insurance Trustee. The Insurance Trustee shall be a bank or trust company designated by the Board and having a capital surplus and undivided profits of $100,000,000.00 or more. Any holder of Institutional Mortgage liens (as further qualified by this Section 13.5) on more than three (3) Units shall have the right to require the Board to appoint such Institutional Mortgagee as Insurance Trustee. In the event the Insurance Trustee resigns or is replaced by the Board, the Board shall appoint a new Insurance Trustee which shall be a bank or trust company having a capital surplus and undivided profits of $100,000,000.00 or more. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense.

13.6 Successors and Assigns. The rights and/or obligations of Declarant as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or, with the consent of Declarant, upon any transferee of all of the then Unsold Units.

13.7 Covenant of Further Assurances.

13.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

13.7.2 If any Unit Owner or other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses within ten (10) days after request therefor, to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Board is hereby authorized, as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

13.7.3 If the Board, any Unit Owner or other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which the Board, such Unit Owner or party is

required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant, then Declarant is hereby authorized, as attorney-in-fact for the Board, such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board, such Unit Owner or other party and such document or action shall be binding on such Unit Owner, Board or other party.

ARTICLE 14

AMENDMENTS TO THE BY-LAWS

14.1 Amendments by Unit Owners. Subject to the provisions contained herein or elsewhere in the Declaration with respect to amendments affecting Declarant or its successor or any Unsold Units or a transferee who has the written consent of Declarant or a successor owner of Unsold Units (as applicable), any provision of these By-Laws may be amended, modified, added to or restated by affirmative vote of at least 66 2/3 percent in number and in Common Interest of all Unit Owners, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of the Unit Owners affected thereby. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its successor-in-interest or any Unsold Unit or a transferee who has the written consent of Declarant or a successor owner of Unsold Units (as applicable), any such amendment, modification, addition or deletion shall be executed by the Board, as attorney-in-fact for the Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its successor-in-interest or any Unsold Units or a transferee who has the written consent of Declarant or a successor owner of Unsold Units (as applicable), (i) no amendment, modification, addition or deletion pursuant to the provisions set forth above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (ii) the provisions of Section 6.14 hereof may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, as set forth above) 75 percent in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, deletion or addition in the manner set forth above.

14.2 Amendments Affecting Declarant or Unsold Units. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way against (a) Declarant, or a successor owner of any Unsold Unit or a transferee who has the written consent of Declarant or a successor owner of Unsold Units (as applicable) unless Declarant or said affected successor owner or permitted transferee (as applicable) has given its prior written consent thereto or (b) the holder of an existing mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

14.3 Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 7

or Sections 6.2, 6.4.2 or 8.7 (d) or (e) hereof shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto.

EXHIBIT A

RULES AND REGULATIONS FOR THE

RESIDENTIAL UNIT OWNERS OF 176 EAST 82ND STREET CONDOMINIUM

1. Subject to the rights of Unit Owners with respect to those Common Elements reserved for the exclusive or shared use, the sidewalks, entrances, 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 Units.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the halls or on any of the staircase or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows, roofs or placed upon the window sills of the Building.

3. Subject to the rights of Unit Owners with respect to those Common Elements reserved for the exclusive or shared use, neither occupants nor their guests shall play in the entrances, passages, public halls, elevators, vestibules, corridors, stairways or on the public roof decks of the Building.

4. Except as otherwise provided in the By-Laws, no public hall or public elevators of the Building shall be decorated or furnished by any Unit Owner in any manner. Except as otherwise provided in the By-Laws, the style, finish and hardware of the exterior side of the corridor doors shall not be altered.

5. Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

6. Other than as required by law, no window guards or other window decorations shall be used in or about any Unit except such as shall have been approved in writing by the Board or the managing agent thereof, which approval shall not be unreasonably withheld or delayed.

7. No radio, television aerial or satellite dishes shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of the Building except such as are permitted pursuant to the Declaration or By-Laws or shall have been approved in writing by the Board or the managing agent thereof; nor shall anything be projected from any window of a Unit without similar approval.

8. No ventilator, window screens or air-conditioning device shall be installed in any Unit without the prior written approval of the Board, which approval may be granted or refused in the sole discretion of the Board.

9. 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 public authorities having jurisdiction, and the Unit

Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit Owner's Unit.

10. No baby carriages, shopping carts, bicycles, scooter and luggage shall be allowed to stand in the public halls, passageways or other public areas of the Building. The aforementioned items shall be allowed in the elevator only in such a manner so as not to cause damage to the Building. Motorcycles, velocipedes or any similar vehicles which require any petroleum motor fuel are strictly prohibited from the Building. The use of roller blades and skateboards in the Building is prohibited.

11. No Unit Owner shall make or permit any disturbing noises or activity in the Building, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a phonograph or radio or television set or other loud speaker in such Unit Owner's Unit between 10:00 p.m. and the following 8:00 a.m., if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 p.m. and the following 8:00 a.m. Construction, repair work or other installation involving noise shall be conducted only on weekdays (Monday through Friday, not including legal holidays) and only between the hours of 8:00 a.m. and 5:00 p.m., unless such construction or repair work is necessitated by an emergency.

12. Unit Owners shall have the right to keep and harbor pets in their Units; however, such Unit Owner's right shall be subject to the Board's right to revoke such Unit Owner's right at any time in its sole discretion. Notwithstanding the provisions of the immediately preceding sentence, certain tenants in the Building who have Units leased from Declarant, shall be granted the right to keep and harbor pets in the Building by act of the Board at its first (1st) duly convened meeting. In no event shall any bird, reptile or animal be permitted in the elevators of the Building, or in any of the public portions of the Building, unless carried in a cage 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.

13. Waterclosets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any waterclosets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

14. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent thereof out of the Building on any private business.

15. The agents of the Board or the Managing Agent thereof, and any contractor or workman authorized by the Board or the Managing Agent thereof, may enter any room, Unit at any reasonable hour of the day, on at least one (1) day's prior notice to the Unit Owner. Agents of the Board or Managing Agent shall also have the right to enter any unit at any time in the event of an emergency.

16. The Board or the managing agent thereof may retain a passkey to each Unit. If any lock is altered or a new lock is installed, including any elevator lock, the Board or the managing agent thereof shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to the Board or the managing agent thereof, then the Board or such managing agent or their agents in an emergency, and 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 Unit Owner's property).

17. No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be left unattended on any sidewalk surrounding the Building or in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

18. The Board or the managing agent thereof may from time to time curtail or relocate any portion of the Common Elements devoted to service purposes in the Building.

19. Complaints regarding the service of the Condominium shall be made in writing to the Board or to the managing agent thereof.

20. Any consent or approval given under these Rules and Regulations may be added to, amended or repealed at any time by resolution of the Board.

21. Clothes and other articles shall not be dried or aired on the Terraces of the Building or on any other public area of the Property.

22. Unit Owners shall not cause or permit any unusual or objectionable noises or odors to be produced upon or to emanate from their Units. Smoking is strictly prohibited in all Building Common Areas.

23. No Unit Owner or any of his agents, servants, employees, licensees or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

24. If any key or keys are entrusted by a Unit Owner or by any member of his family or by his agent, servant, employee, licensee or visitor to an employee of the Condominium or of the managing agent thereof, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner and neither the Board nor the managing agent thereof shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

25. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

26. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements.

27. No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the consent of the Board or its Managing Agent, which consent may be withheld in the Board's sole discretion.

28. In the event that any Unit is used for home occupation purposes which are permitted by law, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

29. With respect to any Unit to which there is a Terrace appurtenant, the following additional rules and regulations shall apply: All furniture must be "patio/terrace" furniture which is rust-proof. Any planting/landscaping must comply with all Legal Requirements. Plants may not exceed the total weight allowance of 100 pounds and must be planted in water-proof containers so as not to cause water leakage. Any damage caused by the Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. All Terraces must be kept clean and free from snow, ice, leaves, and debris and all screens and drains must be kept in good repair. The Unit Owner shall not remove any of the above items by putting them over the Terrace walls, but shall remove said items either through the apartment or through drainage where appropriate. No hanging of any items, including but not limited to banners, laundry, decorations, etc., from any Terrace wall, structure, railing or other temporary or permanent structure is permitted. No items including, but not limited to, climbing equipment, bikes, pools, children's toys, etc., may be stored on any Terrace; any appropriate furniture including table, chair cushions and umbrellas may be left on the Terraces only if properly secured. No items can be placed on the Terrace parapet wall and/or railing. In no event shall any Unit Owner be permitted to enclose any Terrace (except to the extent that such Terrace was enclosed by Declarant) or erect any structure on any Terrace. No portion of any Terrace may be painted, cemented or changed in any fashion from its original appearance. No carpeting may be placed on any Terrace. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed on any Terrace. No animals, which include, but are not limited to dogs, cats, birds, are allowed on any Terrace. The Board shall have the right to require a Residential Unit Owner to remove plantings, roof surfaces and other installations which have been placed on the Terraces if the Board determines, in its sole discretion that such plantings or other installations may adversely affect the integrity of the roof or other portion of the Building or is otherwise unsafe. In addition, the Board shall have the right, in connection with any repair or maintenance work in the Building, to erect scaffolding temporarily on any Terrace. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Residential Units and to insure the integrity of the Building and the health and safety of the occupants.

30. There will be no barbecuing in the Units, on the Terraces, or in the Common Elements (including, without limitation, the Residential Limited Common Elements).

31. In the event that the Condominium Board receives complaints about noise emanating from any of the Units the Board may request that, substantially all (which shall mean at least 50 percent) of the floor area be covered with carpeting or equally effective noise-reducing material (excepting areas similar to kitchens, pantries, bathrooms, maid's rooms, closets, and foyers in such type Unit and also excepting work areas).

32. All Unit Owners and/or tenants shall comply with all requirements of law and regulations of the Condominium regarding recycling of trash. All Unit Owners and/or tenants shall separate their trash into "recyclable" and "non-recyclable" materials. The Condominium may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by Unit Owners and/or tenants for the disposal of designated recyclable materials, and the locations where designated recyclable materials shall be deposited. The Condominium may also establish other regulations regarding recycling of trash. Any costs incurred by the Condominium in the enforcement against Unit Owners and/or tenants of recycling requirements imposed by law or by the Condominium, including but not limited to, legal fees and fines or penalties imposed on the Condominium by any government agency, shall be payable by the Unit Owner and/or tenant and shall be deemed a fine under the By-Laws.

33. The Condominium Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Unit when, in the judgment of the Condominium Board, the Condominium Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or the operation or maintenance of the Condominium, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

34. Except as permitted under the Declaration and the By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors or licensees shall not at any time nor for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

35. The use of radios (including stereos and boom boxes) are not permitted on the Terrace or the Roof Terrace (which is a Residential Limited Common Element) by any Unit Owner, their families, guests, servants, employees, agents, visitors or licensees.

36. The Terraces and the recreational Roof Terrace (which is a Residential Limited Common Element) shall be used for passive recreational use only *(i e.,* walking, reading and quiet personal enjoyment).

37. All visitors must be admitted by the intercom system. Non-residents who are not accompanied by a resident of the Building will not be allowed into the Building without authorization from a resident. Unit Owners are required to register the names of regular or repeat domestic employees with the Board of Managers.

38. The Board of Managers must be notified prior to the commencement of any alteration work. Written approval must be obtained from the Board of Managers before alterations (other than painting, wallpapering and carpeting) may be made to a Unit. After plans have been approved, there is a time limit of four (4) months for the completion of the construction or renovation work unless the time limit is extended by the Board. After receiving written approval for the proposed alteration, and at least two (2) business days prior to the commencement of work, residents are required to inform the Managing Agent in writing of the nature and extent of the work, installation, or proposed repair, the number of personnel involved and the estimated time for completion. Unit Owners will also assume financial responsibility and will indemnify the Condominium for any damage done to any other Unit, or to any Common Element. Construction personnel may work only between the hours of 8:00 a.m. and 5:00 p.m. from Monday through Friday, excluding national holidays. Prior to the commencement of work, Unit Owners are required to provide certificates of insurance for all contractors and subcontractors, naming the condominium and the Managing Agents as additional insureds, as well as any required building permits.

39. No moving company will be permitted to enter the building without first providing the Managing Agent with a Certificate of Insurance.

40. Commercial film, video, and photographic shoots are prohibited in the Building.

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STORAGE UNIT LICENSE AGREEMENT

AGREEMENT MADE THIS _____ day of _____, 2017 (this "Agreement") by and between the Board of Managers of 176 East 82nd Street Condominium (the "Licensor"), having an office at care of c/o Camelot Realty Group, 37 West 26th Street, New York, New York 10010, and _____ (the "Licensee"), having an address at 176 East 82nd Street a/k/a 1444 Third Avenue, Unit _____, New York, New York;

WHEREAS, pursuant to that certain condominium declaration and by-laws for the condominium known as 176 East 82nd Street Condominium (hereinafter the "Condominium") dated _____, 2017, recorded on _____, 2017 as CRFN _____ (collectively the "Declaration") for the property having the street address 176 East 82nd Street a/k/a 1444 Third Avenue, New York, New York (the "Property"), the Property was submitted to a condominium regime;

WHEREAS, in accordance with the terms of the Declaration, Licensor is responsible for the administration of the Condominium, including, without limitation the "Storage Bins" located in the Building as such term is more particularly defined and described in the Declaration;

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

WHEREAS, Licensee desires the right to the exclusive use of the Storage Bin No. _____ (the "Bin") for so long as Licensee owns a Residential Unit in the Condominium.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the parties hereto agree as follows:

1. Subject to and in accordance with the terms and conditions of this Agreement, Licensor hereby grants to Licensee, its successors and assigns and Licensee hereby accepts from Licensor, a license (the "License") to use the Bin during the term hereof for storage of Licensee's personal property and the property of occupants of the Unit (the "Permitted Users") and for no other purpose. Licensee shall not store any (i) animals or food, (ii) inflammable, combustible, explosive or other dangerous items, (iii) items which have an objectionable odor or which may spoil or decay or (iv) valuable items. Licensee shall not (a) interfere with another tenant of Licensor, (b) store any property in the Building outside of the Bin, (c) allow any other person to use the Bin except in accordance with the terms hereof, or (d) deface, damage or alter the Bin, the Building or Licensor's equipment. Licensee shall keep the Bin locked and shall provide Licensor with a duplicate key. Licensee acknowledges that it is Licensee's responsibility to safeguard the keys and Licensee is fully responsible for whoever has possession of the keys.

2. The term of this License shall commence on date first set forth above, and shall continue on a month to month basis thereafter until Licensee gives written notice of termination, or unless otherwise terminated, as provided herein. This License shall automatically terminate in the event that Licensee no longer owns a Residential Unit in the Condominium. In the event this Agreement is terminated, Licensee shall vacate and surrender possession of the Bin, broom clean, in the condition as existed prior to the commencement of this Agreement. Any property

not removed from the Bin at expiration or other termination of this Agreement shall be considered abandoned and may, at Licensor's option, be retained as Licensor's property or disposed of at Licensee's cost and without any liability to Licensee. Licensee's obligation to observe or perform this covenant shall survive the expiration or other termination of this Agreement.

3. Licensee shall indemnify and save harmless Licensor and Licensor's agents against and from any and all liability, loss, damage and expense (including, without limitation, attorney fees and expenses) arising from injury to person or property occasioned by failure of the Licensee to comply with any provision in this Agreement, or due wholly or in part to any act, default or omission of the Licensee or of any person using the Bin, or by the Licensor, its agents, servants or contractors when acting as agent for the Licensee as herein provided.

4. Neither Licensor nor its agents or employees shall be liable for any theft or damage to any property stored in the Bin unless due to gross negligence of the Licensor. Licensee stores property in the Bin at Licensee's own risk, including, without limitation, the possibility that the Bin mat be damp or have water infiltration. Licensor undertakes only to act as a licensor, and under no circumstances shall the Licensor or its agents be deemed to act as Licensee's bailee.

5. Licensee represents that it has made a thorough inspection of the Bin and agrees to take same in its condition "as is" as of the commencement of this Agreement. Licensee shall, throughout the term of this Agreement, take good care of the Bin. Licensee shall repair all damage to the Building and the Bin by the moving of its property, furniture, or equipment.

6. Licensor shall not provide any services to the Bin, except lighting on the floor in which the Bin is located and elevator service. Licensee shall have access to the Bin only from 8:00 A.M. to 10:00 P.M., seven days a week.

7. This Agreement shall inure to the benefit of the Licensor's successors and assigns and may not be modified except by writing signed by the party to be charged.

8. If Licensee shall default in fulfilling any of its covenants or obligations hereunder, in addition to any other rights and remedies available to Licensor, Licensor may (i) deny access to the Bin until Licensee cures such default, or (ii) terminate this Agreement by giving of written notice to Licensee, whereupon this Agreement shall terminate on the date set forth in such notice.

9. Licensee shall, at all times, use the Bin only in a manner which is in full compliance with all present and future laws, orders, rules and regulations of all state, federal, municipal and local governments, departments, commissions and boards (including the New York Board of Fire Underwriters or any similar body) asserting jurisdiction therefor, or any direction of any public officer pursuant to law, including, without limitation, the police and fire departments of the City of New York, which may require the removal or destruction of items stored in the Bin. Licensee, its servants, employees, agents, visitors and licensees shall observe faithfully, and comply strictly with the Declaration and any and all rules and regulations for the Building as Licensor or its agents may from time to time adopt.

10. Licensor or its agents shall have the right (but not the obligation) to open the Bin in an emergency at any time, and, at other reasonable times, to inspect and examine the same and to make such repairs, replacements and improvements as Licensor shall deem necessary or desirable to the Bin or any portion of the Building, all without any liability to Licensee whatsoever as a result thereof.

11. The failure of Licensor to seek redress for violation of, or to insist upon the strict performance of any covenant or condition of this Agreement or of any of the rules or regulations adopted by Licensor, shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effect of an original violation.

12. Licensee may assign this Agreement to a Unit Owner in the Condominium or to a Purchaser of the Unit simultaneously with the transfer of the deed at the Closing of title to the Unit. However, notwithstanding anything to the contrary set forth herein, in the event Licensee desires to assign this Agreement, such assignment shall comply with the then requirements of Licensor to effectuate such assignment, including, without limitation, the obligation to enter into a new license agreement with the assignee, Licensee may permit use of the Bin by others than the Permitted Users only with the consent of Licensor.

13. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Declaration.

14. This Agreement shall inure to the benefit of and be binding upon the heirs, executors, successors and assigns of the Licensee.

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

LICENSOR:

BOARD OF MANAGERS
176 EAST 82ND STREET CONDOMINIUM

By: _____
Name:
Title:

LICENSEE:

_____

_____

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Policy No.: CT16-00310-NY

OWNER'S POLICY OF TITLE INSURANCE

Issued by

CHICAGO 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, CHICAGO 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;

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(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.

IN WITNESS WHEREOF, the Company has caused this Policy to be signed with the facsimile signatures of its President and Secretary and sealed as required by its By-Laws.

CHICAGO TITLE INSURANCE COMPANY

Issued by:
CHICAGO TITLE INSURANCE COMPANY
711 THIRD AVENUE
NEW YORK, NY 10017

By:

Raymond R. Quirk
President

By:

Michael L.G ravelle
Secretary

Countersigned::_____
Authorized Signature

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CHICAGO TITLE INSURANCE COMPANY
AMERICAN LAND TITLE ASSOCIATION OWNERS POLICY (6/17/06)
WITH NEW YORK COVERAGE ENDORSEMENT APPENDED (A.L.T.A.)

Policy No.:
PRO-FORMA
Title No.: CT16-00310-NY

Effective Date:

Amount of Insurance:
TO BE DETERMINED

SCHEDULE A

1. **Name of Insured:**

   FUTURE UNIT PURCHASER

2. **The estate or interest in the land which is covered by this Policy is:**

   Fee Simple

3. **Title to the estate or interest in the land is vested in the Insured by:**

   DEED made by DRK THIRD AVENUE LLC -to- FUTURE UNIT PURCHASER dated __/__/2016, to be recorded in the Office of the City Register of the City of New York, New York County.

4. **The Land referred to in this policy is described as follows: - SEE ATTACHED DESCRIPTION-**

_____
Authorized Signatory

Note: This Pro-forma Policy: (i) is provided at the request of the proposed insured; and (ii) presumes satisfaction of all requirements pertinent to the transaction as set forth in the commitment and any revisions thereto. The terms of the title insurance commitment as revised control. This pro-forma merely provides a sample to the proposed insured as to what will appear within the policy if all requirements are met. This pro-forma is not an insurance policy.

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SCHEDULE A DESCRIPTION

The Condominium Unit (in the Building known as 176 East 82nd Street Condominium located at and known as and by Street Number 176 East 82nd Street, New York, New York), designated and described as Unit No. ___ (hereinafter called the "Unit") in the Declaration (hereinafter called "Declaration") made by DRK Third Avenue LLC (hereinafter called the "Sponsor") under the Condominium Act of The State of New York (Article 9-B of the Real Property Law of the State of New York), dated __/__/2016 and recorded __/__/2016 in the Office of the City Register of the City of New York, County of New York, as CRFN _____ establishing a plan for Condominium ownership of said Building and the land upon which the same is erected (hereinafter sometimes collectively called the "Property") and also designated and described as Tax Lot No. ___ in Block 1510, Borough of Manhattan on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans of said Building certified by _____ on __/__/2016 and filed in said Real Property Assessment Department of the City of New York as Condominium Plan No. ____ and also filed on __/__/2016 as CRFN _____ in the aforesaid Register's Office.

TOGETHER with an undivided ____ percent interest in the common elements of the property as described in the Declaration (hereinafter called the "Common Elements") recorded as CRFN _____.

The land upon which the Building containing the Unit is erected is described as follows:

ALL that certain plot, piece or parcel of land situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the westerly side of Third Avenue with the southerly side of 82nd Street;

RUNNING THENCE westerly along the southerly side of 82nd Street, 100 feet;

THENCE southerly at right angles to 82nd Street and parallel with the westerly side of Third Avenue, 25 feet 6-5/8 inches;

THENCE easterly parallel with the southerly side of 82nd Street, 100 feet to the westerly side of Third Avenue;

THENCE northerly along the westerly side of Third Avenue, 25 feet 6-5/8 inches to the point or place of BEGINNING.

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CHICAGO TITLE INSURANCE COMPANY

PRO-FORMA
Title No.: CT16-00310-NY

SCHEDULE B
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. Power of Attorney as set forth in the purchase agreement from the insured to the Members of the Board of Managers of the Condominium and their successors in office must be submitted for recording.

2. Any state of facts which an accurate survey and inspection would show, but this policy insures that any encroachment of a portion of the unit structure upon other units or upon the common elements may remain undisturbed as long as same shall stand.

3. Terms, provisions, covenants, restrictions, conditions and options contained in and rights and easements established by the Declaration of Condominium and By-Laws dated _____, recorded _____ in _____, but policy will insure 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.

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CHICAGO TITLE INSURANCE COMPANY

Policy No. PROFORMA
Title No. CT16-00310-NY

CHICAGO TITLE INSURANCE COMPANY

STANDARD NEW YORK ENDORSEMENT (OWNER'S POLICY)

Attached to and made a part of Policy No. **PROFORMA**

1. The following is added as a Covered Risk:

"11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown on 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.

CHICAGO TITLE INSURANCE COMPANY

Dated: **PROFORMA**

CHICAGO TITLE INSURANCE COMPANY CORPORATE SEAL

By: Raymond R. Quirk
President

By: Michael L.G ravelle
Secretary

PROFORMA
Authorized Signatory

Note: This endorsement shall not be valid or binding until countersigned by an authorized signatory.

CHICAGO TITLE INSURANCE COMPANY

Policy No: PROFORMA
Title No: CT16-00310-NY

CHICAGO TITLE INSURANCE COMPANY

WAIVER OF ARBITRATION ENDORSEMENT (OWNER'S OR LOAN POLICY)

Attached to and made a part of policy No. PROFORMA

The policy is amended by deleting therefrom:

(A) If this endorsement is attached to an ALTA Loan Policy: Condition 13.

(B) If this endorsement is attached to an ALTA Owner's Policy: Condition 14.

(C) If this endorsement is attached to a TIRSA Owner's Extended Protection Policy: Condition 12.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any other endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any other endorsements, nor does it extend the effective date of the Policy and any other endorsements, nor does it increase the face amount thereof.

CHICAGO TITLE INSURANCE COMPANY

Dated: **PROFORMA**

By: Raymond R. Quirk
President

By: Michael L. Gravelle
Secretary

PROFORMA

Authorized Signatory

Note: This endorsement shall not be valid or binding until countersigned by an authorized signatory.

Policy No.: CT16-00310-NY

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,o rdinance,p ermit,o r governmental regulation (including those relating to building and zoning) restricting,r egulating,p rohibiting,o r relating to
   (i) the occupancy,u se,o r enjoyment of the Land;
   (ii) the character,d imensions,o r 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,l iens,e ncumbrances,a dverse claims,o r 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,t his does not modify or limit the coverage provided under Covered Risk 9 and 10); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
   (a) a fraudulent conveyance or fraudulent transfer; or
   (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 11 and 12 of these Conditions.
(b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
(c) "Entity": A corporation,p artnership,t rust,l imited liability company,o r 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,o r next of kin;
      (B) successors to an Insured by dissolution,m erger,c onsolidation,d istribution,o r 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 considerationc onveying the Title
         (1) if the stock,s hares,m emberships,o r 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,o r
         (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,b ut 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,d eed of trust,t rust deed,o r other security instrument,i ncluding 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 respectt o 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,l ease,o r lend if there is a contractual condition requiring the delivery of marketable title.

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CONDITIONS CONTINUED

2. **CONTINUATION OF INSURANCE**

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land,o r (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 interestt hat is adverse to the Title, as insured, and thatm ight 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,t he 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,t o the extent possible,t he 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 fort he 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 righto f the Insured to objectf or reasonable cause) to representt he 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 notp ay 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,i n addition to the options contained in Section 7 of these Conditions,a t its own cost,t o 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,w hether 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,a nd it expressly reserves the right,i n its sole discretion,t o 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, att he 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,p rosecute,o r continue any litigation,w ith 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,s hall 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,t he 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,s hall terminate,i ncluding any liability or obligation to defend,p rosecute,o r 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.

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CONDITIONS CONTINUED

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contracto f 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%,a nd
  (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,a nd disposition of all appeals,a dverse to the Title,a s 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 ORTERMINATION 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 Amounto f 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,t he 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,t he Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permitt he 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 otherc ontroversy 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,t his 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 amendmento f or endorsementt o this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
(d) Each endorsementt o this policy issued ata ny time is made a parto f 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 eventa ny 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,b ut all other provisions shall remain in full force and effect.

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Policy No.: CT16-00310-NY

CONDITIONS CONTINUED

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 therefor in reliance upon the law affecting interests in realp roperty and applicable to the interpretation,r ights, 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:

Chicago Title Insurance Company
National Claims Administration
PO Box 45023
Jacksonville,F lorida 32232-5023.

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SPONSOR'S CERTIFICATION

New York State Department of Law
120 Broadway
New York, New York 10271
Attention: Real Estate Financing Bureau

Re: 176 East 82nd Street, New York, New York

Gentlemen:

We are the Sponsor and the principals of Sponsor of the condominium offering plan for the captioned property. We have read the 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 representations or statement made.

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 Attorney General in Part 20 and such other laws and regulations as may be applicable.

This certification is made under the penalty of perjury for the benefit of all persons to whom

this offer is made. We understand the violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

DRK Third Avenue LLC

By: _____
Name: Yaniv Cohen
Title: Manager

_____
Yaniv Cohen

_____
Amir Nechmad

Sworn to before me this
11th day of May, 2016

_____
Notary Public

SANDRA SANTOS
Notary Public - State of New York
NO. 01SA6285981
Qualified in New York County
My Commission Expires Jul 22, 2017

[ADDITIONAL SIGNATURE PAGE ANNEXED]

this offer is made. We understand the violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

DRK Third Avenue LLC

By: _____
Name: Yaniv Cohen
Title: Manager

_____
Yaniv Cohen

_____
Amir Nechmad

Sworn to before me this
21 day of March, 2016

_____
Notary Public

JANNA ROSENBERG
Notary Public, State of New York
No. 02RO6169403
Qualified in New York County
Commission Expires June 25, 2019

[ADDITIONAL SIGNATURE PAGE ANNEXED]

Amir Nechmad

Sworn to before me this
21 day of March, 2016

Notary Public

JANNA ROSENBERG
Notary Public, State of New York
No. 02RO6169403
Qualified in New York County
Commission Expires June 25, 2019

Gadi Peleg

Sworn to before me this
11 day of OCT, 2016

Notary Public

KENNETH GLIEDMAN
NOTARY PUBLIC-STATE OF NEW YORK
No. 02GL6028916
Qualified in New York County
My Commission Expires October 11, 2017

Gabriel Peretz

Sworn to before me this
____ day of _____

Notary Public

Gadi Peleg

Sworn to before me this
____ day of _____

Notary Public

Gabriel Peretz

Sworn to before me this
4 day of Sep 2016

Notary Public

RE\58538\0004\617105v1

מספר סידורי 36/16
טופס מס׳ 1

אימות חתימה

אני הח״מ משה דן , נוטריון בישראל ברחוב בן גוריון 105 , גדרה מאשר כי ביום 4.9.16 ניצב בפני במשרדי מר גבריאל פרץ אשר זהותו הוכחה לי על פי תעודת זהות מספר 063685432 שהוצא(ה) על ידי משרד הפנים בתל אביב ביום 5.8.1982 וחתם מרצונו החופשי על המסמך שלעיל (המצורף והמסומן באות/מספר ״1״ . (שמעבר לדף).

ולראיה הנני מאמת את חתימתו של מר (ה״ה) גבריאל פרץ בחתימת ידי ובחותמי, היום 4.9.16

חתימה

חותם הנוטריון

שכר נוטריון מקור והעתק = 269 ₪

Serial
36/16
Form No. 1

AUTHENTICATION OF SIGNATURE

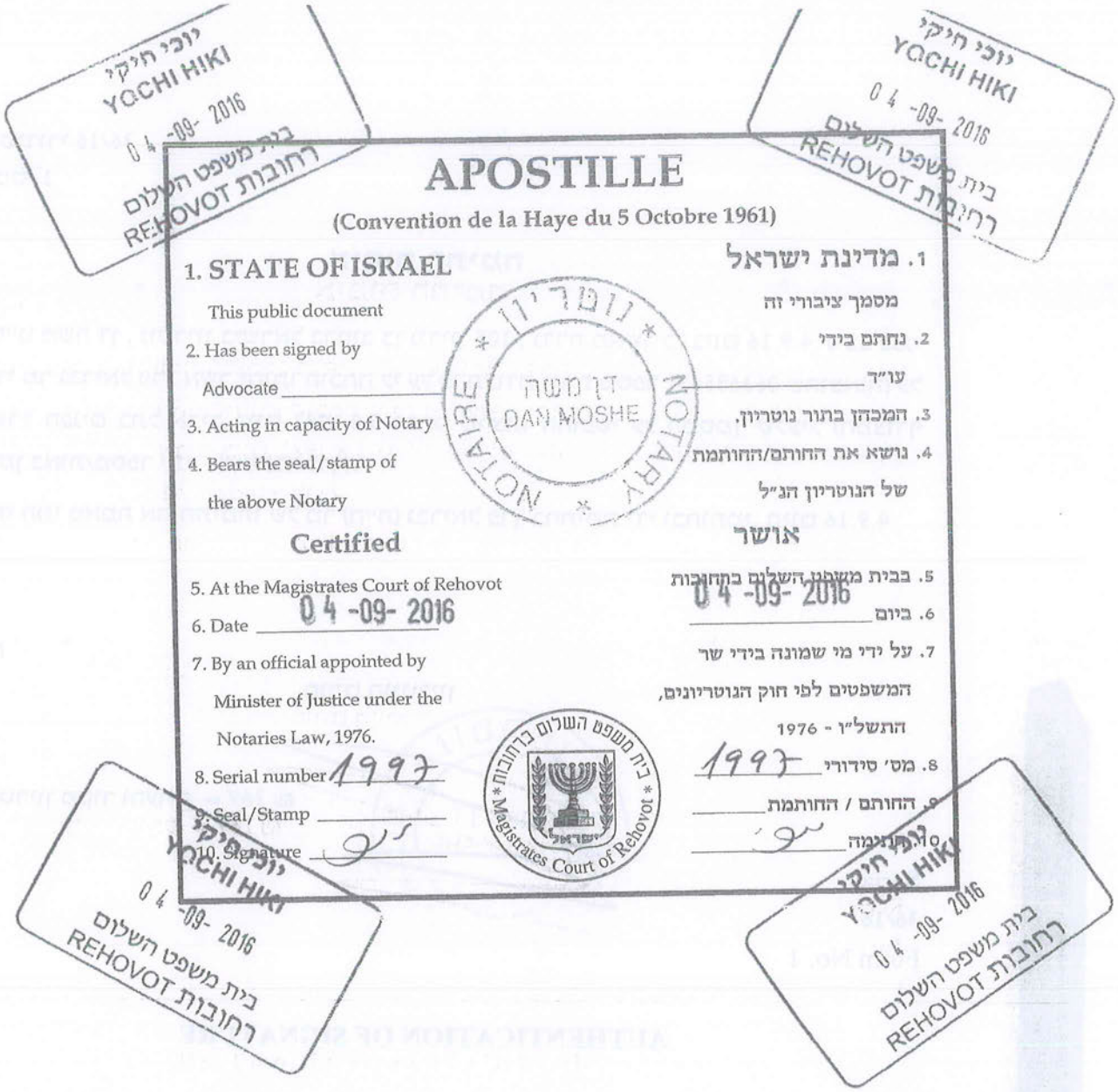
I the undersigned Moshe Dan Notary at Ben Gurion 105 Gedera Israel , hereby certify that on .24.9.16 there appeared before me at my office Mr.Gabriel Peretz whose identity was proved to me by Identity Booklet No [redacted] issued by Ministry of Interior . at Tel Aviv. on 5/8/1982, and signed of his own free will the above document (the attached document marked "1".) (the document overleaf).

In witness whereof I hereby authenticate the signature(s) of Mr, Gabriel Peretz by my own signature and seal this 4.9.16

ature)

Notary's seal

69



APOSTILLE

(Convention de la Haye du 5 Octobre 1961)

1. STATE OF ISRAEL

This public document

2. Has been signed by

Advocate _____

3. Acting in capacity of Notary

4. Bears the seal/stamp of

the above Notary

Certified

5. At the Magistrates Court of Rehovot

6. Date 04-09-2016

7. By an official appointed by

Minister of Justice under the

Notaries Law, 1976.

8. Serial number 1997

9. Seal/Stamp _____

10. Signature _____

1. מדינת ישראל

מסמך ציבורי זה

2. נחתם בידי

עו"ד _____

3. המכהן בתור נוטריון,

4. נושא את החותם/החותמת

של הנוטריון הנ"ל

אושר

5. בבית משפט השלום ברחובות

04-09-2016

6. ביום _____

7. על ידי מי שמונה בידי שר

המשפטים לפי חוק הנוטריונים,

התשל"ו - 1976

1997

8. מס' סידורי _____

9. החותם / החותמת _____

10. חתימה _____

דן משה DAN MOSHE

NOTAIRE * נוטריון * NOTARY

בית משפט השלום ברחובות * Magistrates Court of Rehovot *

יוכי חיקי YOCHI HIKI 04-09-2016 בית משפט השלום רחובות REHOVOT

CERTIFICATION OF SPONSOR'S ARCHITECT

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

Re: 176 East 82nd Street a/k/a
1444 Third Avenue, New York, NY (the "Property")

The sponsor of the offering plan to convert the Property to condominium ownership retained our firm, ODA - Architecture P.C., to prepare a report describing the construction of the Property (the "Report"). We prepared the plans and specifications for the Property on May 5, 2015. In addition, we prepared the Report dated September 7, 2016, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely upon it.

We are registered architects in the State in which the Property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as the same are applicable to this Report.

We have prepared and read the entire Report and have 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 the construction, provided that the construction is in accordance with the plans and specifications that we prepared and 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 the construction, provided that the construction is in accordance with the plans and specifications that we prepared and examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of 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 the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the Property.

ODA - ARCHITECTURE, P.C.

P. Christian Bailey , RA

12.6.16

Sworn to before me this
16th day of December, 2016

Joanna Regiec
Notary Public

JOANNA REGIEC
Notary Public - State of New York
No. 01RE6313037
Qualified in New York County
My Commission Expires October 14, 2018

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET PURSUANT TO SECTION 20.4(d) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A AS AMENDED

November 7, 2016

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

Re: 176 East 82nd Street Condominium
176 East 82nd Street, New York, New York

David Goldoff hereby certifies as follows:

The sponsor of the Condominium Offering Plan for the referenced property retained our firm to prepare Schedule B to the Offering Plan containing projections of income and expenses of Condominium operation for the fiscal year July 1, 2017 through June 30, 2018.

The principals of Camelot Realty Group have been engaged in the management of residential and commercial real estate for more than ten (10) years. The principals have managed more than 40 buildings. The undersigned principal is a licensed Real Estate Broker 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 Schedule B.

We have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential and mixed use buildings.

We certify that the projection in the Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses of the Condominium for the fiscal year July 1, 2017 through June 30, 2018.

We certify that Schedule B:

(i) sets forth in detail the projection of income and expenses of Condominium operation for the fiscal year July 1, 2017 through June 30, 2018;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the projected operation of

the condominium during the fiscal year July 1, 2017 through June 30, 2018;

(iii) does not omit any material facts;

(iv) does not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew that 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 the knowledge concerning the representations 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 so that prospective purchasers may rely on it. This statement is not intended as a guarantee or warranty of the income and expenses for the operation of the Condominium during the fiscal year July 1, 2017 through June 30, 2018.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that the violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Camelot Realty Group

By: _____
David A. Goldoff

Sworn to before me this
7 day of November, 2016

_____
Notary Public

NOTARY PUBLIC
JASON LANZETTA
No. 01LA6341591
Exp. 05/09/20
NEW YORK COUNTY
STATE OF NEW YORK

CAMELOT
REALTY GROUP

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS PURSUANT TO SEC 20.4 (e) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A AS AMENDED

November 7th 2016

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

Re: 176 East 82nd Street Condominium
176 East 82nd Street, New York, New York

DRK Third Avenue LLC, the Sponsor of the Condominium Offering Plan for the captioned property, retained us to review Schedule B, which includes projections of common charges payable by the owners of the commercial units. We are licensed Real Estate Brokers in the State of New York and have more than ten (10) years of experience in the management of investment and residential properties.

We understand that we are responsible for complying with Article 23-A of the General Business Law and regulations promulgated by the office of the Attorney General in Part 20 insofar as they are applicable to the commercial units listed in Schedule B.

We have reviewed the Schedule as it impacts upon the commercial units and investigated the facts underlying it with due diligence in order to form a basis for this certification. We have also relied on our experience in managing and owning residential buildings. We have 10 years of experience managing investment properties. The principals of our firm have managed more than 40 buildings. The undersigned principal is a licensed Real Estate Broker in the State of New York.

We certify that the projections in Schedule B for common charges payable by the owner of the commercial units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributed to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial units also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the

owners of the commercial units:

(i) set forth in detail the projected common charges for the commercial units for the first full year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial units;

(iii) do not omit any material facts;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

a. knew the truth;

b. with reasonable effort could have known the truth;

c. made no reasonable effort to ascertain the truth; or

d. did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial units for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Camelot Realty Services LLC

By: _____
Name:
Title:

Sworn to before me this
7 day of November, 2016

_____
Notary Public

NOTARY PUBLIC
JASON LANZETTA
No. 01LA6341591
Exp. 05/09/20
NEW YORK COUNTY
STATE OF NEW YORK

RE\58538\0004\616343v1