NO. 298
EAST 2ND STREET
East Village

HOUSTON HOUSE
CONDOMINIUM OFFERING PLAN
298 EAST 2ND STREET
NEW YORK, NEW YORK 10009

Offering Price for 7 Residential Units……..……..$26,885,500

Total Offering Amount……$26,885,500

SPONSOR	SELLING AGENT	ATTORNEY FOR SPONSOR
298 EAST VILLAGE OWNER LLC	NEST SEEKERS INTERNATIONAL LLC	BLECKNER P.C.
334 East 9th Street	594 Broadway, Suite 401	350 5th Avenue
New York, New York 10003	New York, New York 10012	Suite 6440
		New York, New York 10118

DATE OF ACCEPTANCE FOR FILING: _____

THE TERM OF THIS OFFERING PLAN IS TWELVE (12) MONTHS FROM THE ABOVE DATE OF ACCEPTANCE AND MAY BE EXTENDED BY AMENDMENT TO THE OFFERING PLAN.

THE PLAN CONTAINS SPECIAL RISKS TO PURCHASERS, PLEASE REFER TO PAGE 1. THE PRICES AND TERMS OF SALE FOR THESE CONDOMINIUM UNITS MAY BE CHANGED SO THAT PURCHASERS MAY PAY DIFFERENT PRICES FOR SIMILAR INTERESTS. SEE SECTION OF PLAN ENTITLED "CHANGES IN PRICES AND UNITS".

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS AFTER PLAN CONSUMMATION, THIS OFFERING 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. PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE CONDOMINIUM BOARD UNDER THE TERMS OF THIS OFFERING PLAN. (SEE SPECIAL RISKS SECTION OF THE PLAN.)

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

HOUSTON HOUSE

CONDOMINIUM OFFERING PLAN

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SPECIAL RISKS

1. Defaults Under Purchase Agreement

At the time a Purchase Agreement is executed, a Purchaser will be required to make an initial deposit (the "Initial Deposit") in the amount of ten (10%) percent of the Purchase Price, with an additional deposit (the "Additional Deposit") in the amount of five (5%) percent of the Purchase Price due and payable no later than the earlier to occur of (x) fifteen (15) days after Sponsor presents an amendment declaring the Offering Plan effective, and (y) six (6) months after the date of the Purchase Agreement, but in any event, no later than the Closing Date. The Initial Deposit and the Additional Deposit are hereinafter collectively referred to as the "Deposit". Any Purchaser, however, who executes a Purchase Agreement after Sponsor has presented an amendment declaring the Offering Plan effective will be required to make a single deposit equal to fifteen (15%) percent of the Purchase Price, at the time the Purchase Agreement in executed, in which case such deposit will also be referred to as the "Deposit". In the event that Purchaser defaults under the Purchase Agreement, a written notice of such default shall be sent to Purchaser at least thirty (30) days before a forfeiture of the Initial Deposit may be declared. In the event that Purchaser fails to cure any such default within thirty (30) days after receipt of Sponsor's written notice to cure, Sponsor may, at its option, either (i) cancel such Purchase Agreement and retain as liquidated damages the Deposit and any money paid on account for changes to the plans for the Unit requested by Purchaser, together with any interest earned thereon, if any, or (ii) as this is real property, bring an action against a Purchaser for specific performance, in which event a Purchaser could be compelled to complete the transaction. Time is of the essence to cure any default. "Time of the Essence" means that if the default is not timely cured Sponsor may (but is not obligated to) elect to cancel the Purchase Agreement. In such event the Deposit, any accrued interest and any other amounts paid by the Purchaser for any actual special work, upgrades or extras shall be paid over to Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void, except for matters (if any) that are expressly stated therein to survive termination thereof.

In addition, if a Purchaser fails to close title to a Unit on the scheduled Closing Date and Sponsor elects not to cancel a Purchaser's Purchase Agreement, then (a) the closing adjustments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date, and (b) a Purchaser will be required to pay to Sponsor an amount equal to .03% of the purchase price of the Unit for each day the closing is adjourned until the day the Closing occurs.

Deposits or advances in excess of $250,000 made by Purchasers which are held in escrow by the Escrow Agent will not be federally insured in excess of $250,000. Purchasers are also advised that if a Purchaser makes a Deposit in excess of $250,000 for the purchase of a Unit and, while the deposit is in the non-interest bearing checking portion of the Master Escrow Account, the Deposit may not be fully federally insured even if the Deposit does not exceed $250,000. Sponsor shall have the right to refuse to accept funds drawn on an out of state or foreign bank in payment of a portion of the Purchase Price. Purchasers are further advised that the terms and provisions of the Purchase Agreement and Purchaser's obligations thereunder are not contingent upon Purchaser obtaining financing of the Purchase Price. Purchaser's failure to obtain financing shall not relieve Purchaser of Purchaser's obligations under the Purchase Agreement.

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under the Purchase Agreement or, in the event Purchaser defaults under the Purchase Agreement beyond any applicable grace period, in canceling the Purchase Agreement or otherwise enforcing Purchaser's obligations thereunder. (Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.)

2. Purchase Agreement Not Contingent On Financing

Although a Purchaser may obtain financing from a lending institution or any other source, the terms and provisions of this Agreement and Purchaser's obligations are NOT contingent on obtaining financing for such purchase. Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Any Purchaser who executes a Purchase Agreement and does not obtain financing may lose the Deposit if unable to pay the balance of the Purchase Price. Purchasers who need financing to purchase are advised to consult with a bank before executing a Purchase Agreement in order to ascertain the likelihood of obtaining financing. No representation is made by Sponsor as to the availability or cost of such financing. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulty obtaining a loan in a building or group of buildings where Sponsor or holder of unsold shares has not sold a substantial percentage of the apartments in the building or group of buildings, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original Sponsor has ownership interest of 10% or more. It also may be difficult for a Purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions. Lenders may also require that a certain percentage of Units (seventy percent (70%) or more) must be sold prior to Lender considers making a loan. Prospective Purchasers should be aware that even if a loan commitment is obtained, the terms may be fixed, and it could expire prior to the Closing Date and therefore Purchaser would have to close without financing or risk losing the Deposit. Purchaser's failure to obtain financing shall not relieve Purchaser of Purchaser's obligations.

3. Partial Mortgage Tax Credit

There is currently a mortgage encumbering the Building; if Purchaser obtains a mortgage loan for the purchase of a Unit ("Purchase Money Mortgage") the Purchaser will pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor. (Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan and Document 1 in Part II of the Plan entitled "Purchase Agreement".)

4. No Warranty by Sponsor Other than Sponsor's Obligations set forth in the Plan

All Units offered pursuant to this Offering Plan will be built and furnished only to the level described in the Plan. Sponsor will not have any obligation to perform any other work or make any other repairs or alterations, other than Sponsor's obligations to make any corrections

or repairs to the Unit noted on each Purchaser's Inspection Statement so that the level of finish is consistent with the level described in the Plan. The Unit will be sold "as is". Except as set forth in the Plan, Sponsor does not guarantee the materials, equipment, fixtures, workmanship or any other aspect of the Units, Common Elements and Limited Common Elements and Sponsor does not make any warranty of any kind, express or implied.

Sponsor is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of Document 4 of Part II of the Plan, entitled "Description of Property and Building Condition". Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability with respect to the Units, Common Elements and/or personal property located within the Units, and the Unit Owners assume all risk and liability from the use of this Property and The Housing Merchant Implied Warranty Law (General Business law Article 36-B) is not applicable to this offering. Unless caused by a violation of the Sound Transmission Code or other applicable code, there is no warranty as to sounds transmission. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty to odors. Unless caused by code violations, there is no warranty with respect to mold, mildew, spores, fungi, or other toxins. There is no warranty as to view or light quality. Regardless of any limitations or warranty in this Section or in the Plan, Sponsor is to construct the Building in accordance with all applicable codes and filed plans and specifications, and that any conflict between the disclaimers and the Sponsor's obligation to construct the Building in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. Sponsor has not given and Purchaser has not relied on or bargained for any such warranties.

In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct and renovate the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the Plan will control. (Please refer to the Section entitled "Rights and Obligations of the Sponsor" in Part I of the Plan.)

5. Control by Sponsor

The board of managers for the Condominium (the "Board of Managers" or "Board") shall initially consist of two (2) persons designated by Sponsor. Sponsor has such right to appoint both members of the Board (and therefore control such Board) for a period ending on the date which is the earlier to occur of (i) the date on which one hundred percent (100%) of the Unsold Units are sold or (ii) five (5) years from the date of the First Unit Closing, unless the Sponsor voluntarily relinquishes such right prior to the expiration of such five-year period ("Initial Control Period"). During the Initial Control Period, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners.

At the first annual meeting of Unit Owners (the "First Annual Meeting") which will be held within approximately nine (9) months after the First Unit Closing, the two (2) member Board of Managers shall resign in favor of a new two (2) member Board of Managers and within three (3) months after the expiration of the Initial Control Period, Sponsor shall call for another special

meeting where the Board of Managers shall increase to three (3) members, not more than two (2) of the members of the Board of Managers may be a designee of the Sponsor or the then Owner of the Unsold Units (the "Sponsor Designees"). Sponsor shall designate two (2) members as long as it owns at least twenty (20%) percent of the common interest attributable to the Unsold Units in the Condominium and, one (1) member as long as Sponsor owns any Unsold Units. The Sponsor Designees may be the same members of the Board who served on the Board prior to the expiration of the Initial Control Period. The remaining members shall be elected by Unit Owners at such meeting. Thereafter, elections to the Board of Managers shall be held at the regular annual meeting of Unit Owners held within approximately thirty (30) days of each anniversary of the First Annual Meeting, unless otherwise set forth by a majority of the Unit Owners. (Please refer to the Sections entitled "Rights and Obligation of Unit Owners and Board of Managers" and "Summary of Declaration and By-Laws" in Part I of the Plan.)

At the First Annual Meeting and at all times thereafter, Sponsor may be able to vote for members of the Board as a result of its ownership of or interest in Unsold Units. Sponsor shall retain voting control of the Condominium Board if Sponsor is able to cast sufficient votes at such meetings to establish such control. Nothing contained herein shall be deemed to limit the right of Sponsor to cast its votes for individuals nominated to the Condominium Board who are not nominated or designated by Sponsor, which individuals, if elected shall not be deemed Sponsor nominees or designees and shall not be deemed to cause Sponsor to control the Condominium Board after the Sponsor's Initial Control Period.

Until Sponsor or its designee own less than twenty (20%) percent of the common interest attributable to the Unsold Units in the Condominium, but in no event later than five (5) years after the First Unit Closing, whichever shall first occur, the Board of Managers may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls)(notwithstanding anything contained Sponsor reserves its unconditional right to rent Units and therefore, Sponsor could, theoretically, indefinitely retain voting control of the Board, notwithstanding the expiration of Initial Control Period): (a) make any addition, alteration or improvement to the Common Elements or to any Unit; (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; (c) increase or decrease the number, or change the kind of, employees referred to in the Plan; (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Unit Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board to comply with Laws of any governmental authority having jurisdiction over the Condominium, to remedy any notice of violation or to remedy any work order by an insurer. Notwithstanding the foregoing, the Board may take such actions as may be necessary relating to any matter effecting the health and safety of the occupants of the Building without Sponsor's written consent.

The By-Laws do not include a provision that after the Initial Control Period, a majority of the Board must be owner-occupants or members of an owner-occupants household who are unrelated to Sponsor and its principals. In addition, non-resident owners, including Sponsor, have no investment in their Units and, therefore, do not share the same economic interests as

Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-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., purchase as a home as opposed to as an investment). Furthermore, Sponsor, through its ownership of Unsold Units, could indefinitely retain voting control of the Board. Purchasers are referred to the By-Laws for further details.

In addition, no amendment, modification or deletion of the Declaration, By-laws or the Rules or Regulations shall be effective in any way which might affect the rights of the Sponsor or Holder of Unsold Units, without the prior written consent of the Sponsor or the Holder of Unsold Units. (Please refer to the Sections entitled "Rights and Obligation of Unit Owners and Board of Managers" and "Summary of Declaration and By-Laws" in Part I of the Plan.)

6. Sponsor Will Not Provide A Bond or Other Security

Sponsor has undertaken certain obligations in connection with the Plan and the construction of the Building as set forth in the section of the Plan entitled "Rights and Obligations of the Sponsor." No bond or other form of collateral security has been or will be furnished by the Sponsor to secure performance of its obligations under the Plan. The Sponsor's ability to perform such obligations shall depend upon its financial condition at the time it is called upon to perform. No representation can be made that Sponsor will be financially able to perform any or all of such obligations.

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

7. Permissible Uses of the Unsold Units

The Unsold Units (as defined in the Offering Plan) may be used as a single-family residence and for any home occupation permitted by law. Units can only be leased in accordance with the By-Laws and the Rules and Regulations.

No nuisance or immoral, improper, offensive or unlawful use shall be allowed in the Building or any portion thereof. No portion of a Unit, other than the entire Unit, may be rented, and no transient tenants may be accommodated therein. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Board of Managers, whoever shall have the obligation to maintain or repair such portion of the Property.

Pursuant to the Declaration and By-Laws, the Units may be used for residential purposes or other lawful purposes subject to conditions set forth in Section 9.1 of the Declaration. Sponsor and the owner of any Unsold Unit may use the Units for any purpose permitted by law and may modify the certificate of occupancy to reflect a change in use without the consent of the Board of Managers and/or Unit Owners. The Condominium Board and the Unit Owners do not have any

right of approval over the use of the Unsold Units or any part thereof. Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Sponsor or its designee and their respective successors and assigns may, without the permission of the Condominium Board (i) 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, or (ii) grant permission for the use of any Unit as a professional office or for any other purpose, provided such use is permitted by law and does not violate the then existing Certificate of Occupancy covering such Unit, and the user of such Unit complies with all applicable governmental regulations. (Please refer to the Section entitled "Rights and Obligations of the Unit Owners and the Boards of Managers" under the Subsection entitled "Use of Units" and "Rights and Obligations of Sponsor; Leasing of Unsold Units" in Part I of the Plan and Document 6 in Part II of the Plan entitled "Declaration of Condominium".)

8. Certificate of Occupancy

The Sponsor will procure a final certificate of occupancy ("FCO") for the Building and all the Units. In the event only a temporary certificate of Occupancy ("TCO") for the Units in the Building has been issued at the time of First Unit Closing, Sponsor will use its best efforts to cause the Building Department to continuously renew TCO until the FCO for the Units has been issued. Sponsor anticipates, in all events, that the FCO for the Building will be issued by not later than the second anniversary of the First Unit Closing.

In addition, in the event a FCO has not been issued at, or prior to, the First Unit Closing, Sponsor will place in a special escrow account, pursuant to Section 352-e(2)(b) of the General Business Law, with its counsel, Bleckner P.C., a sum equal to the amount certified by Sponsor's Architect to be reasonably necessary to complete the work needed to obtain a FCO; it being agreed that such sum may be released from such escrow account upon issuance of an FCO. Alternatively, by prior amendment to the Plan, Sponsor may deposit with Bleckner P.C., an unconditional, irrevocable letter of credit or post a surety bond or deposit cash in the amount so certified. Any interest earned on any such funds shall be paid to Sponsor as and when earned. The Sponsor may not use construction loan funds to meet this requirement, unless the requirements set forth in the October 13, 2015 Department of Law memo on Certificates of Occupancy and Part 20 Plans is adhered too. A copy of the memo is available at:
http://www.ag.ny.gov/sites/default/files/pdfs/bureaus/real_estate_finance/Effective-memos/Certificates_of_Occupancy_and_Part_20_Offering_Plans.pdf

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without an FCO covering the Units, 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 TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for Sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO.

Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire Building. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within two (2) years, which is the timeframe anticipated by the Multiple Dwelling Law for issuance of an FCO. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE UNITS, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Prior to the issuance of the FCO for the Building, other than decoration or minor repairs, no Unit Owner (other than Sponsor or its designee) may make any repairs, improvements, alterations, replacements or modifications of any nature to a Unit. Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual units prior to the procurement of a FCO; it being understood and agreed, however, that such renovations shall be limited to design and decorative purposes, which may nevertheless cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO.

Purchasers should note that even if the first closing occurs on or before August 1, 2018 (or such other date projected as the date of commencement of the operation at the time the Purchase Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent units may be substantially delayed beyond such dates if a TCO has not been issued for such units or for the floor on which such units are located. In such case, provided that Sponsor is diligently pursuing completion of construction and the issuance of a Certificate of Occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title to the Unit on or before the date which is twelve (12) months after the date of the Purchase Agreement, affected Purchasers will be afforded the right of rescission.

For additional guidance, refer to the May 18, 2012 Department of Law memo entitled "Delay in First Closings in Newly Constructed Condominiums and Rescission" which is available here:
http://www.ag.ny.gov/sites/default/files/pdfs/bureaus/real_estate_finance/Effective-memos/E-17.%20Delay%20in%20first%20closing.pdf

As described in greater detail in the Plan, Sponsor will maintain sufficient funds in escrow to cover the anticipated costs of obtaining a FCO. However, the TCO may lapse for reasons outside the Sponsor's control.

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

Sponsor retains the right to amend the FCO in regard to the use, the dimensions, layouts, room counts and the like, of any Unsold Unit, provided such changes are in accordance with all applicable laws, without the consent of the Board of Managers.

9. Real Property Transfer Taxes

Purchasers are responsible for the payment of the New York State and New York City Real Property Transfer Taxes (the "Real Property Transfer Taxes") due on the transfer of their Units, and the fifty ($50) dollars filing fee for the City of New York. These taxes are normally paid by the seller and the shifting of these obligations to the Purchaser will constitute additional consideration to the Sponsor. Thus, in computing the New York State Real Property Transfer Tax, if the tax is paid by the Purchaser, the amount of the tax will be increased from .40% to approximately .4016% and the New York City Real Property Transfer Tax will be increased from 1% to 1.01% where the purchase price is less than $500,000, and from 1.425% to 1.4453% where the price is in excess of $500,000 for Units. At the Closing of the purchase of a Unit, the Purchaser will execute the appropriate Real Property Transfer Tax Returns and will pay the tax due thereon.

In addition, if the total consideration paid for a Unit is more than $1,000,000 or more, Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax", currently equal to one (1%) percent of the Purchase Price of a Unit. (Please refer to the Section entitled "Unit Closing Costs, Fees and Adjustments" in Part I of the Plan, and Document 1 in Part II of the Plan entitled "Purchase Agreement".)

10. Reservation of Certain Easements

The Sponsor shall have an easement to install such signs on the exterior of the Building, whether or not related to the use of or the sale of any Unit, as such persons deem appropriate, provided only that any such signs comply with all governmental rules and regulations relating to any such installation.

Sponsor's right to place signage on the exterior walls of the Building includes the right to place signage on the South or wall of the Building. The right to install any such signage shall include the right to install, in or upon the walls of the Building such equipment, hooks, supports, materials or, scaffolds as may be necessary to affix the signs to the exterior of the Building. Sponsor and its designees and the agents, servants contractors and employees shall have the right of access to the exterior walls in order to install, maintain, operate and repair any advertising display on the exterior walls, and, if necessary or desirable, access to the roof of the Building and such other portions of the Building, exterior or interior, as may be necessary or desirable for the installation and/or maintenance of any signs. The Sponsor shall not be obligated to pay any fee to the Condominium for the right to place signs on the exterior of the Building.

In addition, the Board of Managers, the Sponsor and its designees shall have an easement to install pipes, conduits, wires, ducts and other facilities along the walls and above the ceilings of any of the Units.

The following Units have outdoor Limited Common Elements appurtenant to them: Unit

3, Unit 4, Unit 5, Unit 6, Unit 7 and the Penthouse Unit each contain a balcony and the Townhouse Unit contains a garden. The Building has no landmarks designation and is not located in a landmark district. The Property is located in an R8A District. Uses permitted as-of-right within the A District include use groups 1 and 2 (single – and multiple-family residences).

Prospective Purchasers are advised that the Condominium shall have the right of access and egress to any Unit for the purposes of making any repairs to any Common Elements located therein or for the purpose of making inspections of the Unit or any Common Elements located therein. The Condominium shall be responsible for the repair or replacement of the roof unless the repair is required as a result of the conduct of the Owner of the Unit or such Owner's guests, invitees, contractors or occupants provided however, that nothing contained herein is intended to obligate the Condominium to repair the traffic surface installed or to be installed by the Unit Owner.

11. Nature of Construction

Prospective Purchasers are advised that construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. No guaranty can be given that the construction will be completed by the projected construction date of August 1, 2018 as set forth in the Plan. During the First Year of Condominium Operations, construction workers and related personnel will be at the Property from time to time making adjustments, completing punch-list items and performing various tasks necessary to complete the construction which may occur at all hours and could compromise the Building's security systems. In addition, various systems, including, but not limited to, plumbing, heating and electrical systems and the air conditioning equipment and elevators may need to be shut down from time to time to make any necessary adjustments or repairs. Moreover, adjustments to the windows and other systems may require more than eighteen (18) months after the first closing to complete.

Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations would be restricted during the period that Sponsor is performing work in the Building. Purchasers will not be entitled to any credit or abatement against the Purchase Price or Common Charges if any services and/or facilities are not available for use on or after such Purchaser's Closing including but not limited to the bike storage area, intercom services, storage room, common roof area and other Limited Residential Common Elements and Common Elements. However, such services and facilities will be available for use within eighteen (18) months after the projected completion of construction date of on or about August 1, 2018. The Condominium Board shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to reduce the Common Charges for the period in which such services and/or facilities are not available. Purchasers are also advised that some of the services and facilities described in the Plan, such as the decoration of the corridors, the hanging of lighting fixtures and the installation of wall coverings, may not be completed until all or substantially all of the Units have been sold and the occupants of the Units have moved into their Units. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. Certain portions of the Building may be completed after some or all of the Units and the fact that such portions of the Building have not been completed or are not available for use by Unit Owners is not a basis for a Unit owner to refuse to close title to the Unit. In addition, the presence of hoists

or construction elevator shafts or similar temporary construction facilities may delay the closing of title to certain Units or lines of Units until such hoists, elevators or temporary facilities are no longer needed and are removed. During the period when Sponsor is completing construction of the Building, moves into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. Prior to the issuance of the FCO, during the period when Sponsor is completing construction of the Building, moves into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. Such construction will occur between the hours of 8:00 AM and 5:00 PM. All areas that will have construction debris transported thru them will be protected. Sponsor's construction manager will carry the following insurance: $1,000,000 per occurrence, $2,000,000 in the aggregate and a $5,000,000 umbrella policy as well as workers compensation and disability insurance coverage in statutory limits.

Purchasers should be aware that they may be required to close title to their Units while construction in other Units is continuing, possibly, for extended periods of time, and that noise, dust and other objectionable conditions inherent in a construction site may inconvenience Unit Owners after they have taken occupancy of their Units. While Unsold Units are being constructed and offered for sale by Sponsor or its designees there will be a great number of visitors to the Units than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such construction, selling or leasing activity will terminate. Neither Sponsor or its designee nor the Condominium's managing agent shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Condominium's security systems and procedures, including without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the gross negligence of Sponsor or its designees, the managing agent or their respective agents. No representation or warranty is made and no assurance is given that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. Sponsor shall not be responsible for any obstructed and/or adversely impacted views from Units and makes no representations or warranties regarding building construction in the area of the Condominium or whether existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be developed or further developed and such development could adversely impact views from a Unit. (Please refer to the Section of the Plan entitled "Description of the Property and Improvements" in Part I of the Plan for further details.)

12. Condition of the Property and Unit Floor Plans

Purchasers should review the Architect's floor plans for the Building and all Units and Storage Lockers that are set forth in Part II of the Offering Plan. Purchasers should note that the square footage of each Unit as reflected in Schedule A of Part I and the Architect's Floor Plans is approximate (within reasonable tolerances) and is based on measurements from exterior walls to exterior walls and not from interior wall to interior walls and therefore such measurements do not represent the interior space in the Unit. Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub- flooring materials) to the underside of the ceiling. As is

customary in New York, the estimated dimensions and floor area of the Units will exceed the usable floor area of each Unit and shall include columns, mechanical risers, shaftways, chases, chaseways and conduits that may be incorporated behind protruding walls, or may be separately enclosed as free standing columns, thereby reducing the available floor area. (Please refer to the Section entitled "Schedule A Notes" in Part I of the Plan and Document 4 in Part II of the Plan entitled "Description of Property and Building Condition".)

13. Operating Expenses

Notwithstanding the Common Charges required to meet the expenses set forth in the Projected Budget for the First Year of Condominium Operations (see Schedule "B", Projected Budget for First Year of Condominium Operations set forth in the Plan), during the first six (6) months of Condominium Operation, or until there has been a closing of title with respect to seventy-five (75%) percent of the Units, whichever is later, if the actual expenses of operating the Condominium are less than the projected expenses set forth in the Budget for the First Year of Condominium Operations, then the difference between the actual expenses and the full Common Charges paid will be refunded to all Unit Owners (including the Sponsor) on a pro-rated basis in the form of a credit against future Common Charges or as a cash reimbursement to the extent that a Unit Owner (including the Sponsor) has sold the unit prior to the receipt of the full credit. Sponsor makes no representation or warranty that the operating expenses during any given year will be less than the actual Common Charges or as to the amount of credit that may be available as a result of any such computation.

Notwithstanding the forgoing, if a refund is contemplated for the First Year of Condominium Operations or any subsequent year of Condominium Operations, such refund may only be effectuated if an independent certified accountant, as part of its preparation of the yearly annual statement for the Condominium, has determined that a refund is warranted based on an excess payment of Common Charges by unit owners over actual expenses for the Condominium, and has determined the amount of such refund as part of its annual review. For purposes of this plan "an excess payment of Common Charges" shall mean the actual expenses of the Condominium are less than the projected expenses set forth in the budget for the Condominium. No refund may be given unless all expenses of the Condominium are paid, including, without limitation, insurance premiums and the funding of the contingency and reserve funds. During a budget year following a year for which a refund was effectuated, no special assessment or increase in Common Charges shall be instituted to pay for any item which was set forth in the previous year's budget and which was refunded to Unit Owners as per the foregoing. Sponsor shall remain obligated to update the applicable budgets in its amendments to the Plan.

The Budget for First Year of Condominium Operations does not include an expenditure for exterior window washing. The interior of all windows in any Unit shall be washed or cleaned at such Unit Owner's sole cost and expense.

The Budget for First Year of Condominium Operations includes an expenditure for a Repair and Replacement Reserve for the Condominium for the purpose of paying the cost of future repairs, replacements or improvements to the Premises. Additionally, each Purchaser of a Unit shall pay into the Working Capital Fund of the Condominium a sum of $5,000 at closing of title for future capital expenditures of the Condominium as set forth in the Offering Plan. Therefore, Unit Owners shall be obligated to pay their share of the cost of repair, replacements and improvements to the Common Elements as the need for the same arises, unless there is

sufficient Working Capital or other funds available. In the event that Working Capital or other funds are not sufficient to meet such costs, it may be necessary to increase Common Charges or institute a special assessment. (Please refer to the Section entitled "Working Capital and Repair and Replacement Reserve" in Part I of the Plan for further discussion.)

14. Common Charges and Real Estate Taxes

Common Charges and Assessments will be based either on (i) percentages of Common Interest or (ii) based on the proportion of expenses and charges fairly and reasonably attributable to such Units, based on actual usage of particular services and based upon special or exclusive use or availability or exclusive control of particular Limited Elements by particular Unit Owners. The Condominium will raise monies to operate the Property by assessing "Common Charges" to each of its Unit Owners. The Common Charges will be based on the projected expenses for operating the Property (the "Common Expenses") less any outside income (income from other than Unit Owners), which the Condominium may receive. The Condominium's projected first year's budget is set forth as Schedule B below. Each Unit Owner will be required to pay monthly such Unit Owner's pro-rata share of the Common Charges. The proportionate share of Common Charges payable by each Unit Owner will be based on the percentage of Common Interest allocated to his Unit. The Board of Managers shall have the duty of obtaining and maintaining fire insurance, casualty and liability insurance on behalf of the Zakrzewsi + Hyde Architects the projected first year's Common Charges for each Unit. (Please refer to the Section entitled "Determination of Common Expenses" in Part I of the Plan.)

The real estate taxes for each Unit set forth in Schedule A were calculated upon the assumption that the taxes for the First Year of Condominium Operations will be allocated in proportion to the respective Common Interest for each Unit. Notwithstanding any such allocation, the City of New York taxing authority may, when it establishes the individual tax lots, allocate the taxes in proportion to each Unit's Common Interest rather than the purchase price, or may allocate the taxes in such other manner as the taxing authority deems appropriate. Accordingly, Units having the same purchase price may pay different real estate taxes.

Bleckner P.C., attorneys for Sponsor, have read and reviewed the Mazursky Opinion, however, Bleckner P.C. is not a taxation expert, has not independently verified the information in the Mazursky Opinion and makes no judgment as to its accuracy. The real estate tax liability after completion of construction and establishment of a condominium is estimated to be Two Hundred Forty Thousand Five Hundred ($240,500) dollars. This estimate is based upon the following: (i) the Mazursky Opinion being correct; (ii) any updated opinion of The Mazursky Group, Inc. regarding such tax issues being consistent with the Mazursky Opinion; (iii) the assumption that the estimated assessed valuation that will be applicable to the Property in the first fiscal year after completion of construction (i.e., commencing August 1, 2018) will be One Million Eight Hundred Fifty Thousand ($1,850,000.00) dollars; and (iv) a tax rate tax of .13 per $100 of assessed valuation in effect for the first fiscal year after completion of construction. Refer to Document 10 of Part II of the Plan entitled "Real Estate Tax Estimate" by The Mazursky Group, Inc. (with an office at 42 Broadway, Suite 1744, New York, New York 10004).

15. Change in Units

Prospective Purchasers are advised that 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 and/or its designee reserves the right at any time and from time to time, before and after the amending the Declaration, without giving prior notice and without the consent of any Board, its agents, Unit Owners, mortgagees or anyone else, provided such changes in size or number of units is disclosed in an amendment to the Offering Plan and relevant condominium documents, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of 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 (without changing the Common Interests), (c) designate a Common Element as part of a newly created or expanded Unit or designate all or part of a Unit as a newly created or expanded Unit, Common Element, or Limited Common Element, and (d) if appropriate, reapportion among the Unsold units affected by any such change, their aggregate Common Interests. No change will be made in the size or number of Units and/or their respective percentages of common interest, and no material change will be made in the size or quality of Common Elements, except by amendment to the Offering Plan and, when applicable, to the Declaration. After the Condominium Documents have been recorded any such amendment to the Offering Plan will also require an amendment to the Condominium Documents. After the Condominium Documents have been recorded Sponsor may not make any material changes to the size of Units or other improvements and no material adverse change will be made in the quality of the Common Elements unless all Unit Owners and all purchasers consent in writing to such change.

Except for those changes in the Common Elements disclosed in the Offering Plan, as it may be amended from time to time, no material change will be made in the size and no material adverse change will be made in the quality of the Common Elements unless all Unit Owners and all Purchasers, with respect to any Unit for which a Purchase Agreement is then in effect, consent to such change in writing. All affected Purchasers will also receive the right to rescind their Purchase Agreements by delivering written notice of such rescission to Sponsor within seven (7) days of presentation of an amendment to the Offering Plan offering such rescission. In the event of such rescission, Sponsor shall promptly return the rescinding Purchaser's Deposit and thereupon, the Purchase Agreement shall be terminated. (Please refer to the Section entitled "Changes in Prices and Units" in Part I of the Plan.)

Unless all affected Purchasers, with respect to any Unit for which a Purchase Agreement is then in effect and all Unit Owners consent to such change in writing, Sponsor shall not make any material change to the size, layout or Percentage of Common Interest for such Unit. Additionally, unless all Unit Owners and Purchasers consent in writing to such change, Sponsor shall not make any material change to the size of the Common Elements in the Building and shall not make any material adverse change in the quality of the Common Elements. Any such change shall be disclosed by the filing of an amendment to the Offering Plan with the Department of Law and an amendment to the Declaration shall be recorded.

Prior to the date that the Condominium Documents have been recorded, except as provided to the contrary in this Section or in the By-Laws, the right to change the size, layout, alteration of interior partitions and the number of Unsold Units may be exercised by Sponsor without the consent or approval of the Board of Managers, any Unit Owner or any mortgagee or any other party and without prior notice or amendment to the Plan. Please refer to the section in

Part I of the Offering Plan entitled "Changes in Prices and Units" for additional details.

A Purchaser of a Unit in the Building may not perform any work whatsoever in such Unit until the issuance of a Permanent Certificate of Occupancy for the Building without first obtaining the prior written consent of the Sponsor.

16. Limited Common Elements

Gardens, or balconies, appurtenant to certain Units, as applicable and as described in Schedule A and the Floor Plans set forth in Part II of the Plan, or hallway or similar space incorporated into a Unit will be Limited Common Elements available for the exclusive or semi-exclusive use of a particular Unit Owner. A Unit Owner may use any such Limited Common Elements appurtenant to such Unit, and shall be responsible for all normal maintenance, repairs and replacements thereto. However, the cost and expense of any structural repairs or replacements caused by the necessity for any structural repairs for any such Limited Common Elements shall be charged to all Unit Owners as a Common Expense, unless any such damage to the gardens or, balconies, is due to the negligence of the Unit Owner or guests. Gardens, or balconies appurtenant to certain Units may not be enclosed in any way without the express written consent of the Sponsor or the Board of Managers and in compliance with all applicable regulations of all relevant regulatory agencies and the New York City Department of Buildings. (Please refer to the Section entitled "Schedule A" in Part I of the Plan and Document 5 in Part II of the Plan entitled "Floor Plans")

17. Closing Costs

All legal fees charged by Purchaser's counsel shall be the sole responsibility of the Purchaser. In addition, Purchaser shall pay to Bleckner P.C. in connection with the closing of title to Purchaser's Unit: (i) the sum of $3,000 to reimburse Sponsor for its legal fees; (ii) if Purchaser requests the closing to occur at an office other than the offices of Bleckner P.C., an additional attendance fee of $750; (iii) if a scheduled closing is adjourned with less than twenty-four hours' notice, an additional fee of $500 shall be paid to Bleckner P.C., for each such adjournment, at closing in addition to all other fees and costs; and (iv) if Sponsor, in its sole discretion, consents to Purchaser's request to an assignment of the Purchase Agreement, a fee of $1,000. (Please refer to the Section entitled "Unit Closing Adjustments and Cost" in Part I of the Plan.)

18. Limitations on Actions Against the Sponsor

Prospective Purchasers are advised that pursuant to the terms of the Plan, Sponsor's obligation to repair, correct or replace defects in the construction of the Building is limited both as to the type of repair and the time period during which Sponsor is responsible for the condition of the Building or any of the Units. To the extent that Sponsor is obligated to correct, repair or replace any defects in the construction of the Building or any Unit, Sponsor's obligation is contingent upon receipt of a written notice, within the following time periods: (a) one (1) year from the Closing Date of a Unit with respect to any latent defect in the construction of such Unit; (b) one hundred eighty (180) days from the Closing Date of a Unit with respect to any patent defect in the construction of such Unit; or (c) with respect to the Building Common Elements, one (1) year from the later of (i) the issuance of a TCO; or (ii) completion of that portion of the Common Elements which is claimed to be defective. (Please refer to the Section of entitled

"Rights and Obligations of the Sponsor" in Part I of the Plan.)

19. Change in Prices

The prices for these condominium interests may be changed so that purchasers may pay different prices for similar interests. The effect of this is set forth in the section entitled "Change in Prices or Units."

20. Sale of Units

Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR. Under the terms of the regulations, Sponsor may not declare the Plan effective until Purchase Agreements are signed by *bona fide* purchasers for fifteen percent (15%) or two (2) of the Units offered for sale. While Sponsor currently intends to sell all of the Units, Sponsor has reserved the unconditional right to cease marketing or rent those Units in the event Sponsor is unable to sell them at the prices provided for in the Plan, as amended. There is no restriction on the right of Sponsor to rent Unsold Units. Because Sponsor is not guaranteeing to sell all Units, Sponsor is not obligated to sell more units than the fifteen percent (15%) or two (2) Units necessary to declare the Plan effective, and thus the Owner-occupants may never gain effective control and management of the Condominium and the Sponsor may indefinitely retain voting control of the Board.

The New York State Court of Appeals, in its opinion in *511 East 232 Owners Corp. v. Jennifer Realty Co.*, 98 N.Y.2d 144, 746 N.Y.S.2d 131 (2002) ("Jennifer Realty"), ruled that a cooperative housing corporation and certain of its tenant shareholders had a cause of action with respect to their claim that their Sponsor breached its "contractual obligation to dispose of all of its unsold shares within a reasonable period of time." Because Sponsor, as the Owner of any Unsold Units, has reserved the right to rent or lease any Unit after the Plan has been consummated prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion, or to use or offer the Unsold Units for any lawful purpose, Sponsor believes that the cause of action in Jennifer Realty would not exist with respect to this Offering.

Certain Units may be occupied under short-term leases having a term in excess of thirty (30) days. Accordingly, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners after consummation of the Plan. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit owners and, as such, at any time residents of the Condominium may be comprised of both Unit Owners and tenants. A Purchaser may therefore be acquiring a Unit which has been previously occupied, but unless specifically agreed to, such Unit will be delivered at Closing free and clear of all leases, tenancies and rights of occupancy.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold shares

has not sold a substantial percentage of the apartments in the building or group of buildings, which in some cases may be as high as seventy (70%) percent. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original Sponsor has an ownership interest of ten (10%) percent or more. It may also be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

Except as may be expressly provided in their respective lease(s), individual(s) leasing Unit(s) from Sponsor, after consummation of the Plan, will not, have any special rights to purchase such Unit(s). In addition, 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 and tenancies except as may otherwise be agreed to in writing by the parties. (Please refer to the Section entitled "Rights and Obligations of the Sponsor" in Part I of the Plan.)

21. Bulk Sales

Sponsor reserves the right to sell the Units in one or more bulk sales. (Please refer to the Section entitled "Introduction" in Part I of the Plan.) In the event of the dissolution or liquidation of Sponsor or the transfer of ten (10) or more Units or twenty (20%) percent or more of the total number of Units in the Condominium, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under the Plan, applicable laws or regulations.

22. Interim Use and Occupancy Agreements

Once a Purchase Agreement is signed for a vacant Unsold Unit, Sponsor reserves the right, prior to the date of closing title thereto to rent such vacant Unsold Unit for such use and occupancy, amount and term and on such other conditions as may be agreed to between Sponsor and a Purchaser who has paid the Deposit required by the Purchase Agreement. Any such occupancy agreement (also known as an "Interim Use and Occupancy Agreement") will provide, however, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the Interim Use and Occupancy Agreement will constitute a default under the Interim Use and Occupancy Agreement entitling Sponsor, at its sole option, to terminate such Interim Use and Occupancy Agreement in accordance with applicable Law with respect to the Unit. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under the Interim Use and Occupancy Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to terminate such Purchase Agreement and to exercise any remedies therein provided, but only after Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee or the lessee has vacated the Unit. In addition, in the event (i) the Purchase Agreement is rescinded; (ii) the Plan is abandoned; or (iii) the Sponsor is entitled to possession as a result of a default under the Purchase Agreement, the lessee will be required to vacate the Unit within thirty (30) days after rescission, abandonment or the receipt of notice from Sponsor of such default, as the case may be, subject to any protections then afforded to the tenant by the Interim Use and Occupancy Agreement. No portion of use or occupancy fees paid under an Interim Use and Occupancy Agreement shall be credited toward the Unit's Purchase Price. Sponsor anticipates that the Interim Use and Occupancy Agreement will not be subject to any Rent Laws. Individuals who rent vacant Unsold Units from Sponsor are not Tenant-Purchasers under the Plan and shall have no rights to purchase thereunder.

Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Use and Occupancy Agreement.

Purchasers entering into an Interim Use and Occupancy Agreement shall be required to pay the legal fees of Sponsor's counsel in connection therewith, upon execution of the Interim Use and Occupancy Agreement and such legal fees are estimated to be approximately $2,000. (See the Section entitled "Interim Use and Occupancy Agreements" in Part I for further details.)

23. Management Agreement

At or prior to the First Unit Closing the Condominium Board of Managers will enter into a management agreement with WayFinder PM LLC. ("WayFinder") for an initial term of five (5) years. This agreement cannot be canceled by the Board during such five (5) year period except for cause. WayFinder may assign such contract provided such assignment conforms to terms as provided herein. The management fee provided in the budget is in accordance with the prevailing rates for this size and type of Building. WayFinder is not affiliated with the Sponsor or the principals of Sponsor. (Please refer to the Sections entitled "Management Agreement and Contracts" and "Identity of Parties" in Part I of the Plan).

24. Special Work Request by Purchaser and Agreed to by Sponsor

Sponsor may agree to modify the floor plans and finishes of certain Units or to do special work or provide extras to the Units if requested by individual Purchasers and agreed to by Sponsor, in writing, in its sole discretion. Unless otherwise agreed to by Sponsor, a Purchaser shall bear the cost of such modification to floor plans and finishes. All funds received by Sponsor from Purchasers for such modified or additional work in Units, as aforesaid, shall be initially placed in escrow and shall be paid to Sponsor by the escrow agent to be used by Sponsor to pay for such work. Accordingly, in the even a Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any funds actually used for special work or extras. (Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.)

25. Unit Owner's Obligation's Regarding Window Guards

It is the responsibility of each Unit Owner to notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Windows in the Units will be mechanically fastened, with standard window limit stops. All windows must have Department of Health approved window limitation stops to prevent falling hazard. The Unit Owner shall maintain all mechanically fastened, with standard window limit stops in all windows installed in the Unit and shall not remove same until permitted by applicable Law. It is the responsibility of Purchasers and tenants to ensure that such windows stops are in place. Sponsor makes no representations whether Unit Owners will comply with foregoing obligations.

26. No Board Approval of Sponsor's Sales or Rentals

The Board of Managers does not have the right to approve or disapprove prospective purchasers. As a result, there is no limit on the number of Owners who may purchase for investment rather than for personal occupancy and that it is possible that there will always be a

substantial number of Unit Owners who are non-residents. Re-sales of Units (non-Sponsor Units) are, however, subject to the Board's Right of First Refusal. In addition, leases of Units (non-Sponsors Units) are subject to the Board's Right of First Refusal. (Please refer to the Section entitled "Rights and Obligations of Unit Owners and Rights and Obligations of the Board of Managers" in Part I of the Plan.)

27. Board's Right of First Refusal

As more particularly described in the By-Laws, a Unit Owner may sell or lease his Unit provided the Unit Owner first gives the Condominium Board notice of his intention to sell or lease the Unit and an opportunity to purchase or lease, as the case may be, at the same price or rental and on the same terms as are offered in good faith by a prospective purchaser or lessee. The Sponsor or its designee are not subject to such restriction. (Please refer to the Section entitled "Rights and Obligations of Unit Owners and Rights and Obligations of the Board of Managers" in Part I of the Plan.)

28. Condominium Power of Attorney

In addition to permitting the Board of Managers to acquire or otherwise deal with a Unit, the Power of Attorney permits the Sponsor, without the consent or approval of the Condominium Board or the Unit Owners or the managing agent or other representative to amend the Declaration and the floor plans, the By-Laws or the House Rules and Regulations at any time to reflect changes in Unsold Units made by Sponsor, or to make changes required by an institutional lender, governmental agency or title insurance company even when the Sponsor no longer controls the Board, or in order to comply with Sponsor's obligations under the Plan including complying with extending the Building's Temporary Certificate of Occupancy and the issuance of the FCO. The Power of Attorney also permits the Condominium Board to act on behalf of the Unit Owners in exercising its right of first refusal to purchase and rent Units and to amend the Condominium Declaration as needed. Failure to execute and file the Condominium Power of Attorney shall be deemed a default under the terms of the Purchase Agreement and this Plan. (Please refer to Document 3 in Part II of the Plan entitled "Power of Attorney".)

29. Restrictions on Sales and Listings

Prior to closing of title to a Unit, the Purchase Agreement prohibits a contract vendee (Purchaser) from listing the Unit for sale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the of the Unit for sale or lease, without the Sponsor's prior written consent which consent shall be at Sponsor's sole option. After closing of title, Purchaser (other than Purchaser purchasing for such Purchaser's own or their immediate family's occupancy) may not list or sell a Unit purchased from Sponsor for one (1) year after acquisition of such Unit. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to Closing of Title shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Article 17 of Part II of the Plan. Any such conveyance in violation of the foregoing will be voidable by Sponsor. (Please refer to Document 1 in Part II of the Plan entitled "Purchase Agreement" Subsection "Prohibition Against Advertising".)

30. Purchaser's Rights and Benefits

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

31. Rights of Sponsor

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

No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations shall be effective in any way without the prior written consent of Sponsor with respect to any such amendment, modification, addition or deletion which modifies the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions retained or granted to Sponsor or which otherwise, in the opinion of Sponsor would have the effect of adversely affecting Sponsor. (Please see the Section of entitled "Rights and Obligations of the Sponsor" in Part I of the Plan.)

32. Carbon Monoxide Detectors and Smoke Detectors

The New York City law requires installation of carbon monoxide detectors and smoke detectors by owners of multiple dwellings, including owners of residential condominiums. Sponsor intends to provide such detectors in each Unit in accordance with the law. Each Unit Owner will be responsible to keep and maintain the detectors in good repair and to replace such which have been removed, found missing or rendered inoperable. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations.

33. Gardens and Balconies

Gardens and Balconies, which are appurtenant to certain Units, as described in Schedule A and the Floor Plans set forth in Part II of the Plan, will be Limited Common Elements available for the exclusive use of the Unit Owners of such Units. The following Units contain balconies: Unit 3, Unit 4, Unit 5, Unit 6, Unit 7 and the Penthouse Unit. The Townhouse Unit contains a Garden. A Unit Owner who has a garden or balcony appurtenant to his Unit shall have the exclusive use of same, subject to the right of the Board of Managers to regulate its use, and

shall be responsible for all normal maintenance, repairs and replacements thereto. However, the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to any balcony, which are Limited Common Elements (unless caused by its Unit Owner), shall be charged to all Unit Owners as a Common Expense. Mechanical equipment necessary for the maintenance and operation of the Building and the Units will be located on the roof. The Board of Managers will be responsible for ensuring that the mechanical equipment is operated in accordance with Law, including requirements governing acceptable levels of noise and odor emissions. (Please refer to the Section entitled "Description of Property and Improvements", Subsection "Limited Common Elements" in Part I of the Plan.)

In addition, Sponsor shall have, and the Units and Common Elements shall be subject to, an easement for access to certain gardens and balconies for the purpose of conducting certain necessary maintenance and/or repairs to the Building. Except in an emergency, Sponsor, or the Board of Managers, as the case may be, shall provide the owner of the respective Unit with reasonable prior written notice of the fact that access to such garden or balcony is required for the purpose of necessary maintenance and/or repair to the Condominium. Following such notice, such Unit Owner shall provide reasonable access to such garden and/or balcony to Sponsor or the Board of Managers, as the case may be, for the purpose of conducting such necessary maintenance and/or repair. That portion of the roof and such risers and conduits, as constitute Common Elements, may be used by Sponsor for any lawful purpose including, but not limited to, installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and/or replacing satellite dishes and other communication equipment ("Communications Work"); provided that access to any Unit or Common Element or performance of any Communications Work in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the residential use of the Units and use of the Common Elements and Limited Common Elements of the Premises. The aforementioned easements may be used by Sponsor for its own account or the account of any licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the roof by Sponsor shall be exclusive property of Sponsor and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. (Please refer to the Section entitled "Description of Property and Improvements", Subsection "Easements" in Part I of the Plan.)

34. Insurance

The budgeted line item for the insurance premiums set forth in Schedule B represents current insurance premiums at current rates. In recent years premiums for flood insurance have increased significantly. Although the projections in Schedule B are believed to be reasonable, Purchasers should note that insurance premiums could increase depending on market and weather conditions. No guarantee is given that insurance premiums will not increase.

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

35. Building's Superintendent

The Projected Budget for First Year of Condominium Operations includes the estimated salary of a part-time, non-union Superintendent to attend to the minor repairs at the Building and maintain the common areas. The part-time Superintendent shall not reside within 200 feet of the Property. (Please refer to the Section entitled "Description of Property and Improvements" in Part I of the Plan.)

36. Risk of Fire Is Obligation of Sponsor Unless Unit Is Occupied Prior to Closing

Prior to the first Closing, the Building will be insured by Sponsor against fire damage in accordance with Note 8 to Schedule B (Please refer to the Section entitled "Schedule B Notes" in part I of the Plan). The risk of loss from fire or other casualty with respect to the Unit shall remain with the Sponsor until the closing of title to the Unit. Notwithstanding the previous sentence, in the event a Purchaser enters into possession of the Unit prior to the closing of title, such as under an Interim Use and Occupancy Agreement or in the event of unauthorized use, then Purchaser, as an interim occupant, shall bear the risk of loss or other casualty not covered by insurance with respect to the Unit. (Please refer to the Section entitled "Terms of Sale" in Part I of the Plan.)

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

Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual Unit Owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and the principals of Sponsor, absent liability under another statute or under an alter-ego or other veil-piercing theory. See *Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC. et al*, 106 A.D.3d 542; 965 N.Y.S.2d 114 (1st Dept. May 16, 2013).

Furthermore, nothing contained in any section of the Plan will be construed so as to render Sponsor liable for consequential damages (whether based on negligence, breach of contract, breach of warranty or otherwise), it being intended that Sponsor's sole obligation under the section of the Plan entitled "RIGHTS AND OBLIGATIONS OF THE SPONSOR" will be to cause Sponsor to repair or replace any defective item of construction upon, and subject to, the terms and conditions set forth therein. (Please refer to Document 12 of Part II of the Plan entitled "Certification of Sponsor and Sponsor's Principals".)

38. Foreign Government Purchaser

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

Documents. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. A Foreign Government Purchaser will be required at the Closing to deposit with the Condominium an amount equal to two (2) years' Common Charges with respect to the Unit based on the Condominium budget in effect as of the Closing Date of the Unit, which will be in addition to the required contribution to the Working Capital Fund. (Please refer to the Section entitled "Terms of Sale" in Part I of the Plan.)

39. Marketing Materials

In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window coverings, window treatments and carpeting and the like ("FFE") in any portion of the Building set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Units imply or represent that such FFE will be located within any portion of the Building. The presence of FFE in such marketing materials are for illustrative purposes only. In addition, marketing materials may designate or label or use nomenclature to describe certain areas or rooms within Units that differs from the designations utilized on the Floor Plans of the Units set forth in Part II of the Offering Plan, including, without limitation, accessory or recreational rooms, closets, hallways, children's rooms and dens/media 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. Notwithstanding the foregoing, in no event, shall any designations, labels or nomenclature used in marketing materials conflict with the legally permitted uses of such areas or rooms. (Please refer to the Section entitled "Terms of Sale" in Part I of the Plan.)

40. Remedial Action Plan For Noise

Sponsor, at Sponsor's sole cost and expense will install Alternate Means of Ventilation (AMV) (the "Remediation Work") in the Building in order to satisfy the requirements of the E-Designation for Noise that was placed on the location of the Property and to maintain a closed window condition. Sponsor has submitted a Remedial Action Plan (RAP) to the NYC Office of Environmental Remediation (OER) for approval. The RAP, will address all of the Noise E-Designation requirements and will comply with applicable New York City environmental standards, criteria and guidance. After receipt of approval from the OER, any significant changes to the development scenario will be communicated to the OER for review, and if applicable, approval. During the period of time when the RAP is being reviewed by the OER, Sponsor will continue to construct the Building, notwithstanding the pending approval from the OER and, as such, the issuance of approval from the OER shall not be a precondition to construction of all other aspects of the Building that are not part of the Remediation Work.

The AMV for the project will be achieved by the implementation of a dedicated outside air ventilation system (Energy Recovery Ventilation) and a split-system air cooled direct exchange heating and cooling system to provide both the code required ventilation and environmental control, respectively. The heating and cooling system will be comprised of model PEFY-P12NMAU-E3 indoor, direct exchange, air handling units with associated model PURY-HP96TKMU-A-H air cooled condensing units manufactured by Mitsubishi. The indoor air handlers will be installed in each Unit in the 2nd and 3rd bathroom dropped ceilings; the

associated condensing units will be installed outdoor on the Building bulkhead roof. Outside air ventilation will be provided to the residential areas via individual energy recovery ventilators (ERVs) serving each Unit. These units will be located in the bathroom dropped ceiling of each Unit and will run continuously for all residential areas in order to meet the minimum required ventilation flow rates listed in chapter 4 of the 2014 New York City Mechanical Code. The energy recovery ventilators are manufactured by Zehnder, Comfo-air model CA-200. The intake and exhaust for each ERV is ducted from each individual unit through a dropped ceiling to a termination at the Northern facade of the building. In all cases, the rate of outside air (cfm) delivered to each habitable space (bedrooms and living spaces) will meet or exceed that specified in the 2014 New York City Mechanical Code table 403.3.

Upon OER's determination that the RAP meets the noise E-Designation requirements, OER will issue a Notice to Proceed (NTP) to the Department of Buildings for the City of New York (DOB), after which, the Remediation Work will begin. As stated in the First paragraph of this Special Risk #40, issuance of the OER's NTP shall not be a precondition to construction of all other aspects of the Building that are not part of the Remediation Work.

Upon completion of the Remediation Work, a professional engineer will issue a Remedial Closure Report demonstrating that all remedial activities have been properly implemented and fully constructed. All obligations in connection with the performance of the Remediation Work will be the responsibility of Sponsor.

Upon completion of the Remediation Work and issuance of the Remedial Closure Report and a Notice of Satisfaction letter from NYCDEP indicating its approval of such work, DOB will be informed of same and construction of the remainder of the Building shall commence. Sponsor will amend the Plan to disclose all of the following: (i) the receipt of the Notice of Satisfaction letter from NYCDEP; (ii) any use restrictions; (iii) any environmental easements affecting the Building which may be issued by NYCDEP or NYSDEC; and/or (iv) any subsequent, ongoing obligations (such as inspecting, monitoring and/or reporting) as may be required by NYCDEP and/or NYSDEC. Sponsor, at Sponsor's sole cost and expense, will be responsible for all costs and the performance of any such ongoing obligations that may be required by NYCDEP and/or NYSDEC in connection with any ongoing obligations until the First Unit Closing and the establishment of the Condominium, at which point all ongoing obligations shall thereafter be the responsibility of the Board of Managers.

41. Excess Development Rights

Upon the completion of the construction of the Building, there will not be any unused "floor area" ("Excess Development Rights") remaining with respect to the Property; however, notwithstanding anything contained herein to the contrary in the event that due to upzoning or other changes in the Zoning Resolution of the City of New York, there are any Excess Development Rights, Sponsor and its affiliates reserve for themselves any such "Excess Development Rights". Sponsor may not use any Excess Development Rights, under any circumstances, to expand the Building or adversely affect the Property including the Units, Common Elements and Limited Common Elements, but may transfer, for itself or on the behalf of the Condominium, the inchoate Excess Development Rights to enter into a zoning lot development agreement or any other document as may be reasonably required to use, transfer, encumber or otherwise dispose of all of the Excess Development Rights that may in the future become available with respect to the Property. The Declaration and By-Laws reserve to Sponsor

and its affiliates, solely and exclusively, the right to use, transfer, encumber or otherwise dispose of all of the Excess Development Rights that may in the future become available with respect to the Property. Sponsor will not (a) construct a building within the Existing Zoning Lot (as defined in the Section entitled "Sponsor's Statement of Specifications of Building Condition" in Part I of the Plan) which requires a modification of a Light and Air Easement, (b) expand the Building in such a way that will increase the Common Charges to be paid by the Unit Owners, or (iii) affect, in an adverse way, the designated use, utility or operation of the Common Elements or Limited Common Elements.

(Please refer to the Section entitled "Introduction", Subsection "The Property" in Part I of the Plan.)

42. Sponsor's Inability to Convey Title

Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense in excess of its obligations under the Plan to cure any inability to deliver title to a Unit in accordance with the Plan and the terms of the Purchase Agreement for such Unit. If Sponsor notifies a Purchaser of its refusal to cure any such inability then such Purchaser's sole remedy will be either (a) to take such title as Sponsor is able to deliver without abatement in or credit against the Purchase Price for the Unit and without any claim or right of action against Sponsor for damages or otherwise or (b) to terminate the Purchase Agreement and receive a refund of the Deposit and any interest earned thereon. A Purchaser must notify Sponsor in writing as to which option such Purchaser elects within ten (10) days after the giving of Sponsor's notice of refusal to cure such inability, with TIME BEING OF THE ESSENCE. If a Purchaser fails to timely deliver such notice it will be conclusively deemed that such Purchaser has elected to acquire title to the Unit subject to such inability as set forth in clause (Please refer to the Section entitled "Events of Default" in Part I of the Plan and Document 1 of Part II of the Plan entitled "Purchase Agreement".)

INTRODUCTION

Purpose of the Plan

The purpose of this offering document (the "Plan") is to disclose to potential Purchasers all of the material facts and terms of the offering as required by Section 352-e of the General Business Law and Part 20 of the regulations promulgated thereunder ("Part 20"). Sponsor cannot sell or offer any Units for sale unless or until the Plan is accepted for filing by the New York State Department of Law, 120 Broadway, 23rd Floor, New York, New York 10271 (the "Department of Law").

This Plan may be amended from time to time to reflect newly arising facts or changed terms or circumstances that materially affect the offering. All such amendments shall be filed with the Department of Law and will be presented to all Purchasers and Unit Owners. See the section entitled "General" for more information concerning amendments and their effect on outstanding Purchase Agreements. The terms "Department of Law" and "Attorney General" are used interchangeably in this Plan. Capitalized terms not otherwise defined are defined in the section below entitled "Definitions".

The Sponsor

298 East Village Owner LLC, a New York limited liability company is the sponsor (the "Sponsor") of the Plan. The sole member of Sponsor is 298 East Village Mezzanine LLC, a New York limited liability company. No other entity or person has more than a ten (10%) percent interest in the company or has the right to control the business operations of the company. The Sponsor is the current owner of the land and building known as 298 East 2nd Street, New York, New York (the "Property"). Sponsor acquired its interests in 298 East 2nd Street, New York, New York on or about October 29, 2015. See the section entitled "Identity of Parties" for more information concerning the Sponsor and the principals of Sponsor, and see the section entitled "Location and Area Information" for full details regarding the Property.

The Condominium Act

Under this Plan, Sponsor will construct a building (the "Building") on the aforementioned Property for the completion of one (1) eight story building containing eight (8) above-grade level floors, and a roof. There is no cellar in the Building. Upon completion, the Building will contain seven (7) Units.

Sponsor is converting the Property to a condominium form of Ownership pursuant to Article 9B of the Real Property Law of the State of New York (the "Condominium Act"). The Condominium will be known as the "Houston House" and is hereinafter referred to as the "Condominium." Upon the sale of at least fifteen (15%) percent of the Units being offered for sale (or a minimum of two (2) Units), the Offering Plan may be declared effective. A Declaration submitting the property to Article 9B of the Real Property Law of the State of New York, as amended, commonly known as the New York Condominium Act, together with the By-Laws and the Floor Plans will be recorded prior to conveyance of title to the first Unit. The Declaration and the By-Laws to be recorded at the New York City Register's Office will be substantially similar to those are set forth in Part II of the Offering Plan and will not be changed so as to adversely affect the purchaser.

The Property

The Property is located in New York City's East Village neighborhood in the Borough of Manhattan, New York. The Condominium will have entrance on East 2nd Street. The Property is located in an R8A District as shown on Map 12C of the Zoning Resolution of the City of New York. The proposed use is a Class A, Multiple Dwelling (Use Group 2) as permitted as-of-right in an R8A District.

Upon construction, the project will consist of one eight (8) story building consisting seven (7) residential Units. The Townhouse Unit will be located on the first and second floors. One residential Unit will be located on each of floors 3, 4, 5, 6 and 7 and the Penthouse Unit will be located on the penthouse floor of the Building. The Building will not contain a cellar space; however, a bike storage area, powder room (i.e. a small bathroom containing a toilet, sink and vanity but no shower or bathtub), storage room, mechanical rooms, stairs and an elevator and elevator lobby will be located on the first floor and a mechanical room and elevator machine room will be located on the roof of the Building.

Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain materials, governmental restrictions or delays conducting inspections, construction of the Building will be substantially completed to permit closings by August 1, 2018 (the "Projected Date"), although completion of the entire Building may extend beyond such date and is subject to unavoidable delays such as weather conditions, lockouts, strikes and local shortages, acts of God, inability to obtain material & equipment or labor, government restrictions, or any other reason. Therefore, Sponsor does not warrant or guarantee completion or occupancy dates for the Building or any part thereof. Even if substantial construction is completed by August 1, 2018, completion of punch list items or special work orders of purchasers or other items of construction may not be completed for an additional six (6) months or more thereafter. The period within which the Sponsor must complete any of its obligations under the Plan (including the Purchase Agreement) shall be extended by the period of such delay. Sponsor will have no liability to any Purchaser, nor will a Purchaser be relieved from any obligation under the terms of the Purchase Agreement, if the First Unit Closing occurs earlier or later than the projected date. If the projected commencement of condominium ownership is delayed beyond six months from the projected date, Sponsor will amend the Offering Plan to include a revised operating Budget and: (i) if such revised Budget increases the Common Charges by 25% or more, or (ii) the First Unit Closing does not occur within twelve (12) months of the projected date cited above, then in either case, Sponsor will offer all Purchasers a right of rescission for fifteen (15) days from the Presentation Date of the amendment. Refunds of Deposit, with interest earned thereon, if any, will be made promptly to any Purchaser who elects to rescind. Please refer to the section entitled "Description of Property and Improvements" in Part I and the Architect's Report in Part II of the Offering Plan for further details of the Building, apartments, and improvements.

Prior to the closing of the first Unit, Sponsor shall, at its sole cost and expense, obtain either a permanent or temporary Certificate of Occupancy, which will permit the Units to be used for residential purposes. If the closing occurs prior to the issuance of the Permanent Certificate of Occupancy, Sponsor shall, at its sole cost and expense, obtain the Permanent Certificate of Occupancy.

The Offer

Sponsor is offering all of the seven (7) residential Units for sale on the terms expressed herein. Notwithstanding the above, Sponsor reserves the right to offer the Units in such order of priority as it may determine, and to withhold one or more Units for future sale or lease. Sponsor also has the right to limit the number of Units sold to any one Purchaser.

The Sponsor will endeavor in good faith to sell the Units offered for sale in this Plan rather than rent them, but Sponsor hereby retains an unconditional right to rent rather than sell its Unsold Units above the number of Units necessary to make the Plan effective and therefore it is possible that owner-occupants may never gain effective control and management of the Condominium. Because the Condominium Board does not have the right to approve or disapprove purchasers and because there is no limit on the number of owners who may purchase for investment rather than for personal occupancy, there may always be a substantial percentage of owners who are non-residents. If Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor-Sponsor is bound by Sponsor's representations regarding its commitment to sell Units.

The purpose of the Plan is to set forth all the material terms of the offer so that prospective Purchasers have an adequate basis upon which to determine whether to purchase Units in the Condominium. The Plan is presented in two parts that together constitute the entire Plan. Part I sets forth the general description of the Plan and Part II contains the basic documents necessary to effectuate the provisions of the Plan. The Plan may be amended from time to time when an amendment is filed with the New York State Department of Law. All filed amendments will be served on (i) Purchasers who have executed and delivered Purchase Agreements to the Sponsor or the Selling Agent and whose Purchase Agreements are then in full force and effect, (ii) Unit Owners, and (iii) any other Person who is required by law or regulation to receive such amendment (individually, "Offeree", collectively, "Offerees"). Service shall be either by personal delivery, ordinary mail or registered or certified mail, with or without return receipt requested, addressed to the Offeree at the last known residence of such Offeree or, if the Offeree has provided written information of an alternative address for notices, addressed to the Offeree at such alternative address or the Offeree's attorney. Service by personal delivery is deemed complete upon delivery. Service by mail shall be presumed complete on the fifth (5th) day after the date of mailing.

Purchase Price for Units

The initial purchase price and other financial details for each Unit are set forth in Schedule A below. Schedule A also contains the financial details of all the Units such as the estimated monthly common charges and estimated real estate taxes. The offering prices include fixtures and appliances described more fully in the Architect's Report in Part II of the Plan. The prices for Units have been set by Sponsor, and are not subject to approval by the Department of Law or any other governmental agency. The prices are negotiable and subject to change. For a discussion of the right of Sponsor to change prices see the section entitled "Changes in Prices or Units."

Plan and Documents Available for Inspection

Parts I and II constitute the entire offering plan and contain all the detailed terms of the offering. Parts A, B, C and D of the exhibits (the "Exhibits") delivered to the Department of Law in

connection with the filing of this Plan contain additional backup documents which are available to prospective purchasers and their attorneys for inspection without charge, and for copying at a reasonable charge, at the Building's sales office, when open, and at the office of the Selling Agent during regular business hours. The Exhibits will also be available for inspection and for copying at a reasonable charge at the Department of Law during regular business hours.

Basic Aspects of Condominium Ownership

A condominium is established by filing a declaration of covenants and restrictions (the "Declaration") in accordance with the requirements of the Condominium Act. The Declaration legally divides a property into condominium units, common elements and limited common elements. Generally, a unit consists of the space contained within an area bounded by the outside face of the exterior walls, subflooring and ceilings as shown on the floor plans attached to and filed with the Declaration, and includes the fixtures, equipment and appliances contained therein. The land, the air rights and other portions of the Building including all Building fixtures, equipment and other apparatus contained therein are known as the "Common Elements" and are more particularly described in the Declaration in Part II of the Plan. They are collectively owned by the Unit Owners in proportion to the percentage of "Common Interest" allocated to their respective units. Certain of the Common Elements are for the exclusive use of particular units and are called "Limited Common Elements." The Sponsor shall have a right to designate portions of the Common Elements as Limited Common Elements in connection with combining or subdividing of Units as per the terms of the Declaration, provided any such re-designation is in compliance with all applicable regulations of the Department of Law. See Schedule A below for the percentage of Common Interest allocated to each Unit under this Plan as well as the section entitled "Description of Property and Improvements" for a description of the Units, Common Elements and Limited Common Elements.

The Unit Owner owns the Unit in fee simple absolute and is entitled to the exclusive possession and use thereof. Each Unit's proportionate share of the Common Elements has been determined upon the basis of such Unit's floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium pursuant to Section 339-i 1(iv) of the Real Property Law, which is part of Article 9-B of the Real Property Law of the State of New York (hereinafter called the "Condominium Act").

The operation and management of the Condominium will be vested in the Board of Managers as provided in the By-Laws. The Board of Managers shall have the authority to manage and administer the affairs of the Condominium, including, but not limited to, the adoption of Rules and Regulations covering the Condominium and determining an annual operating Budget setting forth the Condominium's estimated operating expenses in maintaining and operating the Common Elements and other expenses set forth in Schedule B. The Board will assess against each Unit Owner, in proportion to his respective percentage of Common Charges in accordance with the New York State Condominium Act, Real Property Law Section 339(i) and (m).

The members of the Board are initially designated by the Sponsor, depending on the percentage of Unsold Units owned by Sponsor or its designee, or elected by the Unit Owners as provided in the By-Laws. The Board of Managers shall be elected annually by the Unit Owners with the number of votes allocated to each Unit Owner determined by the Unit Owner's percentage of Common Interest except that until the earlier to occur of (i) the date on which one

hundred (100%) percent of the Unsold Units are sold, or (ii) five (5) years from the date of the First Closing, the Sponsor shall control the Board by designating all the members during the Initial Control Period and after the expiration of the Initial Control period at least one (1) member of the Board shall be elected by Unit Owners. All members of the Board shall be Unit Owners. A mortgage representative of a Unit after a judgment of foreclosure and a sheriff sale shall be eligible to be a Board member. Other than the Sponsor or its designee and their representatives on the Board, the majority of members of the Board and a majority of the officers of the Board must be an Owner-occupant or adult members of an Owner-occupant's household. A principal or designee of a corporate Owner or such entity who resides in the Unit is eligible to be a Board member. Please see the Section of the Plan entitled "Rights and Obligations of the Unit Owners and the Board of Managers" for further discussion.

Units may be purchased by an individual or individuals, or by a duly formed partnership, or corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York. The Sponsor may dispose of remaining Unsold Units by selling to investors, renting to tenants or for occupancy by relatives or others. Subject to certain conditions contained in the By-Laws and in the section "Procedure to Purchase" of Part I, Unit Owners are privileged to mortgage their Units with a lender and in such amount and terms as they choose. Sponsor makes no representations or warranty as to the ability to finance any Unit or the terms and conditions upon which institutional financing may be available. The Purchase Agreement is <u>not</u> contingent on financing.

Unit Owners can sell or lease their Units to anyone without restriction, but such sale of lease is subject to a right by the Condominium to acquire or lease the Unit or produce a third party to acquire or lease the Unit on the same terms as were offered to the Owner of the Unit. This is known as the Condominium's "Right of First Refusal" and is more fully described in the Purchase Agreement. No Unit can be sold without a simultaneous sale of the undivided interest in the Common Elements appurtenant to such Unit. An Owner is free to make a gift of his Unit to anyone during his lifetime or to devise his Unit by will or have it pass by intestacy without restriction or right of first refusal.

The Board does not have the power to approve or disapprove a potential purchaser and as a result there is no limit on the number of purchasers who may purchase for investment or resale rather than for personal occupancy. Therefore, it is possible that there may always be a substantial percentage of owners who are non-residents. It is possible that those Unit Owners who occupy their Units may have different interests than those Unit Owners who purchase such Units as an investment.

The Sponsor or its designee are not subject to the right of first refusal or any restrictions as to their rights to sell, rent, or mortgage or as to the use of any of their Unsold Units. They do not need the consent of the Board of Managers or Unit Owners and they are not obligated for any payment of transfer or rental fees provided for in the Plan or imposed by the Board of Managers.

Under this Plan, each Unit Owner will have the same rights, obligations and benefits generally enjoyed by condominium unit owners. These rights, obligations and benefits include the following:

(i) Each Unit Owner will own his Unit outright and, together with all other Unit

Owners, an undivided interest in the Common Elements and Limited Common Elements;

(ii) Each Unit Owner will have the exclusive right to use his Unit as well as the Unit's Limited Common Elements. Each Unit Owner will share with all other Unit Owners the use, benefit, and/or enjoyment of the Common Elements.

(iii) The Condominium will raise monies to operate the Property by assessing "Common Charges" to each of its Unit Owners. The Common Charges will be based on the projected expenses for operating the Property (the "Common Expenses") less any outside income (income from other than Unit Owners), which the Condominium may receive. The Condominium's projected first year's budget is set forth as Schedule B below. Each Unit Owner will be required to pay monthly such Unit Owner's pro-rata share of the Common Charges. The proportionate share of Common Charges payable by each Unit Owner will be based on the percentage of Common Interest allocated to his Unit. The Board of Managers shall have the duty of obtaining and maintaining fire insurance, casualty and liability insurance on behalf of the Zakrzewsi + Hyde Architects the projected first year's Common Charges for each Unit.

(iv) Each Unit may be used as a single-family residence and for any home occupation permitted by law. See the section entitled "Rights and Obligations of Unit Owners" for a discussion.

(v) Each Unit Owner will have the right to vote annually for the election of the Condominium's Board of Managers. The Board of Managers will conduct the affairs of the Condominium, including supervision of, and making determinations involving the operation of, the Property. The day-to-day management of the Property may be delegated to a managing agent.

(vi) Each Unit will be separately assessed in connection with paying New York City Real Property Taxes. The Unit Owner will pay any resulting taxes on his Unit directly to the City of New York and same are not included in the Common Charges. Schedule A sets forth the estimated first year's real property taxes for each Unit. See the section entitled "Footnotes to Schedule A" as well as the section entitled "Taxes - Deductions to Unit Owners and Tax Status of the Condominium" for a further discussion. No Unit Owner will be liable for the payment of real property taxes levied against any neighbor's Unit.

(vii) Each Unit Owner will be responsible for the cost of interior repairs in, and the maintenance and decoration of, his Unit, including the equipment, fixtures and appliances contained therein. Each Unit Owner shall also be responsible for the cost of electricity supplied to his Unit, which is separately metered, and the cost of any insurance coverage he or she may desire to obtain for (a) his or her furniture, belongings, equipment or other personal property, and (b) for liability to others for personal injury or property damage as a result of occurrences in the Unit. The costs of the foregoing are not included in the Common Charges.

(viii) Unit Owners can alter and decorate the interiors of their Units in any way

they desire, subject to compliance with the By-Laws, the House Rules and Regulations, laws and local codes, and they are responsible for the cost of their own interior decoration, maintenance and repairs after Closing. Prior to the issuance of a Permanent Certificate of Occupancy for the Building, other than decoration or minor repairs, no Unit Owner (other than Sponsor or its designee) may make any repairs, improvements, alterations or replacements of any nature. Prior to the issuance of a permanent Certificate of Occupancy, no substantial repairs or alterations requiring a filing with the Buildings Department or requiring the disruption of building services may be done by any Owner other than Sponsor or its designee, without the prior consent of the Sponsor or its designee, for as long as Sponsor or its designee owns any Unsold Units or thereafter the Condominium Board, as the case may be.

(ix) Each Unit Owner will acquire his or her Unit free and clear of any blanket liens or mortgages covering the Property, and will be able to freely borrow against and mortgage the Unit, subject to certain filing requirements under the Declaration, but without any required consent from the Board of Managers. Each Unit is a separate entity and will not be subject to the lien of any mortgages placed by other Unit Owners on their respective Units. See the section entitled "Rights and Obligations of Unit Owners" for a full discussion.

(x) Generally, each Unit Owner may sell or lease his Unit to anyone, without restriction, subject only to the right of first refusal in favor of the Board of Managers (or a third party produced by the Board of Managers) on the same terms and conditions accepted by a prospective buyer or tenant. See the section entitled "Rights and Obligations of Unit Owners" for a full discussion. Such restrictions are not applicable to any Unsold Units, which may be sold or leased without being offered to the Condominium Board.

(xi) In the opinion of Bleckner P.C., Sponsor's counsel, each Unit Owner who is a natural person and who uses his Unit as his primary residence will, under present income tax laws and provided that such individual itemizes his or her deductions, be able to deduct from his or her income for Federal, New York State and New York City personal income tax purposes any mortgage interest and real estate taxes which he pays on his Unit. This opinion is set forth in Part I of the Plan. See the sections entitled "Taxes - Deductions to Unit Owners and Tax Status of the Condominium" and "Opinion of Counsel" for a full discussion.

(xii) Each Unit Owner is obligated to comply with the Declaration, the By-Laws, House Rules and Regulations and any other requirements of the Board of Managers.

Limitations on Who May Purchase Units

The Units are offered to individuals eighteen (18) years of age or over as well as to corporations, partnerships, trusts, estates, limited liability companies and other business entities eligible to own real estate in the State of New York. Notwithstanding the foregoing, the Sponsor is not obligated to offer or to sell any particular Unit and may, if it chooses, withhold one or more Units for future sale or rental. No binding obligation to sell a particular Unit shall arise under this Plan until a fully executed Purchase Agreement has been exchanged between Sponsor and the prospective purchaser. Sponsor has the right to reject any prospective purchaser without cause or explanation provided such rejection is not based on sex, race, creed, color, national origin, marital status or ancestry or other grounds prohibited by law.

Copy of the Plan

To accommodate prospective Purchasers who may desire to purchase a Unit, but are not ready to execute a Purchase Agreement, a prospective Purchaser may request a copy of the Plan from the selling agent on site. Any such prospective Purchaser shall deliver a check to the Selling Agent, made payable to "Houston House Escrow Account" in the amount of Two Hundred Dollars ($200). The deposit is to insure that if the prospective Purchaser elects not to purchase a Unit in the Condominium, then the Purchaser will return to the Selling Agent, the copy of the Plan in good condition. If, within thirty (30) days of accepting the deposit, the prospective Purchaser enters into a Purchase Agreement or returns the Plan, in good condition, the deposit will be refunded. Any such deposit will be treated as non-interest bearing trust funds pursuant to applicable law until the expiration of the thirty (30) day period. If after the expiration of the thirty (30) day period the Plan is not returned in good condition or Purchaser has not entered into a Purchase Agreement, then the deposit will be released to the Sponsor to keep.

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

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

CERTAIN DEFINITIONS

For convenience of presentation, general definitions of certain terms used in Part I of the Plan are set forth below. These definitions are subject to the more particular definitions of such terms set forth in the Declaration of Condominium, which is Document 6 in Part II of the Plan.

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

"**Affiliate**" means any Person who is a Family Member or who controls, is controlled by, or is under common control with the named Person or a Family Member of the named Person. The terms "control," "controlled" or "controlling" shall mean direct or indirect ownership of more than fifty (50%) percent of the outstanding voting capital stock of a corporation or of more than fifty (50%) percent of the beneficial interests of any other entity.

"**Amend**," "**amended**" or "**amendment**" refers to any amendment, whether by deletion of any existing provision modification of any existing provision, or inserting a new provision.

"**Applicable Law**" means all applicable laws, statutes, treaties, rules, codes, ordinances, regulations of any Governmental Authority and, to the extent the Property, any Unit, any Unit Owner, Sponsor and/or any Board, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions; writs, orders, notices of violation or like action of any Governmental Authority, court, arbitrator or other administrative, judicial or quasi-judicial tribunal or agency of competent jurisdiction (including Applicable Rent Laws and those pertaining to health, safety or the environment) now or hereafter in effect.

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

"**Architect's Report**" **or** "**Architect's Description of Property and Building Condition**" means that detailed report describing the Property, including the rehabilitation of the Building prepared by Architects. The Architect's Report is set forth as Document 4 in Part II of the Plan.

"**Attorney General**" means the Office of the Attorney General of the State of New York.

"**Board**" or "**Board of Managers**" means the Condominium Board, as hereinafter defined.

"**Building**" means, the entirety of the Houston House condominium located at 298 East 2nd Street, New York, New York.

"**By-Laws**" means the By-Laws of the Condominium, in the form set forth as Document 7 in Part II of the Plan, including the Residential Rules and Regulations, as amended from time to time pursuant to the terms hereof.

"**Claim**" or "**Claims**" shall include any claims, counterclaims, suits, actions or proceedings and any other liabilities, losses, damages, penalties, charges, costs and expenses and attorneys' fees and expenses incurred in connection with any of the foregoing.

"**Closing**", "**Closing of Title**" and words of similar import are used synonymously and mean the settlement of the mutual obligations of Sponsor and a Purchaser under such Purchaser's Purchase Agreement, including the payment to Sponsor of the Purchase Price and the delivery to such Purchaser of the deed transferring full ownership (fee simple title) to a Unit on the terms set forth in the Purchase Agreement.

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

"**Common Elements**" shall have the meaning ascribed to such term in Article 6 of the Declaration

"**Common Expenses**" means 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 tothe Common Elements, or the Limited Common Elements (to the extent such costs and expenses are not the obligation of the Unit Owners owning the Units to which such Limited Common Elements are appurtenant); (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**" means the undivided interest in the Common Elements appurtenant to a Unit, expressed as a percentage. The total of all Common Interest percentages appurtenant to all Units equal 100%. The Common Interest attributable to each Unit is set forth in Exhibit B of the Declaration.

"**Condominium**" means the Houston House condominium, which was established pursuant to the terms of the Declaration and governed pursuant to the terms of the By-Laws"

"**Condominium Act**" means Article 9-B of the Real Property Law of the State of New York, as amended from time to time.

"**Condominium Board**" means the Board of Managers, which is the governing body of the Condominium, whose members shall be selected pursuant to the terms of Article 2 of the By-Laws. The Condominium Board shall sometimes be referred to herein as the "Board" and members of the Board shall sometimes be referred to as "Members".

"**Condominium Documents**" means, collectively, the Declaration, the By-Laws (including the Rules and Regulations) and the Floor Plans, all as may be amended from time to time.

"**Declarant**" refers to 298 East Village Owner LLC.

"**Department of Law**" means the Real Estate Finance Bureau of the Department of Law of the State of New York.

"Development Rights" means any unused air development rights or future air development rights which may be granted by virtue of zoning changes are retained and reserved by the Sponsor and its members, affiliates, subsidiaries and/or assigns.

"**Deposit**" means the total of the Initial Deposit and the Additional Deposit.

"**Effective Date**" means the date upon which the Plan is declared effective by Sponsor in accordance with the terms of the Plan.

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

"**Escrow Agent**" means Bleckner P.C., having an office at 350 Fifth Avenue, Suite 6440, New York, New York 10118.

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

"**Family Members**" means, with respect to any natural person, such person's spouse, domestic partner, parents, grandparents, children, children of domestic partner, grandchildren and siblings (in each case, including by adoption).

"**Filing Date**" means the date on which a letter is issued by the Department of Law advising that the Plan has been filed or accepted for filing by the Department of Law.

"**First Closing**" or "**First Unit Closing**" means the date upon which fee title to a Unit is first conveyed to a Purchaser pursuant to the Plan.

"**Floor Plans**" means the floor plans of the Building certified by a licensed architect and to be filed in the Register's Office simultaneously with the recording of the Declaration subdividing the Building into separate Units, together with any amendments and supplements thereto.

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

"**GBL**" means the Section 352-e of the General Business Law of the State of New York, as amended from time to time.

"**Governmental Authority**" means any federal, state, county, municipal, foreign, international, regional or other governmental authority, agency, board, body, instrumentality or court having jurisdiction.

"**Hazardous Materials**" means chemicals, pollutants, contaminants, wastes and toxic substances, including solid or hazardous waste, hazardous substances, toxic substances insecticides, fungicides, rodenticides, gasoline or any other petroleum product or byproduct, polychlorinated biphenyls, asbestos and urea formaldehyde to the extent any such substances are described as hazardous in any federal, state or local laws and regulations relating to pollution or protection of human health or the environment including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended; the Federal Insecticide, Fungicide, and Rodenticide Act, as amended; the Resource Conservation and Recovery Act, as amended; the Superfund Amendments and Reauthorization Act of 1986, as amended; and the Toxic Substances Control Act, as amended.

"**Initial Control Period**" means the period ending on the earlier to occur of: (i) the date on which one hundred (100%) percent of the Unsold Units are sold, or (ii) five (5) years from the date of the First Closing.

"**Initial Deposit**" or "**Down Payment**" means the payment on account of the Purchase Price, in an amount equal to ten percent (10%) of the Purchase Price, required to be paid by a Purchaser at the time of delivery of a Purchase Agreement.

"**Insurance Trustee**" means a bank or trust company, in either event having both an office in the City of New York and a capital surplus and individual profits of $500,000,000 or more, from time to time appointed to serve as such by the Condominium Board; provided, however, that for so long as Sponsor owns at least one (1) Unit, Sponsor shall have the right to appoint New York Community Bank or any other mortgagor of Sponsor as Insurance Trustee.

"**Land**" means the parcel of land upon which the Building is situated, as more fully described in Exhibit A of the Declaration.

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

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

"**Liquidated Sum**" means the Deposit under the Purchase Agreement (together with any amount deposited for Special Work, to the extent actually expended) together with any interest earned thereon."

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

"**Managing Agent**" means the Person engaged by the Condominium Board as a managing agent or manager of the Building pursuant to Section 2.5 of the By-Laws who undertakes to perform such duties and services as the Board shall authorize or direct. The managing agent of the Building initially will mean WayFinder.

"**Member**" means a member of the Board of Managers designated by the Unit Owners.

"**Owner-Occupied**" means an Owner of a Unit occupied by the Unit Owner or a Family Member of a Unit Owner.

"**Permit**" or "**Permits**" means any action, approval, consent, waiver, exemption, variance, franchise, order, permit, authorization, certificate of occupancy, right or license, building notices, alteration applications or other form of legally required permission, of or from a Governmental Authority, including any zoning, environmental protection, pollution, sanitation, safety, siting or building permit that is necessary to operated maintain the Property or any part thereof or to perform any Work on any part of the Property.

"**Permitted Encumbrances**" means those title encumbrances subject to which a Purchaser under the Plan agrees to take title to a Unit, as more particularly itemized in the Section entitled "Terms of Sale" in Part I of the Plan.

"**Permitted Mortgage**" means a mortgage complying with the provisions of the By-

Laws and which the Board has received.

"**Permitted Mortgagee**" means the holder of any mortgage of a Unit or Units which is permitted to be placed thereon pursuant to the By-Laws and which the Board has received written notice (i.e. Permitted Mortgage)

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

"**Plan**" means this offering plan to convert the Building to condominium ownership filed with the Department of Law of the State of New York pursuant to the GBL, as amended from time to time.

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

"**Superintendent**" shall mean the part-time, non-union superintendent who will to attend to the minor repairs at the Building and maintain the common areas.

"**Premises**" means the buildings situated on the Land and having the street address 298 East 2nd Street, New York, New York.

"**Presentation Date**" means 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 with the Department of Law.

"**Property**" means the Land, the Building, all other improvements erected or to be erected on the Land, all easements, rights, and appurtenances pertaining thereto and all other property, real, personal or mixed, used or intended to be used in connection therewith.

"**Purchase Agreement**" means the purchase agreement between Sponsor and a Purchaser under the Plan in the form set forth as Document 1 in Part II of the Plan.

"**Purchase Price**" means the Purchase Price of a Unit as set forth on Schedule A.

"**Purchaser**" means a Person or Persons buying a Unit under a fully executed Purchase Agreement, whether for personal occupancy or use of the Purchaser or a Family Member or for rental or other investment purposes.

"**Register's Office**" means the Office of the Register of The City of New York, County of New York.

"**Rules and Regulations**" means the Rules and Regulations of the Condominium annexed to the By-Laws as Schedule A, as amended, modified, and deleted from or added to from time to time, pursuant to the terms of the By-Laws, provided that they are not in conflict

with the terms of the Condominium Act, the Declaration or the By-Laws.

"**Special Assessment**" means the charges, other than Condominium Charges, allocated and assessed against all Units by the Condominium Board and payable by all Unit Owners, pro rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws).

"**Special Work**" means any upgrades, "extras", construction work, alterations or modifications ordered by a Purchaser to be performed on his Unit. Any Purchaser who orders Special Work shall be liable to Sponsor for the full cost of such Special Work even if such Purchaser's Purchase Agreement is cancelled by Sponsor due to Purchaser's default.

"**Sponsor**" means (a) 298 East Village Owner LLC, a New York limited liability company, having an address at 334 East 9th Street, New York, New York 10003 and/or (b) any Successor Sponsor or Sponsor Successor, as the context may require and its successors and assigns as well as any Person(s) designated by Sponsor in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"**Sponsor's Counsel**" means the law firm of Bleckner P.C., having an office at 350 Fifth Avenue, Suite 6440, New York, New York 10118.

"**Sponsor Successor**" or "**Successor Sponsor**" means (i) any corporation, partnership, limited liability company or other entity that through amalgamation, consolidation, or other legal succession becomes invested with the rights and assumes the burdens of 298 East Village Owner LLC, or (ii) any Person who, at any time, (a) purchases 298 East Village Owner LLC or otherwise succeeds to the ownership of two or more Units or 20% of the total number of Units in the Condominium, whichever is less, and (b) is not purchasing such Units for his own occupancy or for occupancy by one or more of such Persons Family Members, and, in any case, shall also include any nominee holding any Unit for the account of the Person referred to in clause (i) or above. The phrase ''the ownership" shall include ownership by any such nominee. To the extent 298 East Village Owner LLC continues to own Unsold Units, it will continue as Sponsor even though there is a Successor Sponsor.

"**Sponsor Unit**" means the Unit acquired by Sponsor from the Declarant which was characterized in the Declaration as the Unit.

"**Structural**" when applied to any Work performed in or to a Unit or the Property means and refers to any Work affecting the foundations, columns, girders, beams, supports, concrete slabs and other such structural members of the Property, those portions of the exterior walls of the Property lying beyond the interior face of the exterior finishing, and all building systems, including without limitation, the mechanical, electrical, water-supply and return (sewer), and heating, ventilation and cooling systems.

"**Taking**" shall means when the Common Elements or any part thereof is taken in condemnation or by eminent domain.

"**Temporary Certificate of Occupancy**" shall mean a temporary certificate of occupancy for the Building issued by the Buildings Department.

"**Unit**" means a space designated in the Declaration as a Unit.

"Unit Deed" means the instrument by which title to a Unit is transferred to a Unit Owner. The form of Unit Deed is set forth as Document 2 in Part II of the Plan.

"**Unit Owner**" means any record owner of a Unit.

"**Unsold Unit**" means any Unit that is owned or retained, by way of lease or any other arrangement by which management or financial responsibility is retained, by Sponsor or a Sponsor Successor; or a Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by a Sponsor or Sponsor's Successor or the designee of a holder of such a Permitted Mortgage. An Unsold Unit shall retain its status and character as an Unsold Unit until: (i) it is no longer owned by Sponsor or any Sponsor Successor; (ii) it is occupied by a Unit Owner or a Family Member of a Unit Owner; or (iii) it is conveyed to a bona fide Purchaser for occupancy by the Purchaser or by a Family Member of the Purchaser. Further, a Unit that is conveyed to Sponsor or Sponsor Successor by a Purchaser who has elected to rescind his purchase of the Unit and receive a refund of the Purchase Price paid for the Unit as provided in the Plan shall thereupon once again become an Unsold Unit.

"**Work**" means and includes demolitions, alterations, installations, additions and improvements, repairs, replacements, substitutions, restorations and any other work performed in or to the Units or the Common Elements.

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The following is a general description of the Property, including the land, Building, Units, Common Elements and Limited Common Elements. Reference should be made to the Architect's Report (Document 4 in Part II of the Plan) and to the section entitled "Changes in Prices or Units" contained in the Offering Plan for a more detailed description.

The Land

The Property on which the Building is located is rectangular in shape with a frontage of 25 feet along East 2nd Street and extends to a depth of approximately 105 feet perpendicular to East 2nd Street. The site is located on the Northerly side of East 2nd Street. The Property is located in an R8A District as shown on Map 12C of the Zoning Resolution of the City of New York. The proposed use is a Class A, Multiple Dwelling (Use Group 2) as permitted as-of-right in an R8A District. See the section below entitled "Location and Area Information" for a further discussion.

Construction Schedule

Under the present construction schedule, the Building will be completed in or about August 1, 2018, unless delayed by weather, casualty, labor difficulties, delays in delivery of materials or other factors beyond Sponsor's control. Prospective Purchasers are advised, however, that the Units may be completed at different times, including a period that may extend beyond the projected completion date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to a credit, offset or reduction in the purchase price for the Unit or otherwise be relieved from any obligations under the Purchase Agreement. Notwithstanding the foregoing, if the actual or anticipated date of the first year of condominium operation is to be delayed for more than six months, Sponsor will amend the Plan to include a revised budget with current projections and if Unit Owner Common Charges exceed those in the latest projected budget by more than twenty-five (25%) percent, then Sponsor will offer all Purchasers a right of rescission for a period of fifteen (15) days after the presentation of the amendment containing such revised budget. In addition, Purchasers will be afforded the right to rescind if closing cannot occur within twelve (12) months of the projected commencement date of January, 1 2018. Any Purchasers exercising their right of rescission will have their deposit refunded, with any interest accrued thereon. See the section entitled "Identity of Parties" for Information concerning the construction professionals.

The Building

The Sponsor has engaged the architectural firm of Zakrzewsi + Hyde Architects with an office at 515 Canal Street, Suite 1C, New York, New York 10013, to design the Building and undertake architectural supervision of the construction of the Building. The Sponsor has also engaged RJD Engineering LLC, with an office at 590 Franklin Avenue, Suite 4, Nutley, New Jersey 07110, to provide estimates as to the consumption and cost of energy and related operating expenses of the Condominium. For further information on the background of the principal parties of this Offering Plan, please refer to the section entitled "Identity of Parties".

The Building will be built by the Sponsor in accordance with all applicable zoning and building laws, regulations and codes and other government requirements, including those of the City and State of New York, and substantially as described in the property Report of Zakrzewsi + Hyde Architects which Report is included in Part II of this Plan and in accordance with the

building plans and specifications as same may be amended from to time. Copies of the building plans and specifications may be inspected by prospective purchasers at the Sponsor's office or at the Building site. Construction will be deemed substantially completed in accordance with the Plans and specifications when a TCO or FCO for the Building shall have been issued by the Department of Buildings of the City of New York except for work customarily left incomplete until after occupancy, finishes to the interior of some Units, special work orders, and punch list items, if any. In the event that a permanent Certificate of Occupancy has not been obtained by such Closing, the Sponsor is obligated to obtain same. Please consult the Section of the Plan entitled "Rights and Obligations of the Sponsor" for further discussion.

The Building will contain no below-grade level cellar, and will have seven (7) above-grade level floors, a penthouse floor and a roof. When the construction is completed, the Building will contain a total of seven (7) Units located on the first floor through the penthouse floor. The first floor will contain a bike storage area, powder room (i.e. a small bathroom containing a toilet, sink and vanity but no shower or bathtub), storage room, mechanical rooms, stairs and an elevator and elevator lobby. The Units will be of varying sizes, and subject to the Sponsor's right to change the size and/or layout of any Unit. Units will include the installation of new kitchen appliances, custom cabinets, bathroom equipment and finished floors. (See the Architect's Report attached hereto as Document 4 of Part II of the Plan for a description of the appliances, equipment and fixtures included within the Units.)

Certain Units will have gardens and/or balconies as a Limited Common Element appurtenant to a Unit. The following Units contain balconies: Unit 3, Unit 4, Unit 5, Unit 6, Unit 7 and the Penthouse Unit. The Townhouse Unit contains a garden. The Condominium Board shall have the right to erect and maintain scaffolding equipment on the Limited Common Elements, as required for maintenance, and repairs of the Building.

The Building and the Units will be constructed in accordance with all applicable zoning and building laws, regulations, codes and requirements of all governmental entities having jurisdiction, including, without limitation, the New York City Building Code and the Zoning Resolution. See the Architect's Report (Description of Property and Building Condition) attached hereto as Document 6 of Part II of the Plan for a detailed description of the Building's condition.

The Building does not contain a dedicated storage area for package deliveries. Sponsor reserves the right to amend or modify in any way the architectural, structural, mechanical, electrical or other plans and specifications, including, without limitation, changing materials, appliances, equipment, fixtures and other construction and design details set forth therein or in the "Description of Property and Building Condition" set forth in Part II of the Plan and to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially Equal to or Better Quality, provided that any necessary approval of any governmental authority having jurisdiction thereof is timely obtained. Any or all of the foregoing shall not give rise to a right of rescission on the part of any Purchaser and may be made without prior notice or amendment of the Plan, but no such change may be made that would materially adversely affect any binding Purchase Agreement unless same is dictated by construction conditions at the Property and, in such event, Sponsor will amend the Plan and offer affected Purchaser(s) the right of rescission for fifteen (15) days from the Presentation Date of the amendment and, if an affected Purchaser rescinds, receive a full refund of the Deposit together with interest earned thereon, if any, except for funds expended by or reimbursed to Sponsor for upgrades or extras.

The Units

Subject to the rights of the Sponsor and its designee to change the number of Unsold Units, there will be a total of seven (7) Units in the Building. Detailed descriptions of the Units are set forth in the Declaration of Condominium attached hereto as Document 8 of Part II of the Plan as well as in the Architect's Report (Document 4 of Part II of the Plan).

Generally, a Unit consists of the square foot area of the apartment measured horizontally from the exterior side of the exterior walls (perimeter columns and perimeter mechanical pipes are not deducted) to the midpoint of the interior walls and partitions separating one unit from another unit, or the exterior side of the interior walls and partitions separating a unit from public corridors, stairs, and other mechanical equipment spaces or any Common Elements or Limited Common Elements. As is customary in New York, the estimated dimensions and floor area of the Units will exceed the usable floor area of each Unit. A Unit also consists of the area measured vertically from the top of the subflooring to the underside of the structural ceiling. Units include entrance doors, interior walls, partitions and doors, floor and ceiling coverings, all windows, including panes, casements and frames and all equipment, fixtures and appliances, plumbing and wiring affixed, attached or appurtenant to such Unit and benefiting only that Unit. A more detailed narrative description of the term "Unit" is set forth in Article 5 of the Declaration of Condominium attached hereto as Document 6 of Part II of the Plan

The proposed size, layout and approximate (within reasonable tolerances) dimensions of typical Units are depicted on the Floor Plans set forth as Document 5 in Part II of the Plan.

Common Elements

The Common Elements consist of the Land and all parts of the Building other than the Units and the Limited Common elements, including, without limitation, the following:

(a) all foundations, columns, beams, supports, girders, exterior walls, interior walls, partitions, floors, roofs and ceilings, to the extent that the same are not expressly provided in the Declaration of Condominium to be included as a part of a Unit or the Limited Common Elements;

(b) all hallways, mailrooms, intercoms, corridors (except to the extent incorporated into any Unit), lobbies, vestibules, elevators, plazas, patios, stairs, stairways (except internal stairways), mechanical and electrical equipment spaces, bike storage room, storage room, spaces devoted to the use of persons employed in connection with the operation of the Property and entrances to, and exits from, the Building, to the extent same are not expressly provided in the Declaration of Condominium to be included as part of a Unit or the Limited Common Elements;

(c) all central and appurtenant installations for services such as power, light, telephone, intercom, sewer, plumbing, drainage, hot and cold water distribution, heat, ventilation, and other mechanical and electrical systems, to the extent that the same are not expressly provided in the Declaration of Condominium to be included as a part of a Unit or the Limited Common Elements (hereinafter collectively referred to as the "Equipment"); and

(e) all other parts of the Property, and all apparatuses and installations existing in the Building or on the Property, either 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 and not expressly provided in the Declaration of Condominium, to be included as part of a Unit or the Limited Common Elements.

Limited Common Elements

The Limited Common Elements, which are to be used exclusively by the Owner of a Unit and which are appurtenant to that Unit. Residents of Unit 3, Unit 4, Unit 5, Unit 6, Unit 7 and the Penthouse Unit have exclusive use of the balconies in each respective Unit. The Townhouse Unit has exclusive use of the garden in the Townhouse Unit. Primary access to the private exterior spaces will be from an individual Unit. The Board of Managers shall have the right to access all roof areas and/or balconies for necessary inspections, maintenance, or repairs.

Heating and Hot Water

Heating is provided by a split-system air cooled direct exchange heating and cooling system comprised of indoor air handling units with associated outdoor air cooled condensing units manufactured by Mitsubishi. Local thermostats maintain the temperatures within the individual Units. Domestic hot water is generated by a heat pump system with electric backup and supplemental solar hot water generation through panels located on the roof. Domestic hot water equipment is located in a roof bulkhead mechanical room. Hot water distribution is capable of meeting peak building needs. Domestic hot water is circulated through the building by means of the cold water pressure from the domestic boost pump assembly. Unit heating systems are designed to maintain indoor air at 68 degrees temperature on an 11 degree design day in accordance with the Building Code of New York and Energy Conservation Code of New York City. All systems are designed in accordance with the American Society of Heating, Refrigerating and Air-Conditioning Engineers code in affect at the time of permit filing.

Electricity

Each Unit will be separately metered for electricity. Each Unit Owner will pay the cost of electricity consumed in his Unit directly to the utility company and same is not included in the Common Charges. See Schedule B-1 for a projection of electrical costs. There will also be a separate house electric meter for electricity servicing the Common Elements.

Air Conditioning

Cooling of each Unit will be achieved by a split-system air cooled direct exchange heating and cooling system comprised of indoor air handling units with associated outdoor air cooled condensing units manufactured by Mitsubishi. Indoor air temperature for air conditioning is calculated at a minimum of 75 degrees Fahrenheit per the New York City Energy Conservation Code.

Water Service

Water is supplied by the New York City Municipal Water Supply. Water pressure is boosted by means of a pressure boost pump assembly located at the ground floor in a mechanical closet.

Domestic hot water is generated by a heat pump system with electric backup and supplemental solar hot water generation through panels located on the roof. Domestic hot water equipment is located in a roof bulkhead mechanical room. Hot water distribution is capable of meeting peak building needs. Domestic hot water is circulated through the building by means of the cold water pressure from the domestic boost pump assembly.

Mail

Each Unit Owner will have a locked mailbox located on the first floor. Incoming mail will be delivered to the Building and inserted into the mailboxes by the U.S. Postal Service.

Refuse Disposal

There is no refuse chute, incinerator or compactor. Each occupant will take their garbage from their Unit and place it in the refuse room located on the First Floor of the Building. The garbage will be removed from the refuse room by a Superintendent and placed on the curb in front of the Building on the nights before scheduled garbage collection by the New York City Department of Sanitation.

Elevator Service

The Units will be served by one (1) new automatic, self-service elevator which will run from the first floor to the penthouse floor.

Intercom System

The Building is equipped with an audio and color video intercom system. Each Unit will be equipped with an audio phone with a color video screen. A similar device will be located at the concierge desk. An unattended panel is located in the lobby for use when the concierge is not available.

Building Personnel

The Building staff will include a part-time, non-resident Superintendent. The Superintendent will not reside in the Building. The Superintendent will be responsible for cleaning the Common Elements, for making minor repairs and accepting deliveries to the extent that the Superintendent is available. The services and facilities enumerated below shall be in effect at the time of the First Closing.

Laundry

Each Unit will have a laundry closet and will be provided with a clothes washer and dryer. All units will be equipped with and served by individual energy recovery ventilators (ERVs). Each Unit is individually ducted and exhausted to the north wall of the Building on each floor.

Neither Sponsor, the Managing Agent, nor the Board of Managers will be liable in the event of any interruption, discontinuance, or reduction in the quality of any of the foregoing services, including, but not limited to, any services provided by any outside company or person, other than Building personnel, or for any injury to person or damage to property resulting from any act or

omission of such company or person or their employees or agents. Nothing contained herein is intended to relieve Sponsor for any obligation it may have to complete the Building in the manner described in the Architect's Description of Property and Building Condition set forth as Document 4 in Part II of the Plan.

LOCATION AND AREA INFORMATION

Location: Area and Neighborhood Description

The Property is located in New York City's East Village neighborhood in the Borough of Manhattan, New York. The Condominium will have an entrance on East 2nd Street.

Houston House offers its residents a variety of comforts and amenities, with a location central to of one of the most vibrant and dynamic neighborhoods in New York City. Great restaurants, live music venues, bars, and the East River and its newly renovated parks, fields, and trails are all just outside the front door.

The Houston House occupies the northerly side of East 2nd Street. The Property is located in an R8A District as shown on Map 12C of the Zoning Resolution of the City of New York. The proposed use is a Class A, Multiple Dwelling (Use Group 2) as permitted as-of-right in an R8A District.

Municipal Services

Police, fire, water, sanitation and snow removal are provided by the City of New York. The Condominium is in the 9th Police Precinct, located on 5th street between 1st and 2nd Avenues, and primary fire protection is provided by the FDNY Engine 28, Ladder 11, located at on 14th Street between First and Second Avenues.

The City of New York is responsible for the: maintenance of the roads adjacent to the Condominium.

The City of New York will supply water and sewer services and the related charges will be included in the common expenses of the Condominium. The City of New York is responsible for the: maintenance of the roads adjacent to the Condominium.

Transportation

The Condominium is served by a variety of transportation facilities. Taxi and limousine service is readily available throughout the city. Entrances to the city's extensive subway system are located a short walk from the building. At Second Avenue and Houston, the F provides both uptown and downtown service. The F service operates at all times between 179th Street in Jamaica, Queens and Stillwell Avenue in Coney Island, Brooklyn. Avenue C is served by the M9, the M14D, and the M23 New York City Bus routes.

The closest bridge is the Williamsburg Bridge, which crosses from Brooklyn and empties into Delancey Street, a few blocks south of East Houston. The closest tunnel is the Queens Midtown Tunnel, which crosses from Queens onto East 34th Street in Midtown. Access to the East River Park is available via foot bridges at 10th Street, 6th Street and Houston Street.

New York City is serviced by three major airports - LaGuardia Airport, JFK Airport and Newark Airport.

Parks, Recreation and Cultural Activities

Tompkins Square Park, covers the area of Avenue A to Avenue B, East 7th Street to East 10th Street. The park, with its playgrounds and basketball courts, dog run, ping pong table, handball courts and built-in outdoor chess tables, attracts young families, students and seniors as well as tourists from all over the globe. East River Park stretches along the East River from Montgomery Street up to 12th Street on the east side of the FDR Drive. The southern entrance boasts good views of the Manhattan Bridge and Brooklyn Bridge. The amphitheater, built in 1941 just south of Grand Street, has been reconstructed and is often used for public performances. The park includes football, baseball and soccer fields, tennis, basketball and handball courts, a running track and bike paths including the East River Greenway. Fishing is another popular activity. The park is bisected by the Williamsburg Bridge.

Educational Facilities

Excellent educational facilities are located in New York City. Public schools servicing the Condominium include public school PS 19, East Village Community School, Girls Preparatory Charter School, and Earth School. High schools include East Side Community High School and Health professional High School. New York University and Cooper Union for the Advancement of Science and Art are within walking distance of the Condominium.

Medical Facilities

The Condominium is within easy access to a number of medical facilities in the New York Area, including Beth Israel Medical Center, 1st avenue and 17th street, Bellevue Hospital, 1st Avenue and 27th Street and NYU Medical Center, First Avenue and 32nd Street.

Religious Facilities

There is a diverse range of religious facilities within close proximity to the Condominium. Nearby houses of worship include the Town and Village Conservative Synagogue, Village Temple, Trinity Grace Church, Saint Mary's Catholic Church and the Saint Nicholas Carpatho Church.

Other Development Projects in the Immediate Vicinity of the Property

Sponsor is not involved in any other development projects within one (1) block of the Property and knows of no other development projects that have been approved by the DOB nor have other development projects been publicly announced that will be adjacent to or directly across the street from the Property.

Changes in Information

In the event any of the aforesaid information changes while sales are continuing, Sponsor shall file an Amendment to the Plan disclosing any such change within thirty (30) days after such change occurs.

Schedule A

PURCHASE PRICES OF UNITS & RELATED INFORMATION

Schedule A
298 East 2nd Street Condominium

Schedule of Purchase Price and Other Financial Details For
Each Unit for the First Year of Condominium Operation (8/1/2018 - 7/31/2019)

Unit No.	Approx SF - Interior	Approx SF - Garden or Balcony*	Bed / Bath	Offering Price	Percentage Common Interest	Estimated Common Charges		Estimated Real Estate Tax		Tax Rebates available to Tenants from Solar Panel Ownership (4 years)		Total of Estimated Common Charges and Real Estate Taxes (first 4 years)	
						Monthly	Annually	Monthly	Annually	Monthly	Annually	Monthly	Annually
Townhouse (Fl 1, 2)	2,375	830	3.5 Bed / 3.5 Bath	$ 4,512,500	16.7841%	$ 2,213.95	$ 26,049.82	$ 3,363.82	$ 40,365.86	$ (430.52)	$ (5,166.28)	$ 5,147.25	$ 61,767.00
3 (Fl 3)	1,721	76	2.5 Bed / 3 Bath	$ 3,442,000	12.8024%	$ 1,688.73	$ 19,870.03	$ 2,565.82	$ 30,789.87	$ (328.39)	$ (3,940.68)	$ 3,926.16	$ 47,113.92
4 (Fl 4)	1,721	76	2.5 Bed / 3 Bath	$ 3,614,100	13.4426%	$ 1,773.18	$ 20,863.53	$ 2,694.11	$ 32,329.36	$ (344.81)	$ (4,137.72)	$ 4,122.48	$ 49,469.76
5 (Fl 5)	1,721	76	2.5 Bed / 3 Bath	$ 3,700,150	13.7626%	$ 1,815.39	$ 21,360.28	$ 2,758.26	$ 33,099.11	$ (353.02)	$ (4,236.23)	$ 4,220.63	$ 50,648.06
6 (Fl 6)	1,721	76	2.5 Bed / 3 Bath	$ 3,786,200	14.0828%	$ 1,857.63	$ 21,857.21	$ 2,822.43	$ 33,869.13	$ (361.23)	$ (4,334.79)	$ 4,318.83	$ 51,825.96
7 (Fl 7)	1,721	76	2.5 Bed / 3 Bath	$ 3,872,250	14.4027%	$ 1,899.82	$ 22,353.78	$ 2,886.55	$ 34,638.60	$ (369.44)	$ (4,433.27)	$ 4,416.93	$ 53,003.16
Penthouse (Fl 8)	1,721	76	2.5 Bed / 3 Bath	$ 3,958,300	14.7228%	$ 1,942.05	$ 22,850.53	$ 2,950.70	$ 35,408.35	$ (377.65)	$ (4,531.78)	$ 4,515.10	$ 54,181.20
TOTAL:	**12,701**	**1,286**		**$ 26,885,500**	**100.00%**	**$ 12,933.75**	**$ 155,205.00**	**$ 20,041.67**	**$ 240,500.00**	**$ (2,565.06)**	**$ (30,780.71)**	**$ 30,667.38**	**$368,011.69**

***Notes: The Gardens and Balconies are uninhabitable space. They cannot legally be used as a bedroom, living room or dining room and doing so may result in a building code violation being issued for the building.**

FOOTNOTES TO SCHEDULE A

(1) Any floor plan or sketch shown to a Prospective Purchaser is only an approximation within reasonable tolerances of the dimensions and layout of a typical Unit. Purchasers should note that the square footage of each Unit as reflected in Schedule A is approximate (within reasonable tolerances) and, as is customary in New York, the estimated dimensions and floor area of the Units will exceed the usable floor area of each Unit. Plans and dimensions may also contain variations from floor to floor. Each Unit may vary slightly in its actual dimension, layout and physical condition. The number of rooms has been calculated on the basis of one room for each bedroom, dining room and living room having a window and 1 room for each kitchen. The Floor Plans for each Unit are included in Part II of the Offering Plan. The Limited Common Elements appurtenant to each Unit, such as gardens or balconies, are also detailed in Floor Plans included in Part II. Prospective Purchasers are advised that the Sponsor reserves the right, at any time, both before and after the recording of the Declaration, without the consent of the Board of Managers, any Unit Owner or mortgagee, to (a) change the layout of, or number of, rooms in any Unsold Unit, (b) change the size, or number of, Unsold Units by dividing one or more Unsold Units into two or more separate Units, by altering any boundary walls between Unsold Units or by incorporating Common Elements (such as a hallway, which will thereafter be deemed to be a Limited Common Element), which exclusively benefits an Unsold Unit, into such Unsold Unit and (c) if appropriate, reapportion among the Unsold Units affected by any such change the aggregate Common Interests. See section entitled "Changes in Prices or Units" for additional details. No adverse material change will be made in the size and no material adverse change will be made in the quality of the Common Elements without the consent of all Purchasers affected by any such change.

(2) The purchase price for any Unit is subject to change and is negotiable. These offering prices are set by the Sponsor and are not reviewed or approved by the Department of Law or any governmental agency. The Plan will be amended to reflect (i) a general price change affecting a group, line, or other category of Unit (as distinguished from an isolated price change), (ii) a price change to be advertised in a newspaper or other media, or (iii) a higher price on an individual Unit. See the section entitled "Changes in Prices or Units" for full details.

In addition to the purchase price, Purchaser will be responsible at closing of title for certain other expenses as explained in the Section of the Plan entitled "Unit Closing Costs and Adjustments". While general guidelines to certain expenses of Purchaser are approximated in such Section, the Sponsor is unable to determine the total amounts to be incurred by Purchasers because these will vary for Purchasers according to such factors as the cost of a particular Unit, whether mortgage financing is obtained, Purchaser's retained consultants, and Purchaser's attorneys' fees. Closing costs include, among other expenses, a fee of three thousand ($3,000) dollars to Bleckner P.C. for its services in connection with preparing the Unit Deed, the Unit Owner's Power of Attorney and for coordinating and attending the closing. In the event a Purchaser fails to close on the Closing Date set forth in the notice to close, such Purchaser shall pay Bleckner P.C. an additional fee of five hundred ($500) dollars for each adjournment not due to Sponsor's delays. Further, if the closing does not take place at the offices of Bleckner P.C., an additional travel fee of seven hundred fifty ($750) dollars shall be paid. The preceding fees are cumulative. Purchasers will also be responsible for payment of transfer taxes to the City and State of New York which charges are added to the purchase price and then taxed at the then current tax rate for transfer of property. Currently, New York City transfer taxes are 1% of the purchase price on sales of under $500,000 and 1.425% if over $500,000, and $4 per $1,000 of the purchase price to the State of New York and 1% to the State of New York for Units where a Purchaser paid above

one million dollars in total consideration (the "mansion tax"). In addition, there are costs for mortgage title insurance, mortgage recording tax, other document recording fees, and various expenses associated with financing.

(3) The percentage of Common Interest for each Unit in the Common Elements is based upon the floor space, subject to the location of such space and the additional factors of relative value to other spaces in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit, having been determined in accordance with the provisions of Section 339(i)(1)(iv). The aggregate Common Interest of all Units must always equal one hundred (100%) percent. Pursuant to Article 11 of the By-Laws, the Common Interest appurtenant to each Unit shall not be altered without the written consent of all Unit Owners affected thereby.

(4) These estimates of Common Charges were prepared for the First Year of Condominium Operations, assuming same will commence on or about August 1, 2018. No portion of the Common Charges will be tax deductible to individuals occupying Units solely as a residence. The following costs are not included in the Common Charges and must be borne by individual Unit Owners as separate items of expense. See Schedule B-1 for additional details regarding the individual carrying costs applicable to the Units.

(i) the cost of electricity supplied to the Units is separately metered and payable directly by the Unit Owner to the utility company;

(ii) the cost of interior repairs, maintenance and decoration of the Units, including the fixtures, equipment and appliances contained therein;

(iii) any individual insurance coverage for furnishing, belongings, equipment or other personal property in the Unit and/or personal injury occurring within the Unit;

(iv) for a Purchaser receiving purchase money financing, the payments required under his or her loan or loans;

(v) real estate taxes levied against the Unit; and

(vi) personal services such as telephone, cable, etc.

(5) After the Condominium is divided into individual tax lots, each unit will be taxed as a separate tax lot for real estate tax purposes based on each unit's percentage of common interest and the Unit Owner will not be responsible for the payment of, nor will the Unit be subject to any lien arising from the non-payment of taxes on other Units.

Bleckner P.C., attorneys for Sponsor, have read and reviewed the Mazursky Opinion, however, Bleckner P.C. is not a taxation expert, has not independently verified the information in the Mazursky Opinion and makes no judgment as to its accuracy. However, based upon: (i) the Mazursky Opinion being correct, (ii) any updated opinion of The Mazursky Group, Inc. regarding such tax issues being consistent with the Mazursky Opinion, (iii) the assumption that the assessed transitional valuation that will be applicable to the Property in the first fiscal year after completion of construction (i.e., commencing August 1, 2018) will be One Million Eight

Hundred Fifty Thousand ($1,850,000.00) dollars; and (iv) the real estate tax liability after competition of construction and establishment of a condominium is estimated to be Two Hundred Forty Thousand Five Hundred ($240,500) dollars at a tax rate tax of .13 in effect for the fiscal year beginning July 1, 2017 and ending June 30, 2018 per $100 of assessed valuation. Refer to Document 10 of Part II of the Plan entitled "Real Estate Tax Estimate" by The Mazursky Group, Inc. (with an office at 42 Broadway, Suite 1744, New York, New York 10004).

Purchasers should note that the estimated monthly and annual real estate taxes set forth in Schedule A for each Unit, taxed as a separate tax lot, has been based on a calculation using an average of the estimated tax rates in effect for the second half of the 2017/2018 tax year and the first half of the 2018/2019 tax year. Purchasers should also note that the tax year begins on July 1st and ends on June 30th of each fiscal year.

It has been the practice of the New York City Real Property Assessment Department to increase the assessed valuation attributable to a parcel under renovation and/or construction during and after completion of the renovation and/or construction. However, since no set formula is used to determine the amount of increase, it is impossible to guaranty what the actual increase in the assessed valuation will be.

SPONSOR MAKES NO REPRESENTATION THAT THE ACTUAL ASSESSED VALUATION WILL NOT EXCEED THE PROJECTED ASSESSED VALUATION OR THAT THE TAX RATE WILL NOT BE GREATER THAN THE PROJECTED RATE. NEITHER THE SPONSOR, COUNSEL TO THE SPONSOR, NOR ANY OTHER PERSON MAKES ANY WARRANTY REGARDING THE PROJECTIONS OR AS TO THE AMOUNT OF THE TAX THAT WILL BE ASSESSED AGAINST THE UNITS OR THE AMOUNT OF REAL ESTATE TAXES THAT WILL BE PAYABLE AT ANYTIME BY ANY UNIT OWNER.

The Property is first assessed as one entity and the tax liability is then apportioned among the Units when the tax lots are allocated amongst the Units and are recorded at the New York City Register's Office. Such allocation and individual tax bills take approximately six (6) months from the date that the tax lots are recorded. During that period, prior to billing of individual Units, the real estate taxes will be allocated amongst all Units based on their pro-rata share of the Common Interest as set forth in Schedule A of this Offering Plan. However, the New York City Finance Department may consider other factors in determining such apportionment and may allocate the taxes in such other manner as the taxing authority deems appropriate. Sponsor, Bleckner P.C., nor Mazursky can make any representation as to the City's apportionment method or the estimated tax liability of individual Units.

If Purchaser obtains mortgage financing on the Unit, the debt service on such financing would be an additional monthly expense paid solely by Purchaser. The interest portion of monthly mortgage payments made by Purchasers who obtain mortgage financing for their Units, and designate same as primary or secondary qualifying residence, although not shown in this column, is also deductible for tax purposes by persons who itemize deductions, as more particularly described in, and subject to the qualifications set forth in, the Section of the Plan entitled "Taxes – Deductions to Unit Owners and Tax Status of the Condominium." The portion of the debt service deductible for income tax purposes may vary in subsequent years due to financing-related changes such as changes in the interest rate on a Purchaser's mortgage, if any,

the interest rate on a refinanced mortgage, or the allocation of constant debt service payments between interest and principal. Please consult the Section of the Plan entitled "Taxes – Deductions to Unit Owners and Tax Status of Condominium" and "Counsel's Tax Opinion Letter" for conditions of deductibility for further discussion.

SCHEDULE B

PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OWNERSHIP BEGINNING AUGUST 1, 2018

Estimated Income

Residential Common Charges (1)	$155,205
TOTAL ESTIMATED INCOME	**$155,205**

Estimated Expenses

Labor (2)	$52,501
Electricity (3)	$12,690
Gas (4)	$0
Water Charges and Sewer Rent (5)	$4,238
Communications (6)	$1,620
Service Contracts (7)	$26,150
Repairs, Maintenance & Supplies (8)	$5,500
Insurance (9)	$18,034
Legal and Audit Fees (10)	$6,000
Management Fee (11)	$14,220
Reserve Fund (12)	$14,252
TOTAL ESTIMATED EXPENSES (13)	**$155,205**

Sponsor anticipates that the first year of Condominium ownership will commence on or about August 1, 2018 with the first closing of title. The estimated Common Charges to be collected from Unit Owners during the First Year of Condominium Operation are based upon the assumption that the First Year of Condominium Operations will commence on or about August 1, 2018. The actual first year of operation may be earlier or later. If the start date of the projected Budget above is delayed more than six months from said date, Sponsor must amend the Plan to update the Budget. If the amended projected Budget exceeds the original Budget by at least twenty-five (25%) percent, Sponsor shall offer all Purchasers a right of rescission for a period of fifteen (15) days from the date of presentation of the amendment, whether or not Sponsor offers to guaranty the previous Budget. Sponsor will, upon such written rescission, return the deposit within a reasonable period of time. Sponsor may not declare the Plan effective where there are material changes to the Budget if these changes have not been disclosed by a duly filed amendment to the Plan. In addition to common expenses set forth above, each Unit will have separate electric meters that measures consumption. Each Owner is billed separately by Consolidated Edison Company.

The above projections are subject to inflation, changes in the economy, changing costs of energy, insurance, supplies, materials, services, payroll, the number of people residing in the Building and unforeseen factors. Therefore it is likely that actual expenditures will differ from estimates set forth herein. The accompanying footnotes to Schedule B are an integral part hereof and should be read in conjunction herewith. The above cited Budget includes income and expenses for the Units. Refer to Notes to Schedule B on the following page for a breakdown of total income and expenses for the Units according to their respective percentages of common interest.

NOTES TO SCHEDULE B

ESTIMATED INCOME

1. **Common Charges:** **$142,515**

Common Charges represent each Unit's proportionate share of the Common Expenses set forth in the section entitled "Schedule A" and described in the "Footnotes to Schedule A". All amounts are projected on the assumption that the First Year of Condominium Operation will be the year from August 1, 2018 through July 31, 2019. The actual First Year of Condominium Operation may be earlier or later than that year. In the event the projected commencement date of the First Year of Condominium Operation differs by six (6) months or more from the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing current budget projections. If the Common Charges in the revised budget projections exceed the original projections by twenty-five (25%) percent or more, the Sponsor will offer all Purchasers the right, for a period of fifteen (15) days, subsequent to the date of mailing or personal delivery of a copy of the amendment to the Plan, to rescind their Purchase Agreements and have their Deposit refunded.

The estimated income set forth above represents common charges payable by the Units.

The budgeted amount of income to the Condominium does not include any interest income that may be received by the Condominium Board from its investment of the Working Capital Fund to be retained at the closing of title the Units or any reserve funds for contingencies which may be contributed by the Unit Owners in the common charges. The interest income cannot be determine exactly and may be inconsequential and was therefore not included in the budget for the first year of operations. All or part of these funds may be expensed during subsequent years of operation.

ESTIMATED EXPENSES

2. **Labor:** **$52,501**

The Superintendent will be an employee of En Point Property Maintenance LLC ("En Point Maintenance") with offices located at Wayfinder, 20 West 20th Street, Suite 1102, New York, New York 10011; and will be present at the Condominium five (5) days per week, Monday thru Friday (excluding Holidays). The Superintendent will be onsite for roughly seven (7) hours per week. The Superintendent will be paid approximately twenty-five ($25) dollars per hour and his duties will be to daily organize trash as well as place outside for pick up three (3) times per week in guidance with New York City Sanitation procedures; daily clean main entrance, elevator, windows and carpet and/or flooring in entry way; and clean entire building public hallways carpet and/or flooring once per week. The Superintendent will be a part-time employee of En Point Maintenance and is not subject to a union contract, will not be provided health insurance, however, projected wages comply with the New York State Minimum Wage Laws.

FICA Employer (7.65% of wages)	$ 3,182
Worker's Compensation (5.0% of wages)	$ 2,080
SUI State Unemployment Insurance (4.025 of 1st $10,300)	$ 415

FUTA Federal Unemployment Insurance (6% of first $7,000)	$ 420
NY SDI ($.60 per week per employee)	$ 31
Total Payroll Taxes	**$ 6,128**

The Budget expense incorporates the following:

Part-Time Superintendent Salary:	$ 41,600
(approximately $20 per hour/40-hours weekly/52-week salary)	
Total Payroll Taxes:	$ 6,128
10% Markup:	$ 4,773
TOTAL PAYROLL COMMON CHARGES:	**$ 52,501**

If, however, any of these laws are changed in the future to require additional building staff, hours of service or higher wages, the amount allocated for the first year of condominium operation will be greater than that shown above.

3. Electricity: $12,690

It is anticipated that there will be no cost for electricity to illuminate the common areas of the Building and to operate the Building mechanical systems including electric heater, water pumps and the elevator due to the installation of an onsite rooftop solar photovoltaic system. This assumption is based on an estimate by GEA Consulting Engineers, David Glickman, PE.

However, if there is no electric input from an onsite solar photovoltaic system, the Building will be reliant on grid-supplied electricity and the charges will be based on the following: for summer months: $140.86 per first 5 kW or less and $20.27/kW for over 5 kW; for all other months: $112.51 per first 5 kW or less and $17.22/kW for over 5 kW; and the energy delivery charge for both the summer and winter is, for all months, $0.236/kWh per all kWh. In addition, the total cost includes an average market supply demand (MSC) charge of $11.21/kWh and an average monthly adjustment clause (MAC) energy delivery charge of $0.0014/kWh, a system benefits charge of $0.0019/kWh, a renewable portfolio standard program charge of $0.0043/kWh, merchant function charge of $0.002012/kWh, and gross receipts tax (GRT) of 2.5642%. Charges also include a $6.05 per month meter charge and $1.20 per month billing and payment processing charge. Sales tax is not included.

If there is no electric input from an onsite solar photovoltaic system, the projected consumption and cost of grid-supplied electric usage to the Common Areas with an escalation of ten (10%) percent above current rates are as follows:

A. The estimated first year cost for electric consumption for the Common Areas:

Projected Electric Consumption:	21,329 kWh/yr
Total Cost per Kwh	$0.23/kWh
Subtotal cost for Common Areas:	$4,906/yr

B. The estimated first year cost for electric consumption for domestic hot water heating:

Projected Electric Consumption:	28,824 kWh/yr
Total Cost per Kwh	$0.23/kWh
Subtotal cost for domestic hot water:	$6,630/yr

C. Total projected electrical cost: $11,536 (plus additional 10%) $12,690/yr

Purchasers are advised that although Sponsor anticipates that there will be no electricity cost for providing electricity to illuminate the common areas of the Building and to operate the Building mechanical systems including electric heater, water pumps and the elevator, the $12,690 cost reflected in the Electricity line item reflects only the scenario where the Building is reliant solely on grid-supplied electricity. As such, in the event that the Building does not require any grid-supplied electricity the total annual Common Charges for the Residential Units would decrease $12,690 resulting in a common charge decrease of 8.904% per unit. The change in the amount of the Common Charges for each Residential Unit is reflected below as follows:

Unit No.	**Percentage Common Interest**	**Estimated Common Charges** (non-grid supplied electricity)		**Estimated Common Charges** (grid supplied electricity)	
		Monthly	**Annually**	**Monthly**	**Annually**
Townhouse (Fl 1, 2)	16.7841%	$1,993.33	$23,919.92	$2,213.95	$26,049.79
3 (Fl 3)	12.8024%	$1,520.45	$18,245.40	$1,688.73	$19,870.01
4 (Fl 4)	13.4426%	$1,596.47	$19,157.67	$1,773.18	$20,863.51
5 (Fl 5)	13.7626%	$1,634.48	$19,613.80	$1,815.39	$21,360.25
6 (Fl 6)	14.0828%	$1,672.51	$20,070.10	$1,857.63	$21,857.18
7 (Fl 7)	14.4027%	$1,710.51	$20,526.07	$1,899.82	$22,353.75
Penthouse (Fl 8)	14.7228%	$1,748.52	$20,982.21	$1,942.05	$22,850.51
TOTAL:	**100.00%**	**$11,876.25**	**$142,515.00**	**$13,190.75**	**$155,205.00**

The Residential Units are each separately metered for own use of electricity for such things as appliances, TV, electric clothes washer and dryers and are billed accordingly. 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.

4. Gas: $0

The Building uses no gas. It is powered by electricity generated by the rooftop photovoltaics. See Note 3 to Schedule B for details as to the cost of electricity.

5. Water Charges and Sewer Rents: $4,238

The Building will be metered for water and sewer usage by the City of New York Department of Environmental Protection ("DEP") in accordance with current law. The cost is a projected common charge to the Residential Units only as estimated by GEA Consulting Engineers, David Glickman, PE and is the anticipated annual cost and consumption for water charges and sewer rents based on an average of 40 gal. per day per person; assuming two (2) people for the first bedroom and one (1) person per additional bedroom; and sewer charges representing 159% of water charges for a combined water/sewer charge of nine dollars and eighty-seven cents ($9.87) per one hundred (100 cf) cubic feet of water.

Estimated Water & Sewer:	43,942 cubic feet/year
	$9.87 per 100 CF
Total Annual Cost of Water & Sewer:	$4,238

6. Communications: $1,620

. The budget includes phone service to enable phone lines for elevator emergencies. These should be available for approximately $45 per month. □There will also be internet for cameras and a phone line for the lobby area. □

7. Service Contracts: $26,150

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

Nature of Service	Annual Cost (including tax)
Pest Control	$ 1,500
Sprinkler Maintenance	$ 6,050
Elevator Maintenance	$ 4,800
Video Monitoring	$ 10,800
Fire Alarm Monitoring	$ 3,000
TOTAL	**$ 26,150**

No maintenance or service contracts have been entered into as of the filing date of the Plan. The budgeted amounts are based on estimates received from contractors. While this Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the First Year of Condominium Operation, no warranty or guarantee is made that the actual costs for these services will be in accordance with this projection.

8. Repairs, Maintenance and Supplies: $5,500

The budget figure for these items is based on normal maintenance and repairs, the

painting of public halls and Common Elements, the purchase of normal items such as cleaning supplies and materials, lubricants, bulbs, public area fixtures, general and hardware supplies and rubbish compactor bags. Unit Owners will be responsible for the cost of the interior repairs in, and decoration and painting of, their respective Units, appliances and fixtures. The amount budgeted is calculated based on the consultant's previous management experience in managing newly renovated and/or newly constructed buildings of comparable size, quality and amenities. No provision has been made to cover any major capital expenditure. If such expenditure is required, each Unit Owner will be obligated to pay his pro-rata share of such expenditure.

The Offering Plan provides for a Working Capital Fund contributed by each Purchaser of a Unit payable at the closing of title to each individual Unit. The Fund is intended to cover additional common expenses of the Condominium. Such funds will be deposited by the Managing Agent at an interest bearing account in the name of the Condominium and separate from the Condominium's operating account.

9. Insurance: $18,034

The following insurance is available for the Property for the first year of the Condominium's operations as set forth in a letter provided by Stern Agency, Inc., with an address at 10 East 23rd Street, Suite 210, New York, New York 10010.

Deductible for the foregoing coverage items is as follows:
$5,000

COVERAGE ITEMS

Property Section	
Building Limit (Replacement Cost/Agreed Amount)	$7,460,000
Loss of Income	$ TBD
Building Ordinance/Increase Cost of Construction	$1,000,000
Water Damage	$1,000,000
Boiler and Machinery	$1,000,000
Flood and Earthquake	$1,000,000
Umbrella	$5,000,000
General Liability	$1,000,000
Aggregate/Occurrence	$2,000,000
Personal & Advertising Injury	$1,000,000
Hired & Non-Owned Autos	$1,000,000
Garage Keepers	$0
Medical Payments	$10,000
Fire Damage Legal Liability	$1,000,000
Elevator Collision	$1,000,000

There is NO COVERAGE BOUND AT THIS TIME. Coverages are subject to the terms

and conditions set forth by the insurance company. The above quotations are based upon premiums charged in April 2017. The insurance market is extremely volatile and rates can change substantially. The above preliminary quote can be significantly higher or lower depending on market conditions at the time of the first closing.

The insurance coverage will further provide as follows: (1) that each Unit Owner is an additional insured; (2) that there will be no cancellation without notice to the Board of Managers; (3) a waiver of subrogation; (4) a waiver of invalidity because of the acts of the insured and Unit Owners; and (5) a waiver of *pro rata* reduction id Unit Owners obtain additional coverage.

In addition, the hazard insurance company will include a provision known as an "Agreed Amount & Replacement Cost" endorsement. This clause has the effect of "waiving" any co-insurance penalty that the insurer might otherwise invoke. Such coverage shall be adequate to replace the Building in the event of a total loss and avoid coinsurance by the Condominium in the event of a partial loss. The replacement cost coverage is based upon a replacement cost of $297 per square foot.

The premium for the foregoing coverage is approximately:

1)	Commercial Package:	$15,000.00
2)	Commercial Umbrella:	$1,500.00
3)	Directors and Officers:	$934.00
4)	Commercial Crime:	$600.00
	Total Annual Estimated Premium:	**$18,034.00**

The coverage provides for one hundred (100%) percent replacement cost and contains an agreed amount endorsement that eliminates co-insurance.

All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on co-insurance or on 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' written notice to all of the insured, including Unit Owners, the Board of Managers and Permitted Mortgagees. Each Unit Owner shall be named as an additional insured on all such policies. The following items are not included in the budget and may be available at extra cost: officers' and directors' liability; rent insurance; water damage; elevator collision; boiler and machinery; excess liability; auto liability; fidelity bond; and garage keeper's liability. **PURCHASERS SHOULD OBTAIN THEIR OWN INSURANCE FOR RISKS OF LIABILITY AND FIRE AND CASUALTY LOSSES.**

IT SHOULD BE NOTED THAT IN THE EVENT THE PROPERTY IS TOTALLY DESTROYED BY FIRE OR OTHER CASUALTY, THE INSURANCE COVERAGE AS STATED HEREIN, ALTHOUGH SUFFICIENT TO REPLACE THE BUILDING, DOES NOT COVER THE FULL INVESTMENT OF THE UNIT OWNERS. HOWEVER, THE AMOUNT OF INSURANCE, WHICH WILL BE IN EFFECT ON THE DATE SHOULD BE SUFFICIENT TO PREVENT THE IMPOSITION OF ANY COINSURANCE FACTOR IN THE EVENT OF PARTIAL LOSS.

10. Legal Fees and Audit Fees: $6,000

COUNTLESS, with an office located at 3450 28th Street, Astoria, New York, will provide accounting services for the condominium at a cost of $4,000 for the first year of condominium operation. It is anticipated that the Condominium will incur $2,000 in legal fees during the first year of operation.

11. Management Fee: $14,220

The Property will be managed by WayFinder, with an office located at 20 West 20th Street, Suite 1102, New York, New York 10011, pursuant to a management contract, which shall be for a term of five (5) years, commencing on the date of the First Unit Closing at an annual base compensation of $14,220, payable in equal monthly installments of $1,185.00. See section entitled "Management Agreement and Contractors" in Part I of the Plan for a more detailed description of the terms of the management contract. This firm has considerable experience in the management of properties in New York City.

Management of the Building will entail the following: the hiring of a part-time Superintendent to perform certain necessary janitorial and maintenance functions for the Common Elements, such as cleaning the common area, complying with local building codes and regulations; paying or causing to be paid all bills for maintaining and operating the Building; review of proposed sales and/or leasing packages, including references from all Prospective Purchasers; billing for maintenance and other charges; setting up and keeping in good order a separate accurate set of books for the condominium, hiring accountants for preparation of federal, state and other income tax returns required by governmental authorities and, generally, of the Property. Administrative Expenses include the costs of phones, bank fees, mailing costs, copying and miscellaneous office supplies.

WayFinder currently manages approximately twenty-five (25) buildings in and around New York City. WayFinder's managerial portfolio includes mixed-use, residential and commercial buildings.

12. Contingency: $14,252

This cost is intended to meet any unanticipated costs or fees not covered in the projected Budget or that exceed the projected costs.

Every reasonable effort has been made to prepare an accurate and realistic budget for the operations of this Condominium. Nevertheless, unforeseen circumstances can have an adverse impact on building operations. This amount, to be used at the discretion of the Board of Managers, is intended to benefit the Unit Owners by providing a fund for unanticipated expenses not included in the budget and for possible increases in one or more items of operating expense above the amounts projected. Particularly volatile are the prices of utilities to be provided to the Building. Water & Sewer Charges are difficult to estimate in advance. Repairs and maintenance may be required at any time. For these reasons, it is prudent to add a contingency reserve. In this case, approximately ten (10%) percent of estimated operating expenses are added to the budget. This reserve is not intended to cover the cost of major capital repairs or replacement items. The Working Capital Fund, as set forth below, may be held or used to make capital repairs or for such other appropriate purposes permitted under the Declaration and By-Laws as determined by the Board of Managers in its sole discretion.

13. Total Estimated Expenses: $142,515

The budget for the First Year of the Condominium Operation is based on the estimates and projections of WayFinder and the experts retained by the Sponsor. The budget for Condominium Operation for the second year will be set by the Board of Managers pursuant to the By-Laws and may be equal to or higher than the first year due to the fact that the cost of the items shown in Schedule B may change due to factors beyond the control of the Sponsor and/or the Board of Managers.

The foregoing budget, however, is not intended and should not be taken as a guarantee by anyone that the income or expenses for the first or any subsequent year of Condominium Operation will be as set forth in said budget, and it is likely that the actual maintenance charges and expenses will vary from the amounts shown in the Budget.

Determination Of Common Expenses

Generally, Common Charges are projected based on estimated usage and benefit derived from the Units and allocated to Units based on Percent Common Interest. The foregoing budget is not intended and should not be taken as a guarantee by anyone that the income or expenses for the first or any subsequent year of Condominium Operation will be as set forth in said budget.

At the time of the closing of title of each Unit to a bona fide Purchaser, such Purchaser shall pay into the Working Capital Fund of the Condominium the sum of $5,000. Any amounts in the Working Capital Fund may be held or used, at any time, for working capital, to make repairs or for such other appropriate purposes permitted under the Declaration and the By-Laws as determined by the Board of Managers in its sole discretion. See sections entitled "Working Capital and Repair and Replacement Reserve" and "Unit Closing Adjustments and Costs" in this Plan for further discussion.

IN THE OPINION OF WAYFINDER WHOSE BUDGET CERTIFICATIONS ARE SET FORTH IN PART II OF THE OFFERING PLAN, THE PROJECTED ANNUAL BUDGET APPEARS REASONABLE AND ADEQUATE BASED ON PRESENT PRICES AND ESTIMATES TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH YEAR COMMENCES ON OR ABOUT AUGUST 1, 2018. THE FORGOING 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 YEAR OF OPERATION WILL BE AS SET FORTH IN SAID PROJECTED BUDGET.

IT IS LIKELY THAT THE ACTUAL ANNUAL COMMON CHARGES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN ON THE PROJECTED BUDGET. SPONSOR HAS RESERVED THE RIGHT TO ENTER INTO SERVICE, MAINTENANCE, EMPLOYMENT, INSURANCE POLICIES, CONCESSIONAIRE AND OTHER AGREEMENTS THAT WILL BE BINDING ON THE BOARD OF MANAGERS AT THE COMMENCEMENT OF CONDOMINIUM OPERATION. HOWEVER, SPONSOR MAY NOT ENTER INTO ANY BINDING SERVICE OR MAINTENANCE CONTRACT LONGER FOR THAN THREE YEARS THAT WILL MATERIALLY INCREASE THE FIRST YEAR'S ESTIMATED COMMON CHARGES.

ANY SUCH AGREEMENT OR EXPENSE THAT MATERIALLY INCREASES COMMON CHARGES ABOVE 25% OF THE 2018 BUDGET WILL BE DISCLOSED IN AN AMENDMENT TO THE PLAN, WHICH WILL OFFER A RIGHT OF RESCISSION.

SCHEDULE B-1

ENGINEER'S PROJECTION OF INDIVIDUAL ENERGY COSTS

ENGINEER'S PROJECTION OF INDIVIDUAL ENERGY COSTS

The following letter dated August 30, 2016 issued by RJD Engineering LLC having an office at 590 Franklin Avenue, Suite 4, Nutley, New Jersey 07110 provided the following estimates of annual electric energy costs for lighting and for operating the typical electrical appliances located in each Unit.

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

SCHEDULE B-1

Residential Building
298 East Second Street
New York, NY

ESTIMATED CHARGES

Architect:
Zakrzewski + Hyde Architects
515 Canal Street, Suite 1C
New York, NY 10013
Tel: (212) 366-0425

Engineer:
RJD Engineering
590 Franklin Avenue, Suite 4
Nutley, NJ 07110
Tel: (973) 661-5185

August 30, 2016

GEA Consulting Engineers

David Glickman, PE

I. GENERAL

The charges indicated below are based on the following assumptions:

1. Heating is based on 5,000 degree days. System shall maintain 70 degree Fahrenheit in the residential units when outdoor air temperature is 8.7 degrees Fahrenheit.

2. Air conditioning system shall maintain 75 degrees Fahrenheit when outdoor air temperature is 92.4 degrees Fahrenheit.

3. Each residential unit is calculated to have a gas range, and all other appliances included the sale.

4. Construction of the building will begin in or about February 1st 2017, and it is anticipated that the building will be sufficiently complete for issuance of a Temporary Certificate of Occupancy in or about August 1st 2018.

5. The estimated first year cost for water and sewer is based on the New York City rate, for 7/1/16 – 6/30/17 at an estimated rate of $9.87 per hundred cubic feet of water and the average of 40 gal. per day per person, for the projected first year of condominium operation. Unit occupancy is assumed as follows: 2 people for the first bedroom and 1 person per bedroom for additional bedrooms. Charges for waste and storm sewer services are billed at 159% of applicable water charge or, $6.06 for sewer and $3.81 for water, for a combined water/sewer charge of $9.87 per 100 cf of water.

6. Residential Unit electricity rates are based upon Con Ed rate structure SC-01, Rate I, as of August 2016 with the following Energy Delivery charges:

   For summer months: $0.09017/kWh per first 250 kWh and $ 0.10360/kWh for over 250 kWh

   For all other months: $0.09017/kWh per all kWh

   In addition, the utility cost includes an average Market Supply Charge (MSC) of $0.03867/kWh, an average Monthly Adjustment Clause (MAC) of $0.01163/kWh, a System Benefits Charge of $0.0019/kWh, a Renewable Portfolio Standard program charge of $0.0043/kWh, Merchant Function charge of $0.004648/kWh, and Gross Receipts Tax (GRT) of 5.1073%. Charges also include a $15.76 per month meter charge and $0.60 per month billing and payment processing (BPP) charge. Sales tax is not included.

   Common space charges are based upon Con Ed rate structure SC-09, Rate I, as of August 2016. Public space costs are based upon Demand and Energy Delivery charges for winter and summer months.

   The Demand charges are as follows:

   For summer months: $140.86 per first 5 kW or less and $21.82/kW for over 5 kW

   For all other months: $112.51 per first 5 kW or less and $17.22/kW for over 5 kW

   The Energy Delivery charge for both the summer and winter is as follows:

   For all months: $0.236/kWh per all kWh

In addition, the total cost includes an average Market Supply Demand (MSC) charge of $11.21/kWh and an average Monthly Adjustment Clause (MAC) Energy Delivery charge of $0.0014/kWh, a System Benefits Charge of $0.0019/kWh, a Renewable Portfolio Standard program charge of $0.0043/kWh, Merchant Function charge of $0.002012/kWh, and Gross Receipts Tax (GRT) of 2.5642%. Charges also include a $6.05 per month meter charge and $1.20 per month billing and payment processing charge. Sales tax is not included.

II. ESTIMATED UTILITY COMMON COSTS (does not include submetered components)

Scenario 1: This option assumes no electric input from an onsite solar photovoltaic system. The building would still be reliant on grid-supplied electricity. Common costs therefore include electric usage for common consumption, including domestic hot water heating. Please note that the domestic hot water heating is reduced from that of other similar buildings, reflecting the inclusion of rooftop solar thermal hot water panels.

The actual prices will vary throughout the year.

1. The estimated first year cost for electric consumption:

   21,329 kWh/yr x $0.23/kWh = $4,906/year

   This includes the lighting for the common areas, stairways, lobby, and mechanical rooms, as well as lobby VRF unit, and the pumps, elevator, and fans.

2. The estimated first year cost for water and sewer:

   43,942 cf/year x $9.87/100 cf = $4,238/year

3. The estimated first year cost for electric consumption for domestic hot water heating, including the reduction in usage from the rooftop solar thermal hot water panels:

   28,824 kWh/yr x $0.23/kWh = $6,630/year

   Estimated Total: **$15,774** for the entire building's first year

Scenario 2: This option includes electric input from an onsite rooftop solar photovoltaic system. If the building achieves Passive House Plus standards which includes onsite power generation by photovoltaics, the building will be self-sufficient and provide as much energy as its residents consume, effectively net-zero. This would thereby reduce its common electric utility costs to zero, and include only water and sewer charges.

The actual prices will vary throughout the year.

1. The estimated first year cost for water and sewer:

   43,942 cf/year x $9.87/100 cf = $4,238/year

   Estimated Passive House Plus Total: **$4,238** for the entire building's first year

III. ESTIMATED RESIDENTIAL UNIT ELECTRIC COSTS

Each residential unit will be metered separately for electric usage by utility provided electrical meters. This electric usage will include the in-unit lighting and plug load as well as the power consumption of the fan coil units that provide both heating and cooling to the residential units.

The effective price of electricity used was $0.23/kWh.

Annual Residential Unit Energy Costs

	Energy Consumption (kWh)	Utility Cost
1/2	15,770	$3,627
3	11,447	$2,633
4	11,447	$2,633
5	11,447	$2,633
6	11,447	$2,633
7	11,447	$2,633
8	11,653	$2,680

Scenario 2: With passive house plus, net-zero specified. Costs only consist of water and sewage costs.

Annual Residential Unit Costs

	Water / Sewage Costs
1/2	789.45
3	573.04
4	573.04
5	573.04
6	573.04
7	573.04
8	583.35

OPINION LETTER - COMPLIANCE WITH REAL PROPERTY LAW 339-i

April 6, 2017

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

Re: Condominium Offering Plan (the "Plan") for the
Houston House
298 East 2nd Street
New York, New York 10009

Dear Sir:

The Sponsor of the Plan for the captioned property retained our firm to review the percentage of Common Interests in the Common Elements allocated to the Units, as set forth in the Plan. I am a licensed real estate broker with extensive experience in the sale of condominium units.

The percentages of Common Interest are as follows:

Unit #	Total %
Townhouse	16.7841%
3	12.8024%
4	13.4426%
5	13.7626%
6	14.0828%
7	14.4027%
PH	14.7228%
Total	**100%**

We are advised by Sponsor that the Common Interest of each of the Units has been determined on the basis of floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Units, the availability of the Common Elements for exclusive or shared use, and the overall dimensions of the particular Units which is the method of allocation permitted by Real Property Law Section 339(l)(1)(iv) of the New York Real Property Law.

In our opinion, within the framework of Real Property Law Section 339-(1)(iv), this method of determining Common Interests and based on the accuracy of the measurements of approximate floor area of the Units is reasonable and equitable.

We hereby consent to the reproduction of this letter in connection with the Offering Plan.

Very truly yours,

By: Ryan Serhant
Name: Ryan Serhant
Title: Licensed Associate Real Estate Broker

Sworn to before me this
6th day of April, 2017

4/6/17
Notary Public

PANAGIOTA ZAMAKOLAS
Notary Public, State of New York
No. 02ZA6073493
Qualified in Nassau County
Commission Expires Nov. 09, 2019

CHANGES IN PRICES OR UNITS

The right has been reserved to increase or decrease the purchase price of any Unit. However, no such change in purchase price shall be made with respect to a Unit for which a Purchase Agreement is then in effect without the consent of the Purchaser thereunder.

The Plan will be amended to reflect (i) a general price change affecting a group, line, or other category of Units (as distinguished from an isolated price change), (ii) a price change to be advertised in a newspaper or other media, or (iii) a higher price for an individual Unit.

In the event of a price change for one or more Units, the Purchaser of a Unit may pay, or may have paid, more or less than other Purchasers of comparable Units having the same percentage of Common Interest. A change in price, in and of itself, will not affect the Common Charges or percentage of Common Interest for any Unit (including those Units whose price has changed), nor affect the purchase price stated in any Purchase Agreement then in effect.

The Sponsor also reserves the right to negotiate with Purchasers all aspects of the price of the Units, including but not limited to, (i) renovations or improvements to the Units or the fixtures or equipment contained therein, or credits or allowances therefor; (ii) amount of financing, the term of the loan and the lender for which application is to be made; (iii) payment of all or part of the Purchaser's closing costs, (iv) custom work and extensions of time periods within which to perform obligations under the Purchase Agreement and (v) any and all other costs related to acquiring the Unit. Furthermore, Sponsor reserves the right, without further amendment to the Plan to add and/or delete negotiable terms for all or some Purchasers or any Purchaser. Sponsor does not represent that it will offer any, all, or any combination of the above cited incentives or any particular purchase and reserves the right to make, accept or reject such offers in its sole discretion. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission or any other relief under a Purchase Agreement. No party will have the right to approve changes in prices or other terms, of Unsold Units, whether before or after the First Unit Closing.

Changes Requested by Purchasers

Sponsor may agree, in its sole and absolute discretion, at the request of any Purchaser, to modify the interior of any Unit, including the fixtures contained therein, or to perform any other specialized work in any Unit prior to the closing, as Purchaser may request, provided only that any such work will comply with any laws, rules or regulations of any governmental agency having jurisdiction over the work. Such work shall be performed upon such terms and conditions as the Sponsor and the Purchaser may agree upon. Sponsor shall have the right to refuse to perform any additional work unless Purchaser shall deposit with Sponsor an additional sum in an amount to be agreed upon, to cover the cost of any such work.

Changes to Common Elements

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 and it is in compliance with the regulations of the Department of Law. Any such sale, lease, license or transfer will be disclosed in a duly filed

amendment to the Plan and the Declaration and Floor Plans will be amended, if required. The offering prices set forth in Schedule A must be changed by a duly filed amendment to the Plan when the change in price is an "across the board" increase or decrease affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual Purchaser. Prices and specified terms of sale are negotiable and Sponsor may enter into an agreement with an individual Purchaser to sell one or more units at prices lower than those set forth in Schedule A without filing an amendment. No change will be made in the size or number of Units and/or their respective percentages of Common Interest, and no material change will be made in the size or quality of Common Elements, except by amendment to the Plan and, when applicable, to the Declaration. Unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if a purchase agreement has been executed and delivered to Sponsor for that Unit and the Purchaser is not in Default. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements.

INTERIM USE AND OCCUPANCY AGREEMENTS

Once a Purchase Agreement is signed for a vacant Unit and for so long as such Purchase Agreement is in effect, Sponsor reserves the right, at Sponsor's sole discretion, prior to the date of closing title thereto to rent any Unit, which right is not subject to any right of first refusal in favor of the Condominium Board, for such use and occupancy for such amount, for such term and on such other conditions as may be agreed to between Sponsor and any Purchaser who has paid the Deposit required by the Purchase Agreement. Any such agreement (also known as an "Interim Use and Occupancy Agreement") will provide, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the Interim Use and Occupancy Agreement will constitute a default under the Interim Use and Occupancy Agreement entitling Sponsor, at its sole option, to terminate such Interim Use and Occupancy Agreement in accordance with applicable Law with respect to the Unit. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under the Interim Use and Occupancy Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to terminate such Purchase Agreement and to exercise any remedies therein provided but only after Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser. In addition, in the event (i) the Purchase Agreement is rescinded; (ii) the Plan is abandoned; or (iii) Sponsor is entitled to possession as a result of a default under the Purchase Agreement, the Purchaser will be required to vacate the Unit within thirty (30) days after rescission, abandonment or the receipt of notice from Sponsor of such default, as the case may be, subject to any protections then afforded to the occupant by the Interim Use and Occupancy Agreement. No portion of use and occupancy fees paid under an Interim Use and Occupancy Agreement shall be credited toward the Unit's Purchase Price. Sponsor anticipates that the Interim Use and Occupancy Agreement will not be subject to the Rent Laws.

Purchasers or any other persons entering into an Interim Use and Occupancy Agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel, if any, in connection therewith, upon execution of the Interim Use and Occupancy Agreement. All other charges or other fees due under an Interim 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 Interim Use and Occupancy Agreement.

Sponsor further reserves the right to withdraw Units from the market and, at any time, residents of the Condominium may be comprised of both Unit Owners and tenants. A Purchaser may be acquiring a Unit that has been previously occupied, but unless specifically agreed to, such Unit will be delivered at Closing free and clear of all leases, tenancies and rights of occupancy.

Although, Sponsor will obtain a certificate of insurance covering each Unit, insuring same against fire or other casualty, such insurance does not cover the contents of the Unit or insure against liability for personal injuries occurring within the Unit. Purchasers or any other persons entering into an Interim Use and Occupancy Agreement for a Unit should confer with an insurance advisor regarding the desirability of obtaining additional insurance at his or her own cost covering: (i) fire or casualty losses to the contents of his or her Unit and any replacements, additions, upgraded fixtures and improvements therein, and (ii) liability for personal injury or property damage as a result of occurrences in his or her Unit and any appurtenant Limited Common Elements.

PROCEDURE TO PURCHASE

The following is a summary of certain material provisions contained within each Purchase Agreement. Reference should be made to the form of Purchase Agreement set forth as Document 1 in Part II of the Plan for the full terms and conditions of the Purchase Agreement.

Procedure to Purchase

The Purchase Agreement contains the terms and conditions upon which a Unit will be sold and should be read carefully by each prospective Purchaser and his or her legal or financial representative before signing it. The form of the Purchase Agreement is set forth as Document 1 in Part II of the Plan.

A person desiring to purchase a Unit is required to sign at least one (1) copy of the Purchase Agreement and return it to Sponsor or Sponsor's Counsel together with his or her or its unendorsed, personal check for ten (10%) percent of the purchase price (the "Deposit") plus the full cost of any special work, upgrades or extras ordered by the Purchaser and itemized in the Purchase Agreement drawn to the order of "Bleckner P.C., Escrow Account for the Houston House condominium". The Deposit will be deemed to have been unconditionally tendered when it is delivered to Sponsor's Counsel at least one (1) copy of the signed Purchase Agreement, and applicable exhibits thereto, without any request for change in the terms of the Purchase Agreement. The Escrow Agent shall deposit all Deposits and advances in the special escrow account within five (5) business days after the Deposit has been unconditionally delivered.

All funds received by the Sponsor from Purchasers for such special work, upgrades or extras in Units shall be held in escrow by the Escrow Agent until the Sponsor requests release of such funds to pay for such special work, upgrades, or extras by delivery to the Escrow Agent of a written request together with a certification by the Sponsor that such funds will be used for such special work, upgrades, or extras. In the event a Purchaser defaults or becomes entitled to a rescission after the release of such funds, Purchaser shall not receive a refund of any funds released for such labor and materials actually employed for such special work.

Sponsor will not accept any Purchase Agreements from prospective Purchasers unless such Purchasers have received a copy of the Plan at least three (3) business days prior to the submission of the Purchase Agreement. A Purchaser may obtain a copy of the Offering Plan upon payment of $100 deposit which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition, or (ii) the execution of the Purchase Agreement by Purchaser that is subsequently accepted by Sponsor.

A prospective Purchaser who submits a signed Purchase Agreement with the requisite Deposit will have the right for seven (7) days from the date of such submission to rescind his Purchase Agreement and receive his full Deposit. Such rescission must be in writing, addressed to the Sponsor and be postmarked within the seven (7) day period or hand delivered by midnight of the seventh (7th) day subsequent to Purchaser's executing and delivering such Purchase Agreement. Those Purchasers who have had at least three (3) business days to review the Offering Plan and all filed amendments thereto prior to executing a Purchase Agreement shall

not be permitted the aforementioned time period to rescind for any reason.

The Purchase Agreement shall not be binding upon the Sponsor until a duplicate thereof, executed by the Sponsor, and is delivered to Purchaser or Purchaser's attorney. Within twenty (20) days after receipt of the Purchase Agreement from a Prospective Purchaser, Sponsor will either accept the Purchase Agreement or reject it. If no action is taken within the twenty (20) days the Purchase Agreement shall be deemed rejected. In all situations where the Purchase Agreement is rejected, the Deposit will be refunded to the Prospective Purchaser without interest. If Sponsor elects to accept the Purchase Agreement, one counterpart signed by Sponsor, will be returned to the Purchaser. The Sponsor shall have the right to reject the Purchase Agreement without cause or explanation to Purchaser, provided such rejection is not based upon race, creed, color, sex, disability, marital status, age, ancestry, national origin or other ground proscribed by law. If a Purchaser tenders a Deposit without an executed Purchase Agreement, the Sponsor shall have the right to reject the Deposit and return it to Purchaser. In the event a check delivered by a Purchaser fails of collection, then, except for provisions thereof (if any) that are expressly stated therein to survive termination thereof, the Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed) at the option of the Sponsor, who reserves the right to exercise this option in its discretion, by notifying Purchaser in writing within five (5) business days of receipt of notice from the Escrow Agent that the check failed of collection. In the event that a Purchaser Agreement is executed by a Purchaser and accepted by Sponsor and the Plan is then abandoned by Sponsor, the Deposit and any additional funds deposited by the Purchaser for special work, upgrades or extras under the Purchase Agreement will be returned to the Purchaser.

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

After the Plan is declared effective, Sponsor will give each Purchaser not less than thirty (30) days prior written notice of the date, time and place for the closing of title to the Unit and the date on which the Common Charges for the Unit will be due and payable. At the closing, the Purchaser will pay the balance of the purchase price for the Unit. For a detailed discussion concerning the closing of individual Units, see the sections below entitled "Closing of Title to Individual Units" and "Unit Closing Adjustments and Costs."

Other than the checks for the Deposit, all checks in payment of the purchase price or other amounts payable prior to the closing are to be made payable to the order of the "298 East Village Owner LLC" and must be drawn on a member bank of the New York Clearing House Association.

Reporting Requirement

Pursuant to the Department of Law memorandum dated August 25, 2016, Purchasers are further advised that certain title insurance companies are now required to collect and report information regarding Purchasers in transactions where: (1) the Purchaser is a legal entity as defined in the July 22, 2016 Geographic Targeting Order issued by Assistant Director of the Financial Crimes Enforcement Network (the "Order"); (2) the Purchaser purchases real property in any borough in New York City; (3) the total purchase price is in excess of $3,000,000 in the borough of Manhattan or $1,500,000 in the boroughs of Brooklyn, Queens, Staten Island and the Bronx; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made at least in part using currency or a cashier's check, a certified check, a traveler's check a personal check, a business check or a money order in any form. This report requirement affects all residential real property closings occurring on or after August 28, 2016, until the expiration date of the effective date of such Order (as may be amended from time to time). A copy of the memo discussing this disclosure is available at:

http://www.ag.ny.gov/pdfs/ref/DisclosureRequirementsFinCEN'sGeographicTargetingOrder-8-25-2016.pdf

Incorporation of Plan, Exhibits and Amendments

The Plan and any duly filed amendments thereto, and the Exhibits are incorporated by reference into each Purchase Agreement. The execution and submission of a Purchase Agreement constitutes Purchaser's acceptance of the Plan and the Exhibits and Purchaser's agreement to abide and be bound by their terms, as well as the terms of all duly filed amendments to the Plan. No Purchaser shall have the right to approve or consent to any such amendments, and except, as provided under the Plan, no such amendment will excuse a Purchaser from performing his obligations under a Purchase Agreement or entitle such Purchaser to any credit or offset against the purchase price set forth therein. Sponsor, however, shall not have the right to unilaterally cancel an outstanding Purchase Agreement, except as therein provided (such as in the case of an uncured default by the Purchaser or abandonment of the Plan), nor change the purchase price or payment terms contained in a fully executed Purchase Agreement, unless the Purchaser consents thereto in writing. Any inconsistency between the Plan and any Purchase Agreement shall be resolved in favor of the Plan.

Unless all affected Purchasers, with respect to any Unit for which a Purchase Agreement is then in effect, and all Unit Owners consent to such change in writing, Sponsor shall not make any material change to the size, layout or Percentage of Common Interest for such Unit.

Sponsor shall not make any material adverse change in the quality of the Common Elements unless all Unit Owners and all Purchasers, with respect to any Unit for which a Purchase Agreement is then in effect, consent to such change in writing, although Sponsor reserves the right to change a Common Element into a Limited Common Element.

The Purchase Agreement

The Purchase Agreement is attached hereto as Document 1 in Part II of the Plan. The relevant escrow trust fund provisions are included in Section 5 of the Purchase Agreement, which must be executed by the Escrow Agent.

Funds Held in Escrow

The Sponsor will hold the monies received by it or its escrow agent under the Purchase Agreement in trust in a special escrow account as required by Section 71-a(3) of the Lien Law until actually employed in connection with the consummation of the purchase as described herein.

The Sponsor will comply with the escrow and trust fund requirements of the General Business Law, Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

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

All deposits, down payments, or advances made by Purchasers shall be made payable to "Bleckner P.C., Escrow Account for the Houston House condominium", and will be placed within five (5) business days after the Purchase Agreement is signed by all necessary parties in a segregated special escrow account of Bleckner P.C., with an address at 350 Fifth Avenue, Suite 6440, New York, New York 10118, telephone number (212) 279-4490, shall serve as escrow agent ("Escrow Agent"), provided that the check is an unendorsed check drawn on a New York bank and the check clears or within five (5) business days after the W-9 Form has been delivered to the escrow agent, whichever is later. Prospective Purchasers are advised that if the deposit is in excess of $250,000, then the amount in excess of $250,000 will not be insured. Escrow Agent has designated the following attorneys to serve as signatory: Martin Shaw, Esq. and Ian Lester, Esq. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Agent has established the escrow account at Signature Bank located at 565 Fifth Avenue, 12th Floor, New York, New York 10017 ("Bank"), a bank authorized to do business in the State of New York, or such other bank as designated by Sponsor. The escrow account is entitled Bleckner P.C., Escrow Account for the Houston House condominium ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured.

All Deposits received from 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 "Bleckner P.C., Escrow Account for the Houston House condominium, as Escrow Agent".

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 the Escrow Agreement. The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. All

interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

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 provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of the Purchase Agreement.

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 New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

Since all Purchase Agreements are contingent upon the Plan becoming effective, under no circumstances shall Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after consummation of the Plan. Consummation of the Plan means filing the Declaration of Condominium and the first transfer of title to a Condominium Unit to at least one Purchaser under the plan following a declaration of effectiveness by the sponsor and acceptance of the amendment by the Department of Law confirming or declaring the plan effective.

If, instead of closing, the Sponsor cancels the Purchase Agreement because of the Purchaser's default, as set forth in the section entitled "Procedure to Purchase," then the Initial Deposit (but in no event more than ten (10%) percent of the Purchase Price plus interest, if any, plus the cost of optional extras and custom work ordered and any installation costs connected therewith if any, as incurred) shall be released to the Sponsor by the Escrow Agent as liquidated damages.

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 Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h.

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

Sponsor shall not object to the release of the Deposit or any deposits made for upgrades, extras, or custom work 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.

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 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.

The Escrow Agent is acting as an accommodation to the Sponsor and shall not be liable for any action taken or omitted under this Plan or any Purchase Agreement, except for its gross negligence or willful misconduct. Escrow Agent shall incur no liability to the Sponsor with respect to any action taken or suffered by it in reliance upon any notice, direction, instruction, consent, statement or other paper or document reasonably believed by it to be genuine. Upon payment of funds in accordance with the terms of the escrow agreement and this Plan, the Escrow Agent will be discharged from liability by the Sponsor.

In the event a conflict should arise over the disposition of any monies deposited in escrow, the attorneys serving as Escrow Agent may represent the Sponsor in such a dispute.

The Escrow Agent will maintain all records concerning the escrow account for seven (7) years after the release of funds. 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.

Included in Part II of this Plan as Document 1 is the form of the Purchase Agreement which incorporates the escrow provisions in accordance with the requirements of the Attorney General's regulations.

Events of Default

A Purchaser shall be in default under the terms of the Purchase Agreement in the event that a Purchaser:

(i) defaults in paying the balance of the purchase price on the scheduled closing date;

(ii) defaults in performing some other obligation under the Purchase Agreement; or

(iii) becomes a tenant or occupant of the Building and fails to pay rent or to perform some other lease or tenancy obligation, or vacates or abandons the Unit.

In the event of any such default, Sponsor must make a written demand for payment after default at least thirty (30) days before forfeiture of the deposit may be declared. Sponsor shall notify Purchaser that if Purchaser fails to cure any such default within thirty (30) days after Sponsor has sent to Purchaser a written notice specifying the nature of the default, then Sponsor shall have the right to either (i) retain, as and for liquidated damages, the Initial Deposit plus any additional expenses incurred by Sponsor on account of any special work in the Unit ordered by the Purchaser together with the interest thereon (hereinafter called the "Liquidated Sum"), or (ii) seek specific performance. If the Purchase Agreement is cancelled, then any payments received by Sponsor in excess of the Liquidated Sum, together with any interest earned on such excess payments, shall be refunded to the Purchaser within fifteen (15) days after cancellation. Time is "of the essence" for paying any amounts due under the Purchase Agreement and curing any defaults thereunder during the aforementioned thirty (30) day period.

In the event that a Purchase Agreement is cancelled, both Sponsor and the Purchaser shall be relieved of all further obligations and liabilities thereunder and under this Plan, and Sponsor shall be free to sell the Unit to another as though such Purchase Agreement had never been made, and without accounting to the Purchaser for the proceeds received on such sale.

Purchase Agreements May Not Be Assigned

The Purchaser may not assign a Purchase Agreement, without obtaining the express written consent of the Sponsor to such assignment.

Foreign Entity Purchaser

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 proceedings 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 such Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Such Purchaser will be required at Closing to deposit with the Condominium an amount equal to six (6) months Common Charges in effect for the Residential Unit which will be in addition to the required contribution to the Working Capital Fund.

Non-Survival of Obligations

No provision of the Purchase Agreement shall survive the delivery of the Unit Deed, except those obligations expressly stated in the Purchase Agreement or the Plan to so survive, or to be performed subsequent to the closing. Acceptance by a Purchaser of the Unit Deed will constitute said Purchaser's acceptance and acknowledgement of the full performance by Sponsor of, and the discharge of Sponsor from, all obligations under the Purchase Agreement, except those obligations expressly stated to survive or to be performed subsequent to the delivery of the deed. Nothing contained herein will be in derogation of the rights of Purchasers under Article 23-A of the General Business Law.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit the first closing of a unit to occur on or about August 1, 2018. If the actual or anticipated date is delayed six (6) or more months after August 1, 2018, the Plan must be amended to include a revised budget disclosing the then current budget projections. If the then amended Plan reflects that (i) the budget has increased twenty-five (25%) percent or greater or (ii) the First Unit Closing does not occur within twelve (12) months of August 1, 2018, then, in either case, Sponsor shall offer all Purchasers a right of rescission and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise such rescission right, whether or not Sponsor offers to guarantee the previous budget projection.

At the Closing, each Purchaser will be required to sign and deliver a Unit Power of Attorney in favor of the Board of Managers of the Condominium and the Sponsor, the failure of which shall be a default under the Purchase Agreement entitling Sponsor to all of the remedies set forth in the Plan and the Purchase Agreement. The Unit Power of Attorney shall be substantially in the form set forth as Document 3 in Part II of the Plan.

To the extent that there is a conflict between the Plan and Purchase Agreement any such conflict between the Plan and the Purchase Agreement will be resolved according to the terms of the Plan.

The Purchase Agreement and Plan may not contain, or be modified to contain, a provision waiving Purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the GBL.

Damage to Units

If the Purchaser actually occupies the Unit before the closing of title thereto, and, before

such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss (if and to the extent not covered by Sponsor's insurance) and the obligation to repair the damage if the cause thereof originated inside the Unit and resulted from the acts of such Purchaser or the occupant of the Unit or Purchaser's guests, invitees or workmen. Accordingly, in the event Purchaser elects to occupy the Unit before the closing of title thereto, Purchaser is advised to confer with an insurance agent or other professional regarding insuring the Unit. Within sixty (60) days after Sponsor has received notice of a casualty, Sponsor shall advise all Purchasers whether or not the damage resulting from such casualty shall be restored. No Purchaser shall have the right to occupy a Unit purchased by him prior to the closing of title unless Sponsor agrees to permit same under an Interim Use and Occupancy Agreement or other written agreement. See section entitled "Rights and Obligations of the Sponsor; Leasing of Unsold Units."

Except as set forth in the preceding paragraph, all other risk or damage prior to closing is assumed by Sponsor, but Sponsor shall not be obligated or liable to repair any damage. If Sponsor, or in the event the Declaration is filed, the Unit Owners, do not elect to repair the damage, the Purchase Agreement will be cancelled and be of no further force or effect. Thereafter, the Purchaser will be refunded all purchase monies paid to the Sponsor with any interest earned thereon, unless Purchaser is then in default (beyond the applicable grace period, if any), in which event the said purchase monies (but in no event to exceed the Liquidated Sum) will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair or replace the loss or damage, the Purchase Agreement shall continue in full force and effect; Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the purchase price; Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacement; and Purchaser shall not be required to pay the balance of the purchase price unless and until (i) the Unit has been substantially repaired, as near as reasonably possible to its condition immediately prior to the casualty, (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored, and (iii) the condition in the Unit for which a violation (if any) is noted or issued has been corrected, other than those that are the obligation of the Tenant to cure, or that are caused by the act or omission of the Tenant. Sponsor will endeavor in good faith, and with reasonable diligence, to remove, subsequent to closing, all violations of record it is obligated to correct.

Appliances and Equipment

At closing, each Unit will contain only those appliances, countertops, cabinets, sinks, vanities, hardware and other fixtures and equipment installed therein as set forth in the Plan and the Purchase Agreement pertaining thereto. The Sponsor has the right to substitute other appliances, equipment, cabinets, fixtures, windows and flooring in place of those listed in the Plan and in the Purchase Agreement, provided only that the substitutes are of substantially equivalent quality and design.

Each Unit is to be sold unfurnished, without window blinds or shades. Furniture, wall coverings, furnishings, decorations and the like, in or about any model, are not included in the sale. There will be no modifications or extras unless agreed to in writing by the parties.

Purchase Agreements Are Not Contingent On Financing

A Purchaser's obligations under the Purchase Agreement are not contingent upon the Purchaser's ability to obtain financing for the purchase of a Unit. Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing.

Prospective Purchasers are, therefore, advised to finalize their financing arrangements before signing the Purchase Agreement. Any Purchaser who executes a Purchase Agreement and does not obtain financing may lose the Deposit if unable to pay the balance of the purchase price. Purchasers who need financing to purchase are advised to consult with a bank before executing a Purchase Agreement to ascertain the likelihood of obtaining financing. No representation is made by the Sponsor as to the availability or cost of such financing. Lenders may require that a certain percentage of Units (50% or more) must be sold prior to Lender considers making a loan. Prospective Purchasers should be aware that even if a loan commitment is obtained, the terms may be fixed, and it could expire prior to the closing Date and therefore Purchaser would have to close without financing or risk losing the Deposit. Purchaser's failure to obtain financing shall not relieve Purchaser of Purchaser's obligations. However, prospective Purchasers should be aware that even if loan commitment is obtained, its terms may fix a closing date, which could expire before the actual Closing Date set by Sponsor and a Purchaser would have to close without such financing or risk losing his or her Deposit.

If a Purchaser fails for any reason to close title to the Unit on the original scheduled Closing Date, and Sponsor elects not to cancel the Purchaser's Agreement as a result of the same, the closing adjournments to be made at the Closing as of midnight of the day preceding the originally closing date, then Purchaser will be required to pay, in additional to other closing adjustments, an amount equal to 0.03% of the purchase price of the Unit for each day that the closing is adjourned. The Agreement also provides that Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under the Agreement or enforcing Purchaser's obligations thereunder.

If Purchaser does obtains a mortgage loan for the purchase of the Unit (the "Purchase Money Mortgage"), Purchaser will pay to 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 Mortgage Act, which sum will be paid as reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgages(s).

Prior to the closing of title to a Unit, the Purchase Agreement prohibits the Purchaser from advertising or otherwise, offering, promoting, or publicizing the availability of the Unit for sale or lease without Sponsor's prior written consent, at Sponsor's sole option. Furthermore, Unit Owners may not sell a Unit at a price below that offered by Sponsor in the Offering Plan or amendments thereto for one year from the First Unit Closing.

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under the Purchase Agreement or, in the event Purchaser defaults under the Purchase Agreement, beyond any applicable grace period, in canceling the Purchase Agreement or otherwise enforcing Purchaser's obligations thereunder. **THE AGREEMENT ALSO PROVIDES, IN CLEAR AND EXPLICIT TERMS, THAT EXCEPT AS PROHIBITED BY LAW, THE PARTIES WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF, OR CONNECTED WITH, OR RELATING TO, THE PLAN, THIS AGREEMENT OR THE RELATIONSHIP CREATED HEREBY**.

ASSIGNMENT OF PURCHASE AGREEMENT

No assignment of Purchase Agreements by Purchasers will be permitted without the prior written consent of the Sponsor, which may be given or withheld at the Sponsor's sole discretion. Any purported assignment by Purchaser in violation of the Purchase Agreement will be voidable at the option of the Sponsor. Sponsor's refusal to consent to an assignment will not entitle a Purchaser to cancel the Purchase Agreement or give rise to a claim against the Sponsor for damages. If the Sponsor, in its sole and absolute discretion, consents to a Purchaser's request to assign the Purchase Agreement, the assignee of the Purchase Agreement shall be required to close title to the Unit on the date originally scheduled as the Closing Date. If assignee fails, for any reason, to close title to the Unit on the originally scheduled Closing Date, and if Sponsor does not elect to cancel the Purchase Agreement, then the apportionments shall be made as of the original Closing Date and Purchaser will be required to pay to Sponsor an amount equal to .03% of the purchase price of the Unit for each day that the closing is delayed. If the Sponsor consents to an assignment or for any addition, deletion or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay to Sponsor's counsel a fee of $1,000 for preparation of an assignment and any necessary revisions in the closing documents. See section entitled "Unit Closing Adjustments and Costs" for additional details relating to the closing costs to be incurred by Prospective Purchasers.

EFFECTIVE DATE OF THIS OFFERING PLAN

The offering under the Plan and all Purchase Agreements entered into thereunder are contingent upon the Plan being declared effective on the terms and conditions set forth below. Sponsor may, in its sole discretion, abandon the Plan for any reason before it is declared effective.

Pursuant to the terms of the General Business Law, the Plan may be declared effective when Purchase Agreements have been executed, and are in effect for fifteen (15%) or two (2) of the Units being offered pursuant to this Plan by Bona Fide Purchasers, including Investors.

If the Plan has not been declared effective when Purchase Agreements have been executed and are in effect for fifteen (15%) percent or two (2) of the Units being offered for sale, then it will be declared effective when Purchase Agreements have been executed and are in effect for eighty (80%) percent or more of the Units being offered for sale (i.e. six (6) or more Units). For the purposes of this Plan, a Purchase Agreement shall be valid and binding if executed by both the Purchaser and the Sponsor.

Notwithstanding the fact that not all purchasers used for purposes of declaring the plan effective may actually close, Sponsor must re-declare the plan effective in order to consummate the offering plan in accordance with 13 N.Y.C.R.R. §20.1(c)(6) if all purchase agreements are either rescinded or terminated prior to the date of first unit closing, regardless of whether the condominium declaration has been recorded. In that event, Sponsor must re-declare the offering plan effective.

For the purposes of effectiveness, Purchase Agreements will not be included in the count toward effectiveness if: (i) such Purchase Agreement was signed by a Purchaser who has been granted a right of rescission that has not yet expired or been waived; or (ii) the Purchaser was not afforded the protection required by 13 NYCRR §20.3(o)(15) which affords purchasers no fewer than seven (7) days after delivery of an executed purchase agreement the right to rescind and/or three (3) business days to review the Plan and all filed amendments before executing a purchase agreement; or (iii) signed by any Purchaser who is the Sponsor, the Selling Agent, the Managing Agent or a principal of any of them, or is related to the Sponsor, the Selling Agent or the Managing Agent or to a principal of any of them by blood, marriage or adoption, or as a business associate, employee, shareholder or limited partner of any of them. Notwithstanding the foregoing, such a Purchaser, other than the Sponsor or a principal of the Sponsor, may be included in the computation if the Sponsor has submitted proof, satisfactory to the Department of Law, establishing that the Purchaser is a Bona Fide Purchaser.

Sponsor may declare the Plan effective by personal service of notice on every purchaser with commencement of such service by mail stating that the Plan is declared effective and submitting an amendment to the Department of Law within five (5) days confirming that the Plan was declared effective on a specified date. 13 NYCRR §20.3(q)(1). The First Unit Closing shall not take place until said amendment is accepted for filing.

If requested, Sponsor will submit to the Department of Law copies of all Purchase Agreements and any amendments or modifications thereto, within five (5) business days after the request is made.

Once the Plan has been declared effective, it may not be abandoned except in the event of:

(a) the existence of a defect in title (including, without limitation, work orders of the insurance carrier), affecting one or more Units and/or the Common Elements, that cannot be removed, cured, or damage to or destruction of all or part of the Building which cannot be cured for less than one-half (1/2) of one (1%) percent of the total offering price. The dollar amount so relied upon by the Sponsor must exclude all attorneys' fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the plan and are either known to the Sponsor or are a matter of public record, (b) the taking of all or part of the Property in condemnation proceedings or by eminent domain.

There will be no obligation on the part of the Sponsor to incur expenses or engage in litigation to cure title defects (except to the extent of one-half (1/2) of one (1%) percent of the total offering price in the case of work orders or title defects in connection with item (a) of the preceding paragraph). Sponsor will not be obligated to remedy violations performed by or caused by the acts or omissions of any person who becomes a Tenant or occupant of the Building in accordance a unit owner's lease or an Interim Use and Occupancy Agreement, as applicable.

Subsequent to the First Unit Closing, the Plan may not be withdrawn or abandoned unless at least eighty (80%) percent of the Unit Owners, both in number and in Common Interest, vote to terminate the Condominium. Sponsor will not vote the aggregate percentage of Common Interest appurtenant to its Units for such termination unless at least eighty (80%) percent of other Unit Owners, both in number and in Common Interest, elect to terminate, in which event Sponsor may choose to vote its Common Interests, either in favor of or against termination of condominium Ownership, as it sees fit. (See the section below entitled "Summary of Declaration and By-Laws; Termination of the Condominium" for further discussion.)

This Plan may be abandoned by the Sponsor at any time prior to either being declared effective or obtaining valid and binding Purchase Agreements for eighty (80%) percent or six (6) of the Units. If the Plan is withdrawn or abandoned, all Purchasers in good standing will be sent written notices thereof and within ten (10) days thereafter, all Deposit paid to Sponsor pursuant to Purchase Agreements then in effect, together with any interest earned thereon, will be returned to Purchasers in good standing. However, with respect to any Purchaser who is then in default under his Purchase Agreement beyond any applicable grace period, or whose Purchase Agreement had been cancelled previously due to such Purchaser's default, Sponsor will retain as liquidated damages the Liquidated Sum referred to in the preceding section entitled "Procedure to Purchase; Events of Default." Upon the return of the Deposit or retention of the Liquidated Sum, as the case may be, the Purchase Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under the Plan or the Purchase Agreements. In the event the Plan is abandoned, Sponsor must promptly submit both (i) an amendment to the Department of Law reflecting such abandonment and (ii) file a notice of abandonment on Form RS-3 or such other form as the Department of Law may then require, explaining the reason for the abandonment and the disposition of the funds received in accordance with 13 NYCRR §20.3(q)(6).

As of the date the Plan is accepted for filing, Sponsor has not entered into any Purchase Agreements with any Purchasers and no Purchasers' Deposits have been placed in escrow.

TERMS OF SALE

The Units, when sold by the Sponsor, will be sold in fee simple absolute to Purchasers, who may be individuals, a duly formed partnership, a limited liability company, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government, any department or agency thereof, or any other entity which is permitted to own property in the State of New York. The sale of the Units will be made at the respective offering prices set forth in the column of Schedule A titled "Offering Price" (as such prices may be changed by the Sponsor, as set forth in the Section of the Plan titled "Changes in Prices and Units" located in Part I of the Plan) and, with respect to the Units, will include the respective undivided interest in the Common Elements. Good and marketable title to the Units, and their appurtenant interests in the Common Elements, will be conveyed by the Sponsor by Bargain and Sale Deed with Covenants Against Grantor's Acts delivered to Purchaser at the closing of title to each Unit and containing the provisions set forth in subdivision 5, Section 13 of the Lien Law, free and clear of all liens and encumbrances, other than as set forth in Document 1 of Part II of the Plan entitled "Purchase Agreement".

Closing of Title to Individual Units

The word "closing" refers to the date, time and place where title to a Unit is transferred to a Purchaser. This transfer is accomplished by Sponsor's delivery of a Unit Deed to the Purchaser covering the Unit. The transfer of title includes title to the Unit as well as the Unit's undivided percentage interest in the Common Elements.

Title to each unit and its appurtenant interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those as detailed in Exhibit 4 to the Purchase Agreement which lists the permitted encumbrances to which the Unit will be transferred. (See Purchase Agreement, Document 1, Part II)

All personal property located within the unit on the date the Purchase Agreement is signed or located within the Common Elements on the date the Declaration is filed, that is owned by the Sponsor is included in the conveyance unless specifically excepted in the Offering Plan.

The Sponsor is only obligated to repair damage from a casualty or other cause that may occur before the closing of a Purchaser's Unit if the cost to repair the damage is twenty (20%) percent or less of the Purchase Price.

After the Plan has been declared effective, Sponsor will, from time to time, fix one or more dates for the closing of title to Units. The closings will be held at the offices of Bleckner P.C. or such other place in the City of New York as Sponsor may designate.

Each Purchaser will receive not less than thirty (30) days' prior written notice of the place, date and time for which his closing has been scheduled. Sponsor shall have the right to postpone any such closing and, on ten (10) days' prior written notice, to reschedule the closing. In the event that a Purchaser fails to close title on the closing date set by the Sponsor, all closing adjustments shall be calculated based upon the closing date originally set by the Sponsor. Purchasers shall pay to Sponsor at closing an adjustment equal to .03% times the unpaid purchase price for each day that the closing is adjourned, in addition to any other sums due and payable.

Notwithstanding the foregoing, the closing of a Unit shall take place only in the event the following closing prerequisites have occurred, at or prior to, the closing (the "Closing Prerequisites"):

(i) issuance of a temporary or permanent certificate of occupancy for the Building or covering the Unit being purchased;

(ii) the Condominium Documents (including the Declaration) as well as any other documents required by law have been filed in accordance with the Condominium Act and/or other applicable law;

(iii) except as set forth in the Plan the release of the Unit and its percentage of Common Interest from the liens of all prior mortgage; it being agreed that in the event that the Sponsor is unable to deliver marketable title to a Unit, the Purchaser's sole remedy shall be to accept such title as Sponsor is able to deliver without any reduction in the Purchase Price for his Unit or to rescind his Purchase Agreement and receive back his Initial Deposit with interest, if any;

(iv) Purchaser being given the opportunity to inspect the Unit and the Property at least two (2) days prior to the Closing. Any work noted on the inspection report which Sponsor is obligated to perform will be accomplished within a reasonable period of time, but in no event later than one hundred eighty (180) days after closing;

(v) the Plan has been amended to declare it effective and to confirm that any Units to be closed have been constructed in accordance with all governmental regulations and the description contained in the Architect's Report and in compliance with the Closing Prerequisites;

(vi) the assignment by Sponsor of any manufacturer's warranties with respect to the equipment and appliances in the Unit to the Unit Owner and, with respect to the equipment and appliances in the Common Elements, to the Board of Managers; and

(vii) delivery to Purchaser of a bargain and sale deed with covenants against grantor's acts substantially in the form set forth as Document 2 in Part II of the Plan, and otherwise in proper form for recording and containing the provisions set forth in subdivision 5 of Section 13 of the Lien Law.

At the closing, the Purchaser will deliver to Sponsor the balance of the purchase price of the Unit as well as the Unit Owners' Power of Attorney (in the form set forth as Document 3 in Part II of the Plan). In addition, the Purchaser will also be required to pay certain closing adjustments and costs as more fully explained in the following section entitled "Unit Closing Adjustments and Costs."

At the closing, Sponsor will deliver to the Purchaser a certificate of insurance covering the Unit, insuring same against fire or other casualty. Such insurance does not cover the contents of the Unit or insure against liability for personal injuries occurring within the Unit (for more details concerning insurance, see section entitled "Rights and Obligations of the Board of Managers";

"Insurance" and "Summary of Declaration and By-Laws").

At or prior to the first conveyance of a Unit, each holder of a mortgage on the Property will either (a) consent to the formation of the Condominium and acknowledge that its lien will be limited to the Unsold Units, (b) subordinate the lien of its mortgage to the Condominium Declaration, or (c) release its lien on the Condominium Unit being conveyed and its interest in common elements.

UNIT CLOSING ADJUSTMENTS AND COSTS

Closing Adjustments

At the closing of title to each Unit, the following items will be apportioned between Sponsor and the Purchaser as of midnight of the day preceding the closing date scheduled by the Sponsor in the notice of closing sent by Sponsor or Sponsor's counsel:

(i) Real estate taxes and water and sewer charges, if any attributable to the Unit, on the basis of a three hundred and sixty (360) day tax year. If the individual tax lots have not yet been broken out, the adjustment will be based on the Unit Owner's percentage interest in the Common Elements multiplied by the taxes for the entire Property;

(ii) Common Charges based on twelve (12), equal thirty (30) day months;

(iii) If the Purchaser has an Interim Use and Occupancy Agreement, use and occupancy fees and other charges under the Interim Use and Occupancy Agreement for the month in which title closes based on a thirty (30) day month; and

(iv) Unpaid balance of the Purchase Price multiplied by .03% per day for the number of days elapsed between the date first noticed by Sponsor for closing and the date of the closing of title.

In the event the net closing adjustments are in favor of Sponsor, Purchaser shall pay same at closing by personal check. Similarly, in the event the net closing adjustments are in favor of Purchaser, Sponsor shall deliver to Purchaser, at the closing, a separate check for the credited amount. Accordingly, the closing adjustments shall not affect the amount of the certified check(s) that the Purchaser is required to deliver to Sponsor at closing in payment of the balance of the purchase price. In the event there are any errors or omissions in computing the adjustments at closing, same shall be corrected promptly after discovery and payment made to the proper party. This obligation to correct any mistakes in the closing adjustments shall survive delivery of the Unit Deed.

Closing Costs

At closing, each Purchaser will pay certain closing costs, which include the following:

(i) If the Purchaser retains an attorney, the legal fees of such attorney;

(ii) If the Purchaser elects to obtain fee title insurance, he or she will pay the premium therefor to the title company. The premium will vary depending upon the amount of insurance requested. The premium for fee title insurance (in accordance with the current schedule of rates set by the New York Board of Underwriters and filed with the New York State Insurance Department) is currently $350.00 for the first $35,000 of fee insurance, plus the following amounts for each additional $1,000 of insurance:

Fee Amount	Premiums
$35,000	$350
$35,001-$50,000	$5.81/$1,000
$50,001-$100,000	$4.74/$1,000
$100,001-$500,000	$3.80/$1,000
$500,001-$1,000,000	$3.47/$1,000
$1,000,001-$5,000,000	$3.19/$1,000

Each Purchaser is free to obtain title insurance from any title insurance company without incurring a penalty from Sponsor. Sponsor makes no warranty as to the cost, terms or availability of such other title insurance or that the above rates will be in effect at the time of any Unit closing;

(iii) If a Purchaser elects to obtain both fee title insurance and mortgage title insurance from the title company, the premium for the mortgage title insurance will be at a simultaneous rate. If the simultaneous rate is obtained, the premium on the amount of the loan policy that does not exceed the amount of the fee policy shall be calculated at a rate equal to thirty (30%) percent of the regular scheduled rates for loan policies. Using such discounted rates the following would apply:

Loan Amount	Fee
$35,000	$90
$35,001-$50,000	$1.45/$1,000
$50,001-$100,000	$1.26/$1,000
$100,001-$500,000	$ 0.95/$1,000
$500,001-$1,000,000	$ 0.87/$1,000
$1,000,000-$5,000,000	$ 0.80/$1,000

(iv) Each Purchaser will pay the recording fee for the Unit Deed and the Unit Owner's Power of Attorney, which fee is currently seventeen ($17) dollars for each instrument plus five ($5) dollars per page, together with a service charge to his or her title company for recording each instrument;

(v) The New York City Real Property Transfer Tax for each Unit, which is currently one (1%) percent of the total consideration where the purchase price is $500,000 or less, but when paid by the purchaser is approximately 1.01% since the shifting of the obligation from the seller to the purchaser is considered to be additional consideration, or at the rate of 1.425% of the purchase price where the price is more than $500,000, but when paid by the purchaser is approximately 1.445%, plus a Fifty ($50) dollar filing fee to the City of New York;

(vi) The New York State deed document stamps, currently .4% of the total consideration, but when paid by the purchaser is increased to approximately .4016%;

(vii) A 1% to the State of New York for Units where a Purchaser paid above one million dollars in total consideration (the "mansion tax"), if applicable;

(viii) The amount of $3,000 to Bleckner P.C., Sponsor's closing counsel, representing a fee for services in connection with preparing the Unit Deed, the Unit Owner's Power

of Attorney and for coordinating and attending the closing. Such fees shall be payable at, or prior to, the closing by certified or bank check made payable directly to the order of Bleckner P.C. In the event the closing takes place outside of the offices of Bleckner P.C., an additional travel fee in the amount of $500 shall be paid. In the event a Purchaser fails to close on the Closing Date, there will be an additional fee of $500 payable to Bleckner P.C. in addition to all other fees and costs. All of the foregoing fees are cumulative;

(ix) The amount of $5,000 to be contributed towards working capital; and

(x) If the Purchaser obtains a mortgage loan for a Unit, such Purchaser will pay:

(a) a mortgage recording tax in the amount provided by law (at the date of this Plan the tax is 2.05% of the face amount of the mortgage for loans up to $500,000 and 2.13% for loans in excess of $500,000, less twenty five ($25) dollars;

(b) a sum to reimburse Sponsor in an amount equal to the partial mortgage tax credit to which Purchaser is entitled under Section 339-ee(2) of the Condominium Act (such sum is based, in general, on the Unit's percentage of Common Interest multiplied by a portion of the mortgage tax previously paid on account of pre-existing mortgages on the Property);

(c) if mortgage title insurance is required by the lender, an additional premium for insurance, insuring the mortgagee's interest in an amount equal to the principal amount of the loan;

(d) if required by the lender, a mortgage application fee;

(e) if required by the lender, an origination fee, which is usually a percentage of the amount being borrowed;

(f) if required by the lender, an appraisal of the Unit;

(g) a fee to the lender's attorney for appearing at the closing;

(h) if required by the lender, deposits for Common Charges, real estate taxes, any assessments and separately assessed water charges and sewer rents in an initial amount and in such monthly sum after closing as is deemed sufficient by the lender; and

(i) all other closing costs and expenses required to be paid on behalf of such lender. It is recommended that the Prospective Purchaser consult with his or her lender with respect to the nature and amounts of all closing costs and/or other expenses to be paid in connection with any loan, and Sponsor makes no warranty with respect thereto.

By way of example, with respect to a typical Unit having a Purchase Price of $3,500,000, a mortgage of $2,800,000 and projected monthly Common Charges of $XXX, a Purchaser may estimate his closing costs as follows (all amounts are approximate):

a. Premium for fee and mortgage title insurance, assuming the discount for obtaining both policies simultaneously:	$ 16,435.00
b. Miscellaneous fees charged by the title company for departmental searches, lien searches, bankruptcy searches and service charges:	$ 750.00
c. Recording fees for the Mortgage, Unit Deed, Unit POA and the Power of Attorney:	$ 538.00
d. New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax:	$ 49,000.00
e. "Mansion" tax:	$ 35,000.00
f. Mortgage recording tax:	$ 22,370.00
g. Fees and expenses to Sponsor's attorney:	$ 3,000.00
h. Contribution to Working Capital Fund:	$ 5,000.00
Total of Estimate Closing Costs:	$126,771.05

RIGHTS AND OBLIGATIONS OF THE SPONSOR

Construction Obligations

Sponsor has undertaken the following obligations in connection with the construction of the Building:

(a) Sponsor will cause to be performed such work and will cause to be supplied all materials necessary to complete the Building substantially in accordance with the description set forth in the Architect's Report. The issuance of a permanent Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building, and all the Units have been substantially completed in accordance with the Architect's Report. However, nothing herein shall excuse Sponsor from its obligation to correct any defects in construction to the extent required in paragraph 3 below or in any Purchaser's Inspection Statement, nor relieve Sponsor from any of its other obligations under the Plan or in law.

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

(b) Sponsor reserves the right to amend the Plan from time to time (including, without limitation, to make changes in layouts and designs or changes affecting the materials, appliances, equipment, fixtures and other construction details) and to substitute materials, appliances, equipment and fixtures in place of those described in the Architects Report, provided such substitutions are of substantially similar quality and design and, provided further, that the approvals (if required) of any governmental authorities having jurisdiction are first obtained. Sponsor may not change the size, location of Units or other improvements or the Common Elements if such changes affect the percentage of common interest 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 effect unless all affected Unit Owners and contract vendees consent in writing to such change.

(c) Sponsor will not be obligated to correct, and will not be liable to any Purchaser or the Board of Managers as a result of: (i) any non-material variations from the description of the Building set forth in the Architect's Report, which are neither in violation of applicable building codes nor require the approval of any governmental authority having jurisdiction, or which are necessitated by site conditions or job requirements, provided such variations are of substantially equal quality and design as those set forth in said Architect's report, or (ii) non-material variations in the dimensions or arrangement of rooms, walls or other areas within the Units. The foregoing shall not change Sponsor's obligation to complete construction of the Building, including the Units.

(d) Based upon the current construction schedule, Sponsor presently contemplates that the construction of the Building will be sufficiently completed to permit closing of title to the Units to begin in or about August 1, 2018. Prospective Purchasers should note, however, that the Units may be completed at differing times over a significant period of time beyond the anticipated Closing Date. Purchasers will not be excused from paying the full purchase price for their Unit, and will have no claim against the Sponsor for damages or losses if the closing is delayed. If the commencement date of the first year of condominium operation is delayed by six (6) months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the Unit

Owner Common Charges in the amended budget exceed those in the original projected budget by more than twenty-five (25%) percent, then Sponsor will offer all Purchasers a right of rescission for a period of fifteen (15) days after the presentation of the amendment containing such revised budget. Any Purchasers exercising their right of rescission will have their deposit refunded, with any interest accrued thereon.

(e) Prospective Purchasers are advised that construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. No guaranty can be given that the construction will be completed by the projected construction date set forth in the Plan. During the first year of Condominium operations, construction workers and related personnel will be at the Property from time to time making adjustments, completing punch-list items and performing various tasks necessary to complete the construction. In addition, various systems, including, but not limited to, plumbing, heating and electrical systems and the air conditioning equipment may need to be shut down from time to time to make any necessary adjustments or repairs. Moreover, adjustments to the windows and other systems may require more than eighteen (18) months after the first closing to complete. The decoration of the corridors, including, but not limited to, the hanging of lighting fixtures and the installation of wall covering may not be completed until all or substantially all of the Units have been sold and the occupants of the Units have moved into their Units.

Certificate of Occupancy

The Sponsor will procure an FCO for the Building and all the Units. In the event only a TCO for the Units in the Building has been issued at the time of First Closing, Sponsor will use its best efforts to cause the Building Department to continuously renew the TCO until the FCO for the Units has been issued. Sponsor anticipates, in all events, that the FCO for the Building will be issued by not later than the second anniversary of the First Closing.

In addition, in the event a FCO has not been issued at, or prior to, the First Closing, Sponsor will place in a special escrow account pursuant to Section 352-e(2)(b) of the General Business Law with its counsel, Bleckner P.C., all Deposits and funds received from Purchasers under this Plan, which sums may be released from escrow upon issuance of an FCO. Notwithstanding the foregoing, any sums in excess of the amount certified by Sponsor's Architect, as reasonably necessary to complete the work needed to obtain a Permanent Certificate of Occupancy, may be released from the special deposit escrow account. Alternatively, by prior amendment to the Plan, Sponsor may deposit with Bleckner P.C., an unconditional, irrevocable letter of credit or post a surety bond or deposit cash in the amount so certified. Any interest earned on any such funds shall be paid to Sponsor as and when earned.

No Warranties or Guaranties by Sponsor

All Units, Common Elements and Limited Common Elements offered pursuant to this Plan are sold as described in the Plan. Neither the Sponsor, the Selling Agent or any offeror hereunder makes any warranty or guaranty, express or implied, with respect to the materials, Building systems, fixtures, windows, appliances, workmanship or any other aspect of the Units, Common Elements, Limited Common Elements or any portion thereof, except as set forth in the Plan. Prospective Purchasers are advised that Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") does not apply to this offering.

Sponsor will correct, repair, or replace any and all defects relating to construction of the Building, or in the installation or operation of any appliances, fixtures or equipment therein, or will cause the same to be corrected, repaired, or replaced, but only if:

(1) such defects are due to substantially improper workmanship or construction practices or the use of materials that are substantially and materially at variance with the description of the work set forth in the Architect's Report; and

(2) Sponsor is notified of the same in accordance with the following, which notice shall be by certified mail, return receipt requested:

(i) with respect to any latent defect (that is, a defect that is not visually ascertainable) in the construction of an Unsold Unit, within one (1) after the Closing Date of such Unsold Unit;

(ii) with respect to any patent defect in the construction of an Unsold Unit within one hundred eighty (180) days after the Closing Date of such Unsold Unit, provided such patent defect is not caused by the use of the Unit Owner; and

(iii) with respect to the Building Common Elements, one (1) year from the later of (i) the issuance of a TCO; or (ii) completion of that portion of the Common Elements which is claimed to be defective.

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

Sponsor will be conclusively considered to have discharged any obligation that it may have with respect to any defects, whether patent or latent, if:

(i) Sponsor is not notified of the existence of such defect, in the manner and within the appropriate time period specified above, time being of the essence.

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

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

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

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

(ii) resulting from normal wear and tear, natural deterioration, normal settling, deflection, or shifting of the Building;

(iii) that are caused by the failure of the Condominium to maintain the Building, its fixtures, equipment or systems, or to properly enforce any warranties or guaranties; or

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

(a) death of trees or landscape improvements, cracks in roof ballast, or concrete cracks or other cracks, splits or fissures in the Building that do not impair the structural soundness of the Building, including cracks or discoloration in concrete, timer or board used for walls and paving, leaching or color variation in colored mortar, tiles, board and timber, dimensional variations in any joints, ponding, and/or controlled drainage on roof, stained tiles, and cracks in pressure treated wood used, or intended for use, outside the Building;

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

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

(d) non-material variations in tone or color of natural stone or variations in tone or color of vanity tops or other natural stone surfaces, scratches in plastic laminate, vitreous china, natural stone, wood, stainless steel, or porcelain surfaces, discoloration to hardware and plumbing finishes, cracked bath tile grouting, variation in grouting thickness, and misalignment of bathroom finishes;

(e) non-material variations in wood floor stains and finishes caused by normal foot traffic during construction and sales periods;

(f) normal plumbing, heating, air-conditioning, ventilating, and floor noises and creaking;

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

(h) normal wear, including chips, to apartment doors and apartment door frames;

(i) pertaining to television, radio, internet or other telecommunications reception; and

(j) Regardless of any limitations or warranty in this Section or in the Plan, Sponsor is to construct the Building in accordance with all applicable codes and filed plans and specifications, and that any conflict between the disclaimers and the Sponsor's obligation to construct the Building in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

Notwithstanding the foregoing, Sponsor will be obligated to repair scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filing or refinishing the same not caused by the use of the Unsold Units by Unit Owners, but Sponsor will not be obligated to replace any such surfaces. Additionally, during the course of construction concrete cracks and/or chips as well as chips, cracks, splits or other fissures of a material nature on the exterior façade of the Building may be repaired by Sponsor by field patching.

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

NOTHING CONTAINED IN THIS SECTION WILL BE CONSTRUED SO AS TO RENDER SPONSOR LIABLE FOR CONSEQUENTIAL DAMAGES (WHETHER BASED ON NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY, OR OTHERWISE), IT BEING INTENDED THAT SPONSOR'S SOLE OBLIGATION UNDER THIS SECTION WILL BE TO REPAIR OR REPLACE ANY DEFECTIVE ITEM OF CONSTRUCTION UPON, AND SUBJECT TO, THE TERMS AND CONDITIONS SET

FORTH ABOVE. ADDITIONALLY, EXCEPT AS EXPRESSLY SET FORTH ABOVE, SPONSOR WILL HAVE NO OBLIGATION TO CORRECT OR REPAIR ANY DEFECTIVE OR OTHER CONDITIONS IN THE BUILDING (INCLUDING IN THE UNSOLD UNITS AND THE COMMON ELEMENTS) OR IN, OR WITH RESPECT TO, ITS INSTALLATIONS, APPARATUSES, FIXTURES, FINISHES, MATERIALS, AND APPURTENANCES. ASIDE FROM ANY SPONSOR WARRANTIES AND UNDERTAKINGS WITH RESPECT TO THE CONSTRUCTION AND COMPLETION OF THE BUILDING CONTAINED IN THIS SECTION, NO OTHER WARRANTIES OR UNDERTAKINGS SHALL BE IMPLIED.

Regardless of any limitations or warranty in this Section or in the Plan, Sponsor will construct the Building in accordance with all applicable codes and in accordance with the filed plans and specifications, and that any conflict between the disclaimers and the Sponsor's obligation to construct the Building in accordance with all applicable codes and such filed plans and specifications shall be resolved in favor of the latter.

Sponsor will, except as hereinafter provided, cause to be corrected any defects in the construction of the Building, including its electrical, mechanical, air conditioning, heating, ventilating, plumbing and other systems (hereinafter collectively called the "Building Systems"), due to improper workmanship or defective material or material substantially at variance with the Architect's Description, **PROVIDED AND ON CONDITION THAT SPONSOR IS NOTIFIED IN WRITING BY THE BOARD OF MANAGERS OF SUCH DEFECTS** within the following time periods: (a) one (1) year from the Closing Date with respect to any latent defect in the construction of any Unit; (b) one hundred eighty (180) days from the Closing Date with respect to any patent defect in the construction of a Unit; or (c) with respect to the Building Common Elements, the later of one (1) year from the later of issuance of the TCO or completion of that portion of the Common Elements which is claimed to be defective.

At the First Closing or thereafter, with reasonable promptness after receipt of any assignable manufacturer's or subcontractor's warranty or bond relating to a portion of the Common Elements, Sponsor will deliver to the Board of Managers an assignment of such warranty or bond. Sponsor will also deliver to each Unit Owner, with reasonable promptness after the issuance of the Unit Deed, an assignment of all assignable manufacturer's warranties and bonds relating to appliances in Unit and in the event of a problem, each Unit Owner will have the sole responsibility of pursuing remedies with the manufacturer.

CHANGES OF SIZES, LAYOUTS, FINISHES AND NUMBER OF UNITS

In order to meet the possible varying demands for number and type of Units, or to meet the particular needs of Prospective Purchasers, or for any other reason, Sponsor reserves the right, both prior to and after the First Closing, to change:

(i) the layout of Unsold Units;

(ii) the number of Units, by subdividing one or more Unsold Units into two or more separate Units, or by combining two or more separate Unsold Units into one or more Units;

(iii) change the size of any Unsold Unit, by subdividing or combining Units as aforesaid, or by altering the boundary walls of Unsold Units or otherwise including, without limitation, the use of the portion(s) of the Common Elements or Limited Common Elements adjacent to such Unsold Units to the extent that such portion(s) are not necessary for access or egress to any other Units; and

(iv) the use of any portion of the Common Elements adjacent to such Unsold Units to the extent that such portion is not required to be maintained as Common Elements pursuant to the terms of the Declaration and that no material change will be made in the in the quality of Common Elements.

To the extent permitted by law, if the size or configuration of a Unit is changed in compliance with the Plan, Declaration and/or By-Laws and, in connection therewith, a wall, space or other area forming a part of the Common Elements or Limited Common Elements servicing and benefiting only such Unit is demolished, razed or incorporated in the Unit, then such Common Elements or Limited Common Elements shall be deemed for the exclusive use and benefit of such Unit and the owner of such Unit and the Unit's Common Interest will remain unchanged.

Prior to the date that the Condominium Documents have been recorded, except as provided to the contrary in this Section or in the By-Laws, the right to change the size, layout, alteration of interior partitions and the number of Unsold Units may be exercised by Sponsor without the consent or approval of the Board of Managers, any Unit Owner or any mortgagee or any other party and without prior notice or amendment to the Plan.

Unless a Unit Owner, or a Purchaser under a fully executed Purchase Agreement, as the case may be, consents in writing to such change, Sponsor shall not make any material change to the size, layout or Percentage of Common Interest for such Unit. Additionally, unless all affected Unit Owners and Purchasers consent in writing to such change, Sponsor shall not make any material change to the size of the Common Elements in the Building and shall not make any material adverse change in the quality of the Common Elements. Any such change shall be disclosed by the filing of an amendment to the Offering Plan with the Department of Law and an amendment to the Declaration shall be recorded.

If the size of a Unit is changed either as a result of subdivision, combination, alteration of boundary walls or otherwise, the percentage of Common Interest allocated to such Unit may be increased or decreased accordingly; however, no such reallocation will increase or decrease the total Common Interest allocated to all Units in the Building.

Any reallocation of Common Interest will vary the estimated annual Common Charges for the Unit or Units affected thereby from the amounts estimated in Schedule A; however, such change shall not affect the proportion or amount of Common Charges for other Units.

Once the Declaration is recorded, all changes in the size of or number of Units or changes in the Common Elements or the Common Interests of the Units must be made by amendment to the Declaration and such amendment is duly recorded. Notwithstanding the foregoing, Sponsor may not change the size, location of Units or other improvements or the Common Elements if such changes affect the percentage of common interest 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 effect unless all affected Unit Owners and contract vendees consent in writing to such change. The Plan will be amended in the event of any such changes. As more particularly provided in the Declaration, while the Sponsor or its designee is the Owner of at least one Unsold Unit, and provided further that the consent of any affected Unit Owners is obtained, the Sponsor will have the right itself to so amend the Declaration to effectuate such change, without the Condominium Board, the other Unit Owners or any mortgagee authorizing, consenting to, or executing, such amendment. Unless all affected Purchasers, with respect to any Unit for which a Purchase Agreement is then in effect, and all Unit Owners consent to such change in writing, Sponsor shall not make any material change to the size, layout or Percentage of Common Interest for such Unit.

The Sponsor reserves the right, in its sole and absolute discretion, to change or substitute any of the materials, finishes, fixtures, equipment or appliances specified in the Architect's report, the Description of Property and Specifications or Building Condition, or elsewhere in the Plan, provided only that any substitutions to the materials, finishes, fixtures, equipment or appliances must be of Equal to or Better Quality than item being replaced. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment described in this Plan and in the architectural plans on file, but, due to unavailability of materials and supplies, site conditions or for any other reason, the Sponsor may substitute materials, fixtures, appliances and equipment of substantially similar or better quality for any of those set forth in the plans or otherwise in this Plan. In addition, Sponsor reserves the right to make changes in its construction of the Building, including architectural, structural, electrical or mechanical plans, provided only that the approval of any governmental agency having jurisdiction over the work is obtained. Any changes that are material and adverse will trigger a right of rescission for all affected purchasers.

Payment of Costs in Connection with Construction and Creation of the Condominium

Sponsor will pay or cause to be paid all expenses incurred in connection with the construction of the Building, including without limitation, all sums properly due to contractors, subcontractors and materialmen and all others involved in the construction of the Building for work performed and fixtures, material and equipment supplied or installed. Sponsor will also bear all costs and expenses to be incurred in connection with the creation of the Condominium, including the preparation, filing and distribution of the Plan and the filing of the Condominium Documents. In addition, Sponsor will pay all selling expenses and brokerage commissions of the Selling Agent or other broker engaged by Sponsor.

Sponsor will cause any and all mechanic's liens arising out of the construction of the Building and its appurtenances, authorized by Sponsor, to be discharged on or prior to the First Closing. Alternatively, Sponsor will cause the company insuring the Purchaser's title to a Unit to

affirmatively insure against collection thereof out of the Unit or any portion thereof by posting a bond or escrowing a sum deemed sufficient by such company.

In the event that there are violations of record or other title encumbrances (other than mortgages and permitted encumbrances) affecting the Property at the time of the First Closing, Sponsor shall cause such violations or encumbrances (other than mortgages and permitted encumbrances) affecting the Property at the time of the First Closing, to be cured, remedied and removed, at its sole cost and expense. Sponsor agrees to indemnify the Board of Managers and Unit Owners, and hold them harmless, from any such violations of record or other title encumbrances (other than mortgages and permitted encumbrances) or other claims affecting the Property. Additionally, Sponsor agrees to defend any suits or proceedings arising out of Sponsor's acts or omissions and to indemnify the Board of Managers and Unit Owners, and hold them harmless in connection with any such suits or proceedings. Notwithstanding anything contained hereinabove to the contrary, Sponsor shall have no obligation to cure, remedy, or remove any violations of record, title encumbrances or other claims affecting the Property if the same cannot be accomplished at an aggregate cost and expense (as reasonably estimated by Sponsor) of one-half (1/2%) percent of the aggregate amount of the offering or less, or a maximum amount equal to or less than $134,427.50 The existence of any such violations or encumbrances will not constitute an objection to title or excuse any Purchaser from completing payment of the balance due under his Purchase Agreement (without provision for escrow), provided that Sponsor either furnishes adequate proof that such violation or encumbrance has been cured or remedied, or deposits with the Board of Managers a reasonable sum to secure Sponsor's obligation to cure and remedy such violation or encumbrance subsequent to the First Closing. At Sponsor's request, the Board of Managers shall apply the sums so deposited towards payment of the cost of curing or remedying the title defect, except that the Board of Managers shall retain a sufficient portion of such security deposit to pay for the reasonable costs of curing or remedying the remaining title defects. If the aggregate cost and expense of curing, remedying and removing all encumbrances exceeds one-half (1/2%) percent of the aggregate offering or a maximum amount equal to or less than $134,427.50 (as reasonably estimated by Sponsor) and Sponsor elects not to accomplish the same, Sponsor shall withdraw and abandon the Plan in accordance with the terms of the section above entitled "Effective Date of This Offering Plan."

Floor Plans

In accordance with Section 339-p of the New York Real Property Law, a registered architect or licensed professional engineer shall certify, within reasonable tolerances, that the Floor Plans for the Units filed with the Declaration are a substantially accurate copy of the portion of the plans of the Building as filed with, and approved by, the Department of Buildings.

Indemnities

Sponsor agrees to indemnify the Board of Managers and Unit Owners and hold them harmless from, and Sponsor is obligated to defend on their behalf, any suits, actions, proceedings or claims arising out of acts or omissions of Sponsor or the representations made by Sponsor in the Plan.

Immediately following the First Closing, Sponsor will assign any assignable service and maintenance contracts and agreements relating to the Property to the Board of Managers, and the Board of Managers will, on behalf of all Unit Owners, assume same and indemnify Sponsor against

all claims and liability arising thereunder that relate to matters and events occurring on or after the First Closing.

Obligations to Survive Delivery of Deed

The obligations set forth in this section contain all the obligations of Sponsor under the Plan and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of Purchasers relative to their Units under their respective Purchase Agreements. Sponsor makes no warranties other than as set forth in this section. The obligations of Sponsor under this section shall survive the delivery of the Unit Deeds to the respective Unit Owners for the respective time periods indicated herein. Sponsor shall not be liable for, nor obligated to defend, any suits or claims with respect to any Unit, arising out of any occurrence taking place on or after the date of the closing of title to such Unit, or the leasing thereof to any Purchaser or, with respect to the Common Elements or Limited Common Elements, Sponsor shall not be liable for, nor obligated to defend, any action arising out of any occurrence taking place on or after the date of the First Closing, except for suits or claims arising out of the acts or omissions of Sponsor or the representations made by Sponsor in the Plan.

The obligations of Sponsor under this section with respect to the Condominium, the Common Elements or the Limited Common Elements shall be enforceable only by the Board of Managers on behalf of all Unit Owners. In no event shall any obligations of Sponsor be enforceable by individual Unit Owners unless the Board of Managers fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of written notice of such claim by any Unit Owner to the Board of Managers.

Delivery of Building Plans

At, or prior to, the First Closing, Sponsor shall deliver to the Board of Managers a copy of the "as-built" Building Plans. The final Building Plans shall be considered "as-built" for purposes of this paragraph.

Security for Sponsor's Obligations

No bond or other security has been furnished to secure the performance of the Sponsor's obligations set forth in this section. The ability of Sponsor to perform its obligations will depend upon its financial condition, when and if it is called upon to perform. No warranty is made that Sponsor will be financially able to perform any or all of such obligations.

Sponsor's Obligation to Pay Common Charges on Unsold Units

Sponsor will pay all Common Charges, assessments and real estate taxes assessed against the Unsold Units for so long as Sponsor owns them. Sponsor expects to have the financial resources to meet the aforesaid obligations and to fund same from projected sales, the rental of Unsold Units and Sponsor's other financial resources.

Notwithstanding the foregoing, the Common Charges required to meet the expenses set forth in the Projected Budget for the First Year of Condominium Operations (see Schedule B entitled "Projected Budget for First Year of Condominium Ownership" set forth in the Plan), during the first six (6) months of Condominium operations, or until there has been a closing of title with

respect to seventy five (75%) percent of the Units, may be reduced if the actual expenses of operating the Building are less than the projected expenses set forth in the Budget for the First Year of Condominium Operations. If the operating expenses are reduced, then the difference between the actual expenses and the full Common Charges will be refunded to all Unit Owners (including the Sponsor) on a pro-rated basis in the form of either a credit against future Common Charges or as a cash reimbursement to the extent that the Unit Owner (including the Sponsor) has sold the Unit prior to the receipt of the full credit. Sponsor makes no warranty or representation that the operating expenses during this period will be less than the actual Common Charges or as to the amount of any credit that may be available as a result of any such computation.

Fire and Casualty Insurance

At, or prior to, the First Closing, Sponsor shall deliver to the Board of Managers policies or binders for fire and casualty insurance coverage described in footnote 9 of Schedule B. The projected all-risk coverage described in that footnote is based upon an agreed amount replacement cost for the Building (less site preparation). In order to safeguard the investment of the Unit Owners, in the event of a substantial or total destruction of the Building, the Board of Managers should periodically review the amount of casualty insurance for the Building to insure that the amount of coverage equals the Building's then replacement cost. The foregoing insurance does not include the insurance coverage found in a standard "Home Owners policy" for any belonging or personal property in a Unit Owner's Unit. See footnote 8 to Schedule B for further discussion.

Documents on File

Sponsor agrees that copies of this Plan, Parts A, B and C of the Exhibits and documents referred to herein shall be on file and available for inspection without charge and copying at a reasonable charge by Prospective Purchasers and by any Purchaser, at the office of the Sponsor, 334 East 9th Street, New York, New York 10003 and shall remain available for such inspection or copying for a period of six (6) years from the date the Declaration is recorded.

Sponsor's Right to Liquidate

Sponsor has reserved the right to transfer or sell its Unsold Units and otherwise liquidate its assets at any time. Such liquidation and the concomitant distribution of the Sponsor's assets will affect Sponsor's ability to perform its obligations hereunder. In the event of dissolution or liquidation of the Sponsor or the bulk transfer of two (2) or more Units or twenty (20%) percent or more of the total number of Units in the Condominium, whichever is less, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those units under the Offering Plan, applicable laws or regulations.

Sponsor's Right of Access to Complete Construction

Sponsor and its contractors, subcontractors, agents and employees will have a right of reasonable access to each Unit and its Limited Common Elements and to all of the Common Elements for purposes of completing construction of the Building or performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan, provided (i) Sponsor repairs any resulting damage to the Unit and restores it to substantially the condition it was in prior to Sponsor's entry, and (ii) Sponsor provides reasonable prior notice to the Unit Owner

of the Unit to which access is required. In the event any Unit Owner fails to provide access to Sponsor, as permitted above, to any such Unit and its Limited Common Elements, or to repair any punch list item, within thirty (30) days of Closing, such Unit Owner shall be deemed to have voided such Unit Owner's right to have Sponsor fulfill Sponsor's repair obligations under the Plan.

Leasing of Unsold Units

Sponsor reserves the right, freely and without restriction, to rent or lease Units to Purchasers and non-purchasers at any time after the consummation of the Plan, provided that with respect to a Unit a permanent or temporary Certificate of Occupancy covering such Unit has been obtained. However, once a Purchase Agreement has been accepted for a Unit, and for so long as such Purchase Agreement is in effect, such Unit may only be leased to the Purchaser thereof. The lease will be for such rent (but not to exceed the maximum rent legally collectible, if any) and upon such other terms as may be mutually agreed upon. Such lease will also provide that an uncured default by the Purchaser under his Purchase Agreement will constitute a default under the lease entitling the landlord (Sponsor), at its sole option, to terminate the lease. The Purchase Agreement contains a similar cross-default provision entitling the Sponsor to cancel the Purchase Agreement in the event that the Purchaser fails to cure a default under his lease within the applicable grace period (if any) and such default results in his eviction from the Unit (whether by voluntary removal or by court order or decree issued by an agency of competent jurisdiction against the Purchaser). No portion of the rental paid under such lease will be credited toward the Unit's purchase price. No Purchaser shall have the right to occupy the Unit purchased by him prior to closing unless Sponsor agrees to permit such occupancy under an Interim Use and Occupancy Agreement or other written rental agreement.

Sponsor will endeavor in good faith to sell the Units offered for sale in the Plan rather than rent. But, Sponsor is hereby reserving an unconditional right to rent rather than sell its Unsold Units above the number of Units necessary to make the Plan effective, that is, a minimum of 15% (or 2 Units) of the seven (7) Units offered for sale at this time to bona fide Tenants in occupancy or bona fide non-tenant-purchasers who must represent that they intent that they, or a specified member of their family, will occupy the dwelling unit when it becomes vacant or to cease marketing other Units for sale. However, Sponsor reserves the right to rent or lease Unsold Units prior to closing the sale thereof to the Purchaser. Consequently, it is possible that a significant portion of Unit Owners will not be residents of the Building. The New York State Court of Appeals, in its opinion in *511 East 232 Owners Corp. v. Jennifer Realty Co.*, 98 N.Y.2d 144, 746 N.Y.S.2d 131 (2002) ("*Jennifer Realty*"), ruled that a cooperative housing corporation and certain of its tenant shareholders had a cause of action with respect to their claim that their Sponsor breached its "contractual obligation to dispose of all of its unsold shares within a reasonable period of time." Sponsor, as the Owner of any Unsold Units, has reserved the right to rent or lease any Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion, or to use or offer the Unsold Units for any lawful purpose. Sponsor believes that the cause of action in *Jennifer Realty* would not exist with respect to this Offering.

As a consequence of the foregoing, a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units after plan consummation, there is no commitment to sell more Units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium.

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

Sponsor's right to rent or lease any Unsold Unit will not be subject to any right of first refusal in favor of the Board of Managers.

Sale of Units

Sponsor reserves the right, freely and without restriction, to sell any of the Unsold Units. In connection with the sale of any of the Unsold Units, Sponsor shall have, in addition to any other rights the Sponsor may have pursuant to the terms of the By-Laws and Declaration, the right to maintain any of the Unsold Units as a sales office (and/or a leasing office) and to post signs in the common areas advertising the Units for sale (or rent).

The Board of Managers shall, at the request of the Sponsor, cause any existing building alteration, application or permit to be modified to allow any work, which the Sponsor seeks to perform with respect to the Common Elements or the Unsold Units.

Certificate of Occupancy

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without an FCO covering the residential units, 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 TCOs and FCOs are issued by the DOB. A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for Sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire Building. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within two (2) years, which is the timeframe anticipated by the Multiple Dwelling Law for issuance of an FCO. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE UNITS, AND SHALL

EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Prior to the issuance of the FCO for the Building, other than decoration or minor repairs, no Unit Owner (other than Sponsor or its designee) may make any repairs, improvements, alterations, replacements or modifications of any nature to a Unit. Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual units prior to the procurement of a FCO; it being understood and agreed, however, that such renovations shall be limited to design and decorative purposes, which may nevertheless cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO.

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

CONTROL BY SPONSOR

Initial Control Period

Sponsor shall have the right to vote all of the Common Interest attributable to the Unsold Units, except that, when voting for members of the Board of Managers, Sponsor will, in no event, cast its votes in favor of more than two (2) Sponsor Designees to be elected to the three (3) member Board of Managers. Further, at all elections held after the expiration of the Initial Control Period (i.e., the period ending on the earlier to occur of (i) the date on which one hundred (100%) percent of the Unsold Units are sold or (ii) five (5) years from the date of the First Closing), not more than two (2) of the members of the Board of Managers may be designees of the Sponsor or the then Owner of the Unsold Units. Accordingly, from and after the First Annual Meeting, at least one (1) of the members of the Board of Managers shall be unrelated to the Sponsor. A meeting will be held to elect the requisite number of new board members unrelated to the Sponsor within thirty (30) days of the expiration of the Initial Control Period.

After the Initial Control Period, Sponsor or its designee, as Owner of Unsold Units, shall have the right to designate the following minimum number of members to the Board of Managers:

(i) Two (2) members, for so long as the percentage of Common Interest attributable to the Unsold Units equals twenty (20%) percent or more;

(ii) One (1) member, for so long as Sponsor or its designee owns at least one (1) Unsold Unit.

The number of members of the Board of Managers may not be increased without the consent of the Owner of the Unsold Units for so long as there remains at least two (2) Unsold Units. The By-Laws do not include a provision that after the Sponsor's Initial Control Period, a majority of the Board must be owner-occupants or members of an owner-occupants household who are unrelated to Sponsor and its principals. Purchasers are referred to the By-Laws for further details.

All members of the Board of Managers shall serve without compensation. Members of the Board of Managers are subject to removal, without cause, by vote of Unit Owners owning more than fifty (50%) percent of the Common Interest, attending a meeting at which a quorum is present. However, members designated or elected by Sponsor or its designee may only be removed without cause by Sponsor or its designee, who alone will have the right to designate a replacement. Notwithstanding anything herein to the contrary, any member of the Board may be removed for cause by Unit Owners owning more than fifty (50%) percent of the Common Interests but upon any such removal of a sponsor designee, Sponsor shall have the sole right to designate a replacement member of the Board.

Until Sponsor no longer elects a majority of the members of the Board of Managers, Sponsor will, through its control of the Board of Managers, be able to control 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. Purchasers are further advised that Sponsor, through its ownership of Unsold Units, could indefinitely retain voting control of the Board. Purchasers are referred to the By-Laws for further details.

Notwithstanding anything to the contrary contained herein, during the first five (5) years following the First Closing, the Board of Managers may not, without Sponsor's or such designee's prior written consent: (a) make any addition, alteration, or improvement to the Common Elements, Limited Common Elements or to any Unit, unless required by law or necessary for the health or safety (but not the general comfort and welfare) of the Unit Owners (nothing contained herein shall restrict the right and obligation of the Board of Managers to maintain and repair the Common Elements and Limited Common Elements); (b) assess any Common Charges for the creation or replacement of, or addition to, all or part of a reserve, contingency, or surplus fund in excess of five (5%) percent in the aggregate of the estimated Common Expenses for any year of operation; (c) increase the number or change the type of employees from that described in Schedule B; (d) enter into any service or maintenance contract costing in excess of $10,000 per annum; or (e) borrow money on behalf of the Condominium.

Sponsor's Veto Power

Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required;

(i) to comply with applicable laws or regulations; or
(ii) to remedy any notice of violation; or
(iii) to remedy any work order by an insurer.

Sponsor may exercise veto power over expenses other than those described above, for a period ending not more than five (5) years after the closing of the first Unit.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND RIGHTS AND OBLIGATIONS OF THE BOARD OF MANAGERS

Each Unit Owner will have the following rights and obligations:

Sale and Leasing of Units

Each Unit Owner may sell or lease his Unit, provided he first gives written notice to the Board of Managers of his intention to do so. Such notice shall be accompanied by a fully executed copy of the contract of sale or lease agreement, containing all of the terms offered in good faith by the Prospective Purchaser or Lessee.

After a Unit Owner notifies the Board of Managers of its intention to sell or lease his Unit, the Board of Managers, on behalf of all Unit Owners, shall have the exclusive right to purchase or lease the Unit (or designate another to purchase or lease the Unit) not later than thirty (30) days after receipt of such notice on the same terms, as more specifically set forth in Article 8 of the By-Laws, page G-33 of the Offering Plan. If the Board of Managers or its designee shall fail to accept such offer not later than thirty (30) days after receipt of notice, the Board of Managers shall be deemed to have waived its right of first refusal and the Unit Owner shall have ninety (90) days following expiration of the said thirty (30) day period to consummate the sale or lease accordance with the terms stated in the contract of sale or lease agreement appended to such notice, failing which the Unit Owner will again be required to first offer the same to the Board of Managers as provided above. In accordance with Section 8.1.6 of the Condominium By-Laws: No lease shall be for a period of which is less than six (6) months in order to avoid transient tenancies.

The foregoing restrictions shall not apply to Unsold Units. Sponsor and its designees shall have the right freely to sell such Units or freely to lease all or any part thereof without first having to offer the same for sale or lease to the Board.

With regard to the Board's right of first refusal, the Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

The Board of Managers may not exercise its option to purchase any Unit unless the Unit Owners owning more than one-half (1/2) of the Common Interest affirmatively vote in favor thereof, in person or by proxy, at a meeting of Unit Owners at which a quorum is present. The Board of Managers may not exercise its option to lease any Unit unless a majority of the members of the Board of Managers affirmatively vote in favor thereof, in person or by proxy, at a meeting of the Board of Managers at which a quorum is present. If approval is given, the Board of Managers may assess each Unit Owner (other than the selling Unit Owner), in proportion to his percentage of Common Interest, an amount necessary to effectuate the purchase or lease.

Notwithstanding the foregoing, any Unit Owner may sell or lease his Unit to his spouse, adult child, parent, grandparent, parent-in-law, or adult sibling, or may convey his Unit by gift, devise it by will, or have it pass by intestacy, without complying with the restrictions described above, provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, such restrictions. In addition, any Unit Owner that is not a natural person may sell, lease, or convey its Unit to a related or controlled entity as more particularly set forth in Article 7 of the

By-Laws.

The foregoing restrictions upon the sale and leasing of Units shall not apply to Sponsor or its designee, with respect to any Unsold Units or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure.

Unit Owners (including the Condominium or its Board of Managers but excluding the Sponsor or Sponsor's designee) who sell their Units shall be required to pay to the extent allowed by law, a fee to the Board of Managers or its Managing Agent for the services performed in connection with processing the application for the sale or lease of their Units.

Each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's (i) percentage of Common Interest, (ii) the undivided interest in any Unit or Units acquired by the Board of Managers (or the proceeds received at a foreclosure or other judicial sale of a Unit), and (iii) the undivided interest in any other assets of the Condominium. In addition, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit, other than Permitted Mortgages, are paid and satisfied at or prior to closing. At the time of acquisition of a Unit and as a condition thereof, the new Unit Owner shall be required to execute, acknowledge and deliver, in accordance with Article 16 of the Declaration of Condominium as set forth as Document 8 in Part II of the Plan, a Unit Owner's Power of Attorney in favor of the Board of Managers and Sponsor, in the form set forth as Document 3 in Part II of the Plan.

A lease for any Unit (other than an Unsold Unit of which a Purchase Agreement is in effect and which is leased to the Purchaser thereof) shall be for a term of not less than one (1) year and not more than two (2) years and shall be in the form of an apartment lease then approved by the Real Estate Board of New York, Inc., except for such changes thereto as are provided in the By-Laws. The restrictions provided for herein shall not apply to the Sponsor or its designees who may lease their Units on such terms and conditions as they deem appropriate. In addition, any such lease shall also provide that if the Unit Owner defaults in paying any amount, which may be due and owing to the Condominium, then Lessee shall, upon demand of the Condominium, pay any amounts due under the lease to the Condominium.

The foregoing restrictions and limitations on the right to sell or lease a Unit may be modified or added to in the future provided the provisions in the By-Laws for amending same are followed (see the section entitled "Summary of Declaration and By-Laws" for further details).

Restrictions on the Use and Occupancy of Units

Each Unit shall be used only as a residence, by not more than one (1) family unit and for any home occupation permitted by law. Notwithstanding the foregoing, the Sponsor may use any one or more of the Unsold Units as model units and sales and/or promotion offices in connection with the sale or rental of the Unsold Units or for any other purpose, subject only to compliance with the applicable laws and the then existing Certificate of Occupancy.

A Unit owned or leased by an individual may be occupied only by the individual and members of his immediate family. The By-Laws define the "immediate family" to include a spouse or live-in companion, children (natural or adopted), step-children, grandchildren, siblings, parents, parents-in-law and grandparents of the Unit Owner.

A Unit owned or leased by a corporation, partnership, fiduciary, or other entity may be occupied by a designated officer, director, stockholder, or employee of such corporation, or by a designated partner or employee of such partnership, or by said fiduciary (including designated officers, directors, stockholders, or employees of corporate fiduciaries), or by the beneficiary of said fiduciary, or by a principal or designated employee of such other entity, respectively, or by members of the immediate family of any of the foregoing. Within thirty (30) days after a Unit is acquired by one other than an individual, such non-individual Owner shall notify the Building's Managing Agent of the name of the officer, director, stockholder, partner or employee designated by such Owner to occupy its Unit. The person so designated may be changed from time to time by the non-individual Owner by similar written notice to the Managing Agent. However, all designees must be bona fide officers, directors, stockholders, partners or employees of the non-individual Owner and, under no circumstances, may more than one (1) family occupy a Unit at one time.

Guests are permitted to occupy a Unit only when a Unit Owner (or, in the case of a Unit owned by a non-individual, the designee of such Unit Owner) or members of his family are present. The foregoing restriction does not apply to the Unsold Units.

No nuisance or immoral, improper, offensive or unlawful use shall be allowed in the Building or any portion thereof. No portion of a Unit, other than the entire Unit, may be rented, and no transient tenants may be accommodated therein. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Board of Managers, whoever shall have the obligation to maintain or repair such portion of the Property. No plantings shall be placed or installed on the balconies without the prior written approval of the Board of Managers or the Managing Agent.

The Rules and Regulations of the Condominium, which govern the use of all of the Units, may be amended from time to time by the Board of Managers, provided that copies of such amendments are furnished to each Unit Owner prior to the time that they become effective and provided further that no such amendment may be made which will affect the right of the Sponsor without their prior written consent.

Right to Mortgage Units

Each Unit Owner may mortgage his Unit, provided the Unit Owner first complies with the following conditions, as more particularly set forth in Article 7 of the By-Laws of the Condominium in the form as set forth as Document 7 in Part II of the Plan: (i) the mortgage must be substantially in the form of the New York statutory form of mortgage or the form required by a Bank, Savings, and Loan Association or other lending institution, except for such changes or additions as may be required to permit a lender to make the loan; (ii) written notice thereof together with a copy of the mortgage is sent to the Board of Managers; and (iii) the Unit Owner is not in arrears of Common Charges and first satisfies all other pre-existing unpaid liens against his Unit. Sponsor or its designee, as the Owner of an Unsold Unit, shall have the right to mortgage such Unsold Unit without any restriction or limitation, except that the Board of Managers is required to be notified in writing of the making of any such mortgage and is to be given a copy thereof.

Obligation to Pay Common Charges and Assessments

The Board of Managers will prepare and distribute to all Unit Owners annually a budget

setting forth its projection of the Common Expenses for the Condominium's coming fiscal year. Based upon such budget, the Board of Managers will determine and advise each Unit Owner of the proportionate share of the Common Charges payable by each Unit Owner during the ensuing fiscal year, which will be paid on the percentage of Common Interest allocated to his Unit.

Pursuant to the terms of Article 6 of the By-Laws, the Board of Managers has the right to revise its projection of the Common Expenses at any time and from time to time during the Condominium's fiscal year. Any such revision may result in an increase or decrease in the amount of Common Charges payable by Unit Owners during such fiscal year. However, no such revision shall have a retroactive effect on the amount of Common Charges payable by Unit Owners prior to the date of such new determination.

Unless otherwise determined by the Board of Managers, Common Charges will be payable in monthly installments, in advance, on the first day of each calendar month. No Unit Owner will be relieved from liability for the payment of his Common Charges by waiving the use of any of the Common Elements or Limited Common Elements or by mere abandonment of his Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a permissible sale, transfer, or other conveyance by him of such Unit.

Any Unit Owner may, by conveying his Unit to the Board of Managers without consideration and by complying with certain conditions set forth in the By-Laws in connection therewith, exempt himself from Common Charges accruing thereafter.

In the event that the Board of Managers forecloses its statutory lien on any Unit for unpaid Common Charges and the net proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, or if such Unit is acquired by a mortgagee or buyer at a mortgage foreclosure sale, then, in either event, the defaulting Unit Owner shall remain personally liable for the balance of unpaid Common Charges. The Board of Managers shall have the right to assess such unpaid balance amongst all Unit Owners at the time that the lien is levied.

Under the provisions of Section 339-z of the Condominium Act and Article 6 of the By-Laws, the Board of Managers will have a lien, on each Unit for unpaid Common Charges assessed against such Unit together with interest thereon. All such liens, however, will be subordinate, to the extent required by applicable law, to any liens for real estate taxes and assessments on such Unit.

Obligation to Repair and Maintain the Units, Limited Common Elements and Common Elements

Generally, all maintenance, repairs and replacement to the Common Elements and all maintenance, repairs and replacements of a structural nature to the Limited Common Elements will be made by the Condominium and all maintenance repairs and replacements to the Units and non-structural maintenance, repairs and replacements to the Limited Common Elements will be made by the respective Unit Owners at their own cost and expense. For a discussion relating to the repair of the Building or the Common Elements in the event of a fire or other casualty see paragraph 5 of the following section entitled "Summary of Declaration and By-Laws."

In the event that any Unit Owner fails to maintain or repair his Unit, or in the event of any breach of the Condominium Documents, then, as set forth in Article 6 of the By-Laws, the Board of Managers shall have certain rights to perform such maintenance or repairs, or to cure such breach, at

such Unit Owner's expense.

The Board has the right to accumulate reserves for capital expenditures.

The Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of common charges while it is in control of the Board of Managers.

Alterations and Improvements of Units, Common Elements and Limited Common Elements

No Unit Owner (except Sponsor or its designee) may make any structural alteration, addition, improvement, or repair in or to his Unit or its Limited Common Elements without the prior written approval of the Board of Managers. Such approval may be conditioned, in the discretion of the Board of Managers, upon the execution of an agreement by such Unit Owner, in form and substance satisfactory to the Board of Managers, setting forth the terms and conditions upon which such alteration, addition, improvement, or repair may be made, including (a) obtaining such insurance as the Board of Managers may reasonably require, and (b) indemnifying the Board of Managers. Except as otherwise provided in the By-Laws, no Unit Owner may make any alteration, addition, improvement, or repair in or to the Common Elements or Limited Common Elements.

Sponsor (or its designee) shall have the right, without the approval of the Board of Managers, or representatives of holders of mortgages on Units to (a) make alterations, additions, improvements, or repairs in or to any Unsold Unit, including a change in the use and Certificate of Occupancy for any Unsold Unit and its Limited Common Element, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (b) subdivide, combine and change the boundary walls of Unsold Units (see the section entitled "Changes in Prices or Units" for further discussion).

At the request of Sponsor (or its designee) the Board of Managers, will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such addition, alteration, improvement, repair, change of use or proposed to be made to the Unsold Units, at which time Sponsor (or such designee) shall indemnify and hold the Condominium harmless from any expense or liability by virtue of the execution of the application or such other documents.

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

Insurance

Upon commencement of Condominium operations, the Property will be provided with the insurance coverage described in Note 8 to Schedule B, which is for the benefit of all the Unit Owners and provides for basic casualty insurance for the Limited Common Elements and the Common Elements and liability insurance for occurrences on the Common Elements. This insurance does not cover personal property within Units. Unit Owners may obtain supplemental or additional insurance for their own benefit, provided that such policies contain waivers of subrogation and provided further, that the liability of the companies issuing insurance procured by the Board of Managers shall not be affected or diminished by any Unit Owner's supplemental or additional insurance.

Each Unit Owner should consider the desirability of obtaining additional insurance at his or her own cost covering: (i) fire or casualty losses to the contents of his or her Unit and any replacements, additions, upgraded fixtures and improvements therein, and (ii) liability for personal injury or property damage as a result of occurrences in his or her Unit and any appurtenant Limited Common Elements.

Rights of Access

As more fully set forth in the By-Laws, the Board of Managers, the Managing Agent, the Superintendent and all other persons authorized by the Board of Managers have a right of access to any Unit and its Limited Common Elements for the following purposes, among others: to make inspections regarding violations of governmental laws or regulations against any part of the Property, curing defaults committed by the Owner of such Unit under the Condominium Documents, or correcting any conditions originating in any Unit and threatening any other Unit, Common Element, or Limited Common Element. In addition, Sponsor and its contractors, subcontractors, agents and employees have a right of access to each Unit and to all of the Common Elements and Limited Common Elements, for purposes of completing construction of the Building or performing alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan.

Compliance With the Terms of the Declaration, the By-Laws and the Rules and Regulations

Each Unit Owner must strictly comply with the provisions of the Condominium Documents, as the same may be amended, modified, deleted, or added to, from time to time, pursuant to the terms thereof. Failure to strictly comply with the provisions of the Condominium Documents is grounds for an action for damages, injunctive relief, or both.

Changes Of Sizes, Layouts, Finishes And Number Of Units

In order to meet the possible varying demands for number and type of Units, or to meet the particular needs of Prospective Purchasers, or for any other reason, Sponsor reserves the right, both prior to and after the First Closing, to change:

(i) the layout of Unsold Units;

(ii) the number of Units, by subdividing one or more Unsold Units into two or more separate Units, or by combining two or more separate Unsold Units into one or more Units;

(iii) change the size of any Unsold Unit, by subdividing or combining Units as aforesaid, or by altering the boundary walls of Unsold Units or otherwise including, without limitation, the use of the portion(s) of the Common Elements or Limited Common Elements adjacent to such Unsold Units to the extent that such portion(s) are not necessary for access or egress to any other Units; and

(iv) the use of any portion of the Common Elements adjacent to such Unsold Units to the extent that such portion is not required to be maintained as Common Elements pursuant to the terms of the Declaration and that no material change will be made in the in the quality of Common Elements.

SUMMARY OF DECLARATION AND BY-LAWS

Board of Managers

The affairs of the Condominium shall be governed by the Board of Managers, which shall initially consist of two (2) members designated by Sponsor. Sponsor has designated Matthew Lee, and Peter Lee, designees of Sponsor, to be the initial members of the Board. All members of the Board of Managers shall serve without compensation. At the First Annual Meeting, which will be held within approximately nine (9) months after the First Closing, the two (2) member Board of Managers shall resign in favor of a new two (2) member Board of Managers and after the Initial Control Period by the Sponsor the number of members of the Board of Managers be increased to three (3), not more than two (2) of the Members of the Board of Managers may be designees of Sponsor or the then owner of the Unsold Units. Thereafter, elections to the Board of Managers shall be held at the regular annual meeting of Unit Owners held within approximately thirty (30) days of each anniversary of the first annual meeting, unless otherwise set forth by a majority of the Unit Owners. See Article 3 of the By-Laws entitled "Unit Owners" for further discussion.

The term of office of each member of the Board of Managers shall normally be one (1) year. At the expiration of the initial term of office of each member of the Board of Managers, such member's successor shall be elected to serve for a term of one (1) year.

All members of the Board of Managers, other than the Sponsor or any Sponsor designees, shall be either: (a) Unit Owners or spouses of Unit Owners, or mortgagees of Units or a spouse of an individual mortgagee; (b) partners or employees (or their spouses) of a partnership owning a Unit or a mortgage covering a Unit; (c) officers, directors, stockholders or employees (or their spouses) of corporate Owners or corporate mortgagees of Units; or (d) fiduciaries or their beneficiaries (or their spouses) who are Owners of mortgagees of Units (or directors, officers, stockholders, or employees, or their spouses, of corporate fiduciaries, or partners or employees, or their spouses, of partnership fiduciaries). However, members elected by Sponsor or its designee are not subject to the foregoing restrictions. Other than members elected by Sponsor or its designee, no member shall continue to serve on the Board of Managers after he or she ceases to be a Unit Owner or an interested party in a Unit Owner, as specified in the first sentence of this paragraph.

Members of the Board of Managers are subject to removal, without cause, by vote of Unit Owners owning more than fifty (50%) percent of the Common Interest, attending a meeting at which a quorum is present. However, members designated or elected by Sponsor or its designee may only be removed without cause by Sponsor or its designee, who alone will have the right to designate a replacement. Notwithstanding anything herein to the contrary, any member of the Board may be removed for cause by Unit Owners owing more than fifty (50%) percent of the Common Interests but upon any such removal of a sponsor designee, the Sponsor shall have the sole right to designate a replacement member of the Board.

Control by Sponsor

Sponsor shall have the right to vote all of the Common Interest attributable to Units owned by Sponsor, except that when voting for members of the Board of Managers, Sponsor shall, in no event, cast its votes in favor of more than two (2) designees who are related to the Sponsor. Further, at all elections held after the expiration of the Initial Control Period, not more than two (2) of the members of the Board of Managers may be designees of the Sponsor or the then Owners of the

Unsold Units; at least one (1) of the members of the three member Board of Managers shall be non-Sponsor designees.

After the Initial Control Period, Sponsor or its designee, as Owner of the Unsold Units, shall have the right to have the following minimum number of members of the Board of Managers: (a) two (2) members, for so long as the Common Interest attributable to the Unsold Units equals, in the aggregate, twenty (20%) percent or more of the Common Interests of all Units; and (b) one (1) member, for so long as Sponsor or its designee owns at least one (1) Unsold Unit.

The number of members of the Board of Managers may not be increased without the consent of the Owner of the Unsold Units for so long as there remains at least two (2) Unsold Units.

Until Sponsor no longer elects a majority of the members of the Board of Managers, Sponsor will, through its control of the Board of Managers, be able to control 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 Unit Owners shall hold annual meetings within approximately thirty (30) days of each anniversary of the first annual meeting unless otherwise set forth by a majority vote of the Unit Owners. At each annual meeting, the Unit Owners shall elect successors to the members of the Board of Managers whose term of office expires as of such meeting. In addition, special meetings of Unit Owners may be held from time to time, pursuant to the By-Laws, whenever necessary for the affairs of the Condominium.

Each Unit Owner shall be entitled to cast one (1) vote at all meetings of the Unit Owners for each .0001% of Common Interest attributable to the Unit(s) owned by him or her, except that when voting for the election of members of the Board of Managers, each Unit Owner: (i) shall be entitled to one (1) vote for each .0001% of Common Interest attributable to his or her Units per member to be elected. The presence, in person or by proxy, of Unit Owners having a majority of the votes of all Unit Owners shall constitute a quorum at all meetings of the Unit Owners, and, unless otherwise provided, the decision of the Unit Owners casting a majority of the votes of the Unit Owners at a meeting at which quorum shall be present shall be binding upon all of the Unit Owners. However, elections of members of the Board of Managers shall be determined by plurality vote.

Powers and Duties of the Board of Managers

The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium (subject to the limitations set forth in the By-Laws), including, without limitation, the following:

(a) operation, care, upkeep and maintenance of the Common Elements and Limited Common Elements;

(b) determination of the Common Charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property;

(c) collection of the Common Charges from the Unit Owners;

(d) employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements and Limited Common Elements;

(e) adoption and amendment of the Rules and Regulations covering the details of the operation and use of the Property (subject to the right of the Unit Owners to overrule the Board of Managers as provided in the By-Laws);

(f) maintaining bank accounts on behalf of the Condominium and designating the signatures required therefor;

(g) purchasing, leasing, or otherwise acquiring in the name of the Board of Managers or its designees, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their Owners to the Board of Managers;

(h) purchasing Units at foreclosure or other judicial sales, in the name of the Condominium or its designee, on behalf of all Unit Owners;

(i) selling, leasing, mortgaging, or otherwise dealing with (but not voting the votes appurtenant to) Units acquired by, and subleasing Units leased by, the Condominium or its designee, on behalf of all Unit Owners;

(j) obtaining and renewing insurance for the Property, including the Units;

(k) making repairs, additions and improvements to, or alterations of, the Property and repairing and restoring the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

(l) enforcing obligations of the Unit Owners;

(m) levying fines against the Unit Owners for violations of the Rules and Regulations (no fine may exceed fifty ($50) dollars for any one violation, but, for each day a violation continues after notice, it shall be considered a separate violation);

(n) commencing any action or other proceeding against any third party (including the Sponsor) to enforce the rights of Unit Owners or the Condominium, provided only that, any litigation or proceeding, which is estimated to cost more than fifty thousand ($50,000) dollars in the aggregate, as reasonably determined by the Board, shall require the consent of at least two-thirds (2/3) of all Unit Owners, and provided further that the Board may commence, without first obtaining the consent of the Unit Owners, any proceeding necessary to collect maintenance charges;

(o) borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep, and maintenance of the Common Elements or Limited Common elements, provided, however, that (i) the consent of at least seventy five (75%) percent of all Unit Owners, both in number and in Common Interests, shall be required for the borrowing of any sum in excess of $20,000, and

(ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the Unit Owner;

(p) adjusting and settling insurance claims and executing and delivering releases in connection therewith; and

(q) bringing tax certiorari proceedings on behalf of the Unit Owners.

The Board of Managers shall be responsible for maintaining and repairing the common Elements and Limited Common elements as set forth in the Declaration and in the By-Laws, regardless of whether a Unit is vacant or occupied by the Owner thereof or by a permitted lessee or other occupant.

Notwithstanding anything to the contrary contained herein, for so long as Sponsor or its designee or both shall continue to collectively own Units representing twenty (20%) percent or more in number or in aggregate Common Interest, but in no event later than the expiration of the Initial Control Period, five (5) years from the date of the First Closing, the Board of Managers may not, except as disclosed in this Offering Plan, without Sponsor's or such designee's prior written consent:

(a) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless required by law or necessary for the health or safety (but not the general comfort and welfare) of the Unit Owners (nothing contained herein shall restrict the right and obligation of the Board of Managers to maintain and repair the Common Elements and Limited Common Elements);

(b) assess any Common Charges for the creation or replacement of, or addition to, all or part of a reserve (for capital replacements or otherwise), contingency, or surplus fund in excess of five (5%) percent in the aggregate of the estimated Common Expenses for any year of operation;

(c) increase the number or change the type of employees from that described in the First Year's Budget;

(d) enter into any service or maintenance contract costing in excess of $10,000 per annum; or

(e) borrow money on behalf of the Condominium.

Officers of the Condominium

The officers of the Condominium shall consist of the President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers at its annual meeting. All officers shall serve without compensation from the Condominium. None of the officers need be Unit Owners until the two (2) member Board of Managers is elected after the First Annual Meeting. Thereafter, the President, the Secretary and Treasurer must all be members of the Board of Managers.

Cost of Services

The cost of snow removal from, and maintenance of, the sidewalks, arcades, plaza, planted areas etc. and public walks shall be a Common Expense. Snow removal, planting and regular maintenance of the garden shall be the responsibility of the Unit Owner whose Unit is appurtenant to such garden. All maintenance and repairs to the Common Elements and Limited Common Elements, which are the responsibility of the Board of Managers, shall be performed by employees of the Condominium or by independent contractors. The Condominium will employ a non-resident Superintendent, whose estimated wages are included in Schedule B.

When, in the judgment of the Board of Managers, the Common Elements or Limited Common elements shall require additions, alterations, or improvements costing more than $50,000 in the aggregate, in any calendar year, such additions, alterations, or improvements shall not be made unless the same have been approved by the Unit Owners (including Sponsor, if it then owns any Unit) owning a majority of the Common Interests at a duly constituted Unit Owner's meeting and by the representatives of institutional mortgagees of Units (the "Mortgage Representatives"), if any, appointed pursuant to the By-Laws. If approved, the Board of Managers may, in its discretion, assess each Unit Owner his pro-rata share of the cost of such additions, alterations, or improvements, according to his or her Common Interest, as part of the Common Charges. Any additions, alterations, or improvements costing $50,000 or less, in the aggregate, in any calendar year, may be made by the Condominium without the approval of the Unit Owners or the Mortgage Representatives, if any, and the cost thereof shall constitute a Common Expense. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to the Common Elements or Limited Common Elements, regardless of the cost thereof, without the consent of Sponsor (for the sooner of two (2) years following the First Closing or for so long as Sponsor or its designee or both shall collectively own Units representing twenty (20%) percent or more in number or in Common Interests), unless same is required by law or is necessary for the health or safety (but not the general comfort or welfare) of the residents of the Building. However, nothing contained in the preceding sentence shall restrict the right and obligation of the Condominium to maintain and repair the Common Elements and Limited Common Elements.

Repair or Restoration After Fire or Other Casualty

Except as set forth in the next paragraph, in the event that the Building or any part thereof is damaged or destroyed by fire on other casualty, the Board of Managers will arrange for the prompt repair and restoration thereof (including any damaged Units, but excluding appliances, fixtures, furniture, furnishings, or other personal property not constituting a part of such Unit). If the insurance proceeds are insufficient to cover the cost of repairs or restoration, the Condominium may assess all Unit Owners for such deficit as a Common Expense. Any surplus insurance proceeds shall be paid to all Unit Owners in proportion to their respective Common Interests, except 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 reduce unpaid liens on his Unit (other than mortgages that are Permitted Mortgages) in the order of priority of such liens.

If seventy-five (75%) percent or more of the Building is destroyed or substantially damaged, and if seventy-five (75%) percent or more of all Unit Owners, both in number and in Common Interests, do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, in which case the net proceeds of the resulting sale, together with the net proceeds of insurance

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

Insurance

The Board of Managers shall maintain fire insurance policies, insuring the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, or other personal property supplied or installed by the Unit Owners or tenants of Unit Owners) and covering the interests of the Condominium, the Board of Managers, all of the Unit Owners and the holders of all Permitted Mortgages (the "Permitted Mortgagees"), as their respective interests may appear, in an amount equal to at least the full replacement value of the Building (exclusive of excavation and foundations), without deduction for depreciation. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the loss proceeds, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee (hereinafter defined) as set forth below. The cost of all such insurance shall be paid by the Board of Managers and shall be borne by the Unit Owners as part of the Common Charges.

The proceeds of all such policies of physical damage insurance shall be payable to the Board of Managers, in the event of a loss amounting to $100,000 or less, and to the Insurance Trustee, if the loss shall amount to more than $100,000. Such proceeds shall be applied for the purpose of repairing, restoring, or rebuilding the Building, unless otherwise determined by Unit Owners. In no event shall such proceeds be paid to the holder of any mortgage placed by a Unit Owner on his Unit unless, in accordance with the provisions of Section 5.5 of the By-Laws, there shall be a determination not to rebuild the Building. The Insurance Trustee shall be a bank or trust company, having an office in the City and State of New York, designated by the Board of Managers in accordance with the By-Laws.

All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on co-insurance or on 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 written notice to all of the insureds, including Permitted Mortgagees. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all permitted mortgagees ten (10) days prior to the expiration of the then current policies, and each Unit Owner shall receive a certificate of such insurance.

The Board of Managers shall also maintain, to the extent obtainable (a) fidelity insurance covering all officers and employees of the Condominium and of the Managing Agent (if any) who handle Condominium funds; (b) public liability insurance as to personal injury and property damage in such limits and amounts as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the Managing Agent or manager (if any) and each of the

Unit Owners; (c) rent loss insurance in such limits and amounts as the Board of Managers may, from time to time, determine; (d) workmen's compensation and New York State disability benefits insurance; (e) boiler insurance; and (f) such other insurance as the Board of Managers may, from time to time, determine. Such public liability insurance will also cover cross-liability claims of one insurer against another.

However, such insurance will not cover the individual liability of a Unit Owner arising from any occurrence within his or her own Unit. In addition, members of the Board of Managers and officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each member or officer (as the case may be) shall be liable for his or her own bad faith or willful misconduct. Prospective members and officers are advised to consult with their own attorneys about the risk of personal liability in their capacity as a board member or officer.

Any insurance maintained by the Condominium may provide for such deductible amounts as the Board of Managers may determine. The cost of all such insurance shall be paid by the Condominium and shall be borne by all Unit Owners as part of the Common Charges.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that such policies contain waivers of subrogation and provided, further, that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Unit Owner's other insurance. A Unit Owner should consider maintaining, at his or her own expense: (a) separate insurance on the contents (i.e., furniture and other personal property and belongings) in his Unit, in such amount as will be adequate to insure against loss by reason of fire or other casualty, and (b) liability insurance against claims for personal injury or property damage resulting from occurrences in his or her Unit or its appurtenant Limited Common Elements.

Liability of the Board of Managers and the Unit Owners

The members of the Board of Managers and the officers of the Condominium will have no liability to Unit Owners because of errors of judgment, negligence, or otherwise, except that individual members and officers will be liable for their own bad faith or willful misconduct. The Board of Managers may contract or effect other transactions with any member thereof, with any Unit Owner, with Sponsor, or with any affiliate of any of them at competitive rates without incurring any liability for self-dealing.

Every contract made by the Board of Managers, by any officer of the Condominium, or by any Superintendent or Managing Agent of the Building shall state (if obtainable) that (a) it is made only as agent for all Unit Owners (if the contract affects the Common Elements and Limited Common Elements), (b) the members of the Board of Managers or such officer, Superintendent, or Managing Agent shall have no personal liability for such contract (except in their capacities as Unit Owners), and (c) the liability of any Unit Owner with respect to such contract shall be limited to: (i) the proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate common interests of all Unit Owners, and (ii) such Unit Owner's interest in his or her Unit and its appurtenant Common Interest, unless otherwise provided by law.

All Unit Owners shall severally indemnify each member of the Board of Managers against any liability or claim, contractual or otherwise, except those arising out of the bad faith or willful

misconduct of such member or that are contrary to law or the terms of the Declaration or the By-Laws. However, the liability of any Unit Owner on account of such indemnification will be limited to such proportionate share thereof as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners.

Reports to Unit Owners

An annual report of the income and expenses of the Condominium, certified by an independent certified public accountant, shall be submitted by the Board of Managers to all Unit Owners within four (4) months after the end of each fiscal year of the Condominium. The records and books of account of the Condominium will be available for inspection by any Unit Owner during reasonable business hours.

Amendments to the Condominium Documents

Generally, subject to certain exceptions, and provided that any required consent of the Mortgage Representatives is obtained, any provision of the Declaration, the By-Laws, or the Rules and Regulations may be amended, modified, added to, or deleted by the affirmative vote of two thirds (2/3) of all Unit Owners, both in number and in Common Interests. However, for so long as Sponsor or its designee is the Owner of one or more Units, the Declaration, the By-Laws and the Rules and regulations may not be amended or modified so as to adversely affect Sponsor or such designee without the prior written consent of Sponsor or said designee. In addition, the provisions of the Declaration and By-Laws relating to (i) the use of Units or each Unit's Common Interest may not be amended without the prior written consent of every Unit Owner affected by such amendment or (ii) the rights, benefits and exemptions of the Unsold Units.

Termination of the Condominium

The Condominium shall continue (unless terminated by casualty, loss, condemnation, or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent of all Unit Owners, both in number and in Common Interests. In addition, the written consent of the Mortgage Representatives, if any, shall be required before such vote is effective. Sponsor will not vote the aggregate Common Interests appurtenant to Unsold Units for such withdrawal unless at least eighty (80%) percent of all other Unit Owners, both in number and in Common Interests, elect to withdraw, at which time Sponsor may choose to vote its Common Interests either in favor of, or against, withdrawal from condominium Ownership, as it sees fit. 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 resulting therefrom 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, in the order of priority of such liens.

Right of First Refusal

In accordance with Article 7 of the By-Laws, the Condominium (or its designee), on behalf of all Unit Owners, shall have the exclusive right to purchase or lease a Unit (other than an Unsold Unit) within thirty (30) business days after receipt of notice of a proposed sale or lease, on the same terms set forth in the applicable contract or lease. The Board of Managers must notify the Unit

Owner during such exclusive periods of its election to purchase or lease the Unit. In the event the Board of Managers elects to exercise its right of first refusal as aforesaid, title shall close or lease shall be executed (as the case may be) within forty-five (45) days after the day upon which the Board of Managers gives notice of its election. The Board of Managers may use any funds deposited in its capital and/or expense account or may assess each Unit Owner (other than the selling Unit Owner), in proportion to his Common Interest, an amount necessary to effectuate the purchase or lease (and to maintain the Unit thereafter, if applicable).

In the event the Condominium becomes the Owner of a Unit, same will be owned by the Condominium, on behalf of all Unit Owners, as tenants-in-common. Such Unit will be deemed and thereafter treated in the same way as a Limited Common Element. Such Unit may be sold by the Condominium or leased. In the event the Condominium or its designee becomes the lessee of a Unit, any lease thereof must comply with the requirements of the By-Laws, except the consent of the Landlord shall not be required to enter into a sublease.

Such Unit may be offered for sale by the Condominium by regular sale, public auction or other commercially reasonable method. The proceeds from the sale or lease of a Unit owned by the Condominium may (at the discretion of the Board of Managers) be used to reduce the Common Charges payable by Unit Owners, be applied to the Working Capital fund or other reserve or contingency fund, or be divided among all Unit Owners in proportion to their respective Common Interest, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of net proceeds all liens on the Unit Owner's Unit, in the order of priority of such liens.

All units acquired or leased by the Condominium shall be held by the Condominium on behalf of all Unit Owners. Any rent, purchase price, closing costs or closing adjustments payable in connection with the acquisition or lease of such Units shall be assessed against all Unit Owners as a Common Expense. No Units held by the Condominium shall carry voting rights. Such Unit shall be deemed and otherwise treated in the same manner as the Limited Common Elements.

Procedure to Review Real Estate Tax Assessments

In the event any Unit Owner seeks to have the Assessed Valuation of his Unit reduced by bringing a certiorari proceeding, the Board of Managers, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Board of Managers from all claims, costs and expenses (including without limitation, reasonable attorney's fees, resulting from such proceedings). The Board of Managers shall have the right to institute such proceedings on behalf of all Unit Owners, who shall individually execute any documents required in connection therewith.

Covenant Against Partition of Common Elements and Limited Common Elements

The Condominium shall continue until terminated in accordance with the By-Laws and Declaration. In the event that withdrawal from the provisions of the Condominium Act is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such

Unit Owner's share of such net proceeds all liens on the Unit Owner's Unit, in the order of priority of such liens.

Copies of the Declaration and By-Laws are set forth in Part II of the Plan as Documents 6 and 7, respectively.

REAL ESTATE TAXES

After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes by the City of New York. Units will be subject to a Class 2C rate. After the Units are separately assessed, a Unit Owner will not be responsible for unpaid taxes on other Units, nor will his or her Unit be subjected to any lien arising from the non-payment of taxes on other Units.

Taxes

The value of the Property for real estate tax purposes is determined annually by the Property Division of the Department of Finance of the City of New York. Each year the Property Division fixes the "actual" assessment of a property based upon its market value. Under Article 18 of the Real Property Assessment Tax Law, changes in a property's actual assessed value from one year to another, attributable to changes in its market value, other than those due to renovation, new construction or alteration, are phased in over five (5) years in equal annual increments or decrements of twenty (20%) percent per year, resulting in a "transitional" assessment for the property which is also determined each year. For any given year, taxes are based on the lower of the "actual" or "transitional" assessed value. However, increases in assessed value due to new construction, as is the case here, are not phased in, so the "transitional" assessed value and the "actual" assessed value of the Property may be the same.

The estimated taxes discussed below are based upon estimates made by The Mazursky Group, Inc. Bleckner P.C., attorneys for Sponsor, have read and reviewed the Mazursky Opinion, however, Bleckner P.C. is not a taxation expert, has not independently verified the information in the Mazursky Opinion and makes no judgment as to its accuracy. However, based upon: (i) the Mazursky Opinion being correct, (ii) any updated opinion of The Mazursky Group, Inc. regarding such tax issues being consistent with the Mazursky Opinion; (iii) the assumption that the assessed transitional valuation that will be applicable to the Property in the first fiscal year after completion of construction (i.e., commencing August 1, 2018) will be One Million Eight Hundred Fifty Thousand ($1,850,000.00) dollars; and (iv) the real estate tax liability after competition of construction and establishment of a condominium is estimated to be Two Hundred Forty Thousand Five Hundred ($240,500) dollars at a tax rate tax of .13 in effect for the fiscal year beginning July 1, 2017 and ending July 30, 2018 per $100 of assessed valuation. Refer to Document 10 of Part II of the Plan entitled "Real Estate Tax Estimate" by The Mazursky Group, Inc. (with an office at 42 Broadway, Suite 1744, New York, New York 10004).

Schedule A allocates the projected real estate taxes payable by Unit Owners according to each Unit's proportionate interest in the Common Elements. However, it is possible that the tax assessor of the City of New York may allocate assessments on a basis that differs from the allocation of proportionate interest in the Common Elements.

The foregoing estimates were based on existing tax rates, current City of New York assessing policies and the Sponsor's description of the Building to be constructed on the Property. However, no guaranty or warranty is given that the projected amounts, including assessed values and rates, will approximate the actual amounts, that the New York City Real Estate Tax Assessment Bureau will allocate the assessed value by a Unit's proportionate valuation in the first, un-amended Schedule A of this offering plan, or that the assumptions upon

which the tax calculations were based will remain valid.

Until Units are separately assessed, real estate taxes and thus the partial tax exemption will be allocated between Units based on their proportionate valuation in the first, un-amended Schedule A of this offering plan. However, once Units are separately assessed, there is no assurance that the New York City taxing authority will allocate taxes, and thus the tax exemption, between the Units in accordance with their proportionate valuation in the first, un-amended Schedule A of this offering plan.

Separate Assessment of Units

It is intended that Units shall be separately assessed on their closing date for the then current tax year, but this may not have been done, depending on the closing date of the Unit. In the event that Units have not been separately assessed for real estate tax purposes prior to the first closing of title to a Unit, the Sponsor will collect from each Unit Owner, at the Closing, an amount to be held in escrow in the name of the Board of Managers equal to the unpaid real estate taxes, which will be levied against the Property for the six (6) month period next following the tax period for which an adjustment is made at the closing of title. The Board of Managers shall pay the real estate taxes from this escrow account when they become due and payable, and Sponsor shall pay any amounts which may be due and owing with respect to the Unsold Units during the period of Sponsor's Ownership. If there are funds remaining in the account after the Units are separately assessed, then the Condominium shall refund the excess amount to the Unit Owner entitled to any such refund. To the extent that the escrow funds are insufficient to cover the taxes or the Units are not separately assessed within six (6) months from the Closing Date, then each Unit Owner shall be obligated to contribute such Owner's pro-rata share of any such taxes, according to each Unit's proportionate valuation in the first, un-amended Schedule A of this offering plan.

To provide for the possibility that Units may still not be separately assessed for real estate tax purposes at the end of the six (6) month period hereinabove referred to, Purchasers shall be required, at closing, to enter into an agreement with the Sponsor whereby they agree to deliver to the Condominium within ten (10) days after request therefor, a check payable to the appropriate taxing authority in the amount necessary to cover the Purchaser's percentage of taxes due after the six (6) month period and prior to separate assessment. The Condominium's request shall contain a copy of the relevant tax bill and the calculation of the Purchaser's portion.

The review of real estate tax assessments will be the responsibility of the Board of Managers of the Condominium.

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

The following discussion of certain income tax consequences of the Ownership of Units is based, in part, upon the income tax opinion of Bleckner P.C. counsel to Sponsor. A copy of this opinion is set forth in the Section entitled "Opinion of Counsel."

BLECKNER P.C. IS COUNSEL TO SPONSOR AND NOT TO THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT WITH HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF OWNERSHIP OF A UNIT.

Each Unit Owner will own his Unit in fee simple and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Because each Unit Owner will own his Unit in fee simple, the Owner may, subject to certain restrictions discussed above, mortgage such Unit and will thereby become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness (and not on mortgage indebtedness secured by other Units).

It is the opinion of Bleckner P.C. that, under present law, Unit Owners who itemize their deductions will, in general, be entitled to a deduction for mortgage interest and real estate taxes for Federal, New York State and New York City income tax purposes in the taxable year in which the same are actually paid or accrued by such Unit Owners in accordance with their method of accounting.

Common Charges will be borne by the Unit Owners and assessed and collected by the Condominium. The status of the Condominium for Federal, New York State and New York City income tax purposes is uncertain. If the Condominium were deemed to be merely a conduit for the Unit Owners, all income earned by the Condominium, less the expenses incurred in earning such income, would be deemed income to the Unit Owners and taxable to them. However, Common Charges would not be considered income to the Condominium.

However, the Internal Revenue Service may contend that the Unit Owners, acting through the Condominium, constitute an association taxable as a corporation because of certain of its features such as: centralized management, the attempt to limit the contractual liability of the Unit Owners and the possibility of the perpetual life. If the Unit Owners, acting through the Condominium, were treated as an association taxable as a corporation, such association would be subject to Federal, New York State and New York City corporate income tax on earned income, if any, for the portion of the Common Charges deemed to constitute gross income less deductible expenses. (See the Real Estate Tax Consultant's Estimate of Taxes set forth as Document Number 10 in Part II of the Plan for a further discussion of the tax status of the Condominium.)

THE FOREGOING OPINION IS NOT A GUARANTY: IT IS BASED UPON EXISTING RULES OF LAW APPLIED TO THE FACTS REFERRED TO ABOVE. NO ASSURANCE CAN BE GIVEN THAT THE TAX LAWS UPON WHICH COUNSEL BASES THIS OPINION WILL NOT CHANGE. IN NO EVENT WILL SPONSOR, SPONSOR'S ATTORNEY, THE SELLING AGENT, THE MANAGING AGENT, OR ANY OTHER PERSON CONNECTED WITH THIS OFFERING BE LIABLE IF ANY SUCH PERSONS, THE UNIT OWNERS OR THE CONDOMINIUM, DO NOT MEET OR, AT ANY FUTURE

TIME, CEASE TO MEET THE REQUIREMENTS OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, THE NEW YORK STATE TAX LAW OR THE NEW YORK CITY ADMINISTRATIVE CODE, IF THERE ARE CHANGES IN THE FACTS ON WHICH COUNSEL RELIED IN ISSUING THIS OPINION OR IF THERE ARE CHANGES IN APPLICABLE STATUTES, REGULATIONS, DECISIONAL LAW OR IRS RULINGS ON WHICH COUNSEL RELIED. MOREOVER, NONE OF THE AFORESAID MAKE ANY WARRANTIES WITH RESPECT TO THE TAX CONSEQUENCES OF THIS PLAN OR THE TAX CONSEQUENCES OF OWNERSHIP OF ANY RESIDENTIAL UNITS OFFERED UNDER THE PLAN, AND NO ONE HAS BEEN AUTHORIZED TO MAKE ANY STATEMENTS OTHER THAN THOSE CONTAINED HEREIN.

BLECKNER P.C.
350 Fifth Avenue, Suite 6440
New York, New York 10118

April 20, 2017

298 East Village Owner LLC
334 East 9th Street
New York, New York 10003

Re: Houston House
Gentlemen:

We are serving as special counsel to you, the Sponsor for the proposed condominium to be known as the Houston House. You have requested our opinion concerning (i) the availability of income tax deductions for purchasers of Residential Units in said Condominium, (ii) the tax consequences to the Condominium of the collection of assessments from Unit Owners, and (iii) compliance with Section 339-i of the Real Property Law of the State of New York with respect to the allocation of common interests to each Unit in the Condominium.

We have reviewed the Condominium Offering Plan and the documents set forth therein, including the Declaration of Condominium. We have also reviewed Article 9-B of the Real Property Law of the State of New York, as amended, pursuant to which said Condominium will be formed, Section 339-i of the Real Property Law of the State of New York, the relevant Sections of the Internal Revenue Code of 1954, as amended (the "Code"), the regulations or rules issued thereunder and any judicial interpretations thereof, the Tax Reform Act of 1976, the Economic Recovery Act of 1980, the Tax Equity and Fiscal Responsibility Act of 1982, the Tax Reform Act of 1984, the Tax Reform Act of 1986 and the New York State Tax Law. We have also reviewed the opinion of WayFinder regarding the method of allocation of common interests to each Unit in the Condominium.

Based on our review of the foregoing and assuming the Condominium is validly created pursuant to said Article 9-B, we are of the opinion that, under present law, each Residential Unit Owner of the Condominium who itemizes deductions on his or her income tax return may deduct for both Federal and New York State Income Tax purposes all real estate taxes assessed against the Residential Unit and paid by him or her in the year in which such taxes are paid, and may likewise deduct all "qualified residence interest" paid by him or her on any mortgage indebtedness covering the Residential Unit in the year in which such interest is paid. (Revenue Ruling 64-31, 1964-1 Cumulative Bulletin (Part 1) 300). No deduction is allowed for interest which is not "qualified resident interest." "Qualified resident interest" is interest on indebtedness secured by a "qualified residence" of the taxpayer, which is defined as the taxpayer's principal residence plus one other residence selected by the taxpayer. "Qualified residence interest" is further limited to exclude interest allocable to that portion of the principal of the indebtedness, which, when added to all other indebtedness secured by the residence, exceeds the lesser of (i) the fair market value of the residence and (ii) the sum of the taxpayer's adjusted basis therein, plus the amount of indebtedness secured by the residence and incurred after August 15, 1986 to pay for qualified medical expenses or qualified educational expenses.

In addition, if any of the Residential Unit Owners are Veterans of the United States Armed Forces, they may be entitled to Veterans' Exemptions covering part of the real estate taxes assessed against their respective Residential Units.

It should be noted that under Section 55 of the Code a non-corporate taxpayer may be subject to an alternative minimum tax on his or her alternative minimum taxable income ("AMTI") in lieu of the regular income tax. AMTI means the taxpayer's adjusted gross income for the taxable year, plus tax preference items described in Section 57 of the Code, and minus certain specified deductions, including, but not limited to, qualified housing interest (incurred to buy, build or rehabilitate the taxpayer's principal residence or a qualified dwelling used by the taxpayer or any member of his family), but excluding certain deductions allowed with respect to the regular income tax, such as real estate taxes.

New York State also imposes a minimum tax based on certain Federal tax preference items, including "adjusted itemized deductions." See Sections 601-A and 622 of the Tax Law of the State of New York.

Section 528 of the Code, which concerns the taxability of condominiums, provides that a Condominium Management Association ("Association") may elect to be exempt from federal income tax on assessments collected from unit Owners if it meets certain requirements set forth in said section of the Code. Those requirements are:

1. The Association must be organized and operated to provide for the acquisition, construction, management, maintenance and care of Association property, which includes property held by the Association and property commonly held by the members of the Association;

2. Sixty (60%) percent or more of the Association's gross income must consist of assessments from Residential Unit Owners ("exempt function income");

3. Ninety (90%) percent of the Association's expenditures must be for the acquisition, construction, management, maintenance and care of the Association property;

4. No part of the net earnings can inure to the benefit of private individuals; and

5. Substantially all units must be used as residences.

In order for a Condominium Management Association meeting the above requirements to obtain the tax treatment provided by Section 528 of the Code, it must elect to have said Section apply for the taxable year of the Association. The election may be made by filing Form 1120-H, U.S. Income Tax Return for Home Owners Associations, within the time provided for filing Federal income tax returns for the year for which the election is made, including any extensions. A Condominium meeting the requirements of Section 528 of the Code and electing to be exempt from federal income tax or exempt function income would be taxable at corporate rates, with some minor modifications, on the amount by which its non-exempt function income exceeds the amount of allowable deductions, which are directly connected with the production of such income. Any tax paid on non-exempt function income would be a common expense of the condominium. Each Unit Owner's share of the income tax would then be based on his or her Unit's percentage of interest in the Common Elements of the Condominium.

It is our opinion that the Houston House condominium will qualify as a "Condominium Management Association," and that the receipts from the Residential Unit Owners, which qualify as dues and assessments, will be "exempt function income" for the taxable year for such Association. It is our further opinion that the Houston House condominium will meet the above requirements for election of Section 528 during its first year of operation, but we are unable to express an opinion as to whether it will be able to qualify under Section 528 in any particular subsequent taxable year.

If an exemption under Section 528 of the Code is not in effect for any taxable year, the tax status of the Condominium will be governed by the law effective prior to the enactment of said section. Under New York State law, the Condominium would be an unincorporated association and, in such event, each Unit Owner would be directly taxable on his or her proportionate shares of non-exempt function income, if any. The status of the federal law prior to the enactment of Section 528 is unclear. The characterization of the Condominium under State law is not controlling. The Internal Revenue Service may disregard the status of the Condominium as an unincorporated association and treat it as an association taxable as a corporation. In such event, the result would be similar to an effective election under Section 528.

No warranties are made that either the United States Treasury Department or the New York State Department of Taxation and Finance will allow the aforementioned deductions for real estate taxes and/or mortgage interest to Unit Owners or that the tax laws, regulations and rulings upon which this opinion is based will not change. The undersigned will in no event be liable if it shall be determined that the Condominium does not meet, or at any future time ceases to meet, the requirements of the Internal Revenue Code of 1954, as amended, or the New York State Tax Law, or any amendment of either thereof, by reason of changes in fact or statutory or decisional law or amendment to any law, which could not be foreseen or expected to be foreseen. Moreover, no opinion is expressed nor is any representation or warranty made with respect to the tax consequences of the Plan or any other matter (including, without limitation, the tax consequences of Ownership of Units offered under the Plan), except as herein expressly set forth.

Based on the review of the Condominium Offering Plan, including the Declaration of Condominium, the aforementioned opinion of WayFinder and Section 339-i of the Real Property Law, we are of the opinion that the allocation of common interests to each Unit in the Condominium, assuming, as set forth in the aforementioned opinion of WayFinder that is has been based upon method (iv) of Section 339-i of the Real Property Law, complies with Section 339-i of the Real Property Law.

We hereby consent to the inclusion of this opinion letter in the Condominium Offering Plan.

Very truly yours,
BLECKNER P.C.

WORKING CAPITAL AND REPAIR AND REPLACEMENT RESERVE

Working Capital Fund

At the time of the Closing of each Unit sold by Sponsor under this Plan, each Purchaser will contribute the amount of $5,000 to the Condominium Working Capital Fund to be maintained by the Board of Managers. While Sponsor is in control of the Board of Managers, Sponsor will not use the Working Capital Fund for the purpose of reducing the maintenance charges.

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 of Managers, in its sole discretion.

No representation is made that the Working Capital Fund will be, or is intended to be, adequate to cover expenses for the first or any subsequent year of Condominium operations, 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.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED JUDGEMENT UPON THE ADEQUACY OF THE WORKING CAPITAL FUND.

Repair and Replacement Reserve

The Budget for First Year of Condominium Operations includes an expenditure for a Repair and Replacement Reserve for the Condominium for the purpose of paying the cost of future capital repairs, replacements or improvements to the Premises.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED JUDGEMENT UPON THE ADEQUACY OF THE REPAIR AND REPLACEMENT RESERVE.

Closing Adjustments

Immediately prior to the First Closing, Sponsor shall apportion the following items with the Condominium as of the day immediately preceding such closing:

(a) Superintendent salary;

(b) Fees for assignable permits and licenses, if any;

(c) Charges for electricity and gas and other utilities for the Common Elements and Limited Common Elements;

(d) Payments under service and maintenance contracts and concession agreements, if any;

(e) Real estate taxes, assessments, water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);

(f) Cost of building supplies on hand, at Sponsor's cost, plus sales tax; and

(g) Premiums for transferable insurance policies.

At the time of the closing of title of each Unit to a bona fide Purchaser, such Purchaser shall pay into the Working Capital Fund of the Condominium the sum of $5,000.

IDENTITY OF PARTIES

Sponsor:

The Sponsor of the Offering Plan is 298 East Village Owner LLC, a New York limited liability company, having offices at 334 East 9th Street, New York, New York 10003. The Managing Member of the Sponsor is 298 East Village Mezzanine LLC ("Manager"), a New York limited liability company having offices at c/o Bleckner P.C., 350 5th Avenue, Suite 6440, New York, New York 10118. Manager is managed by its Managing Member, 298 East Village Property LLC, a New York limited liability company, having an address at c/o Bleckner P.C., 350 5th Avenue, Suite 6440, New York, New York 10118 ("Property"). Property is managed by its Managing Members, Mr. Matthew Lee, and Mr. Peter Lee, who each have a business address at c/o Bleckner P.C., 350 5th Avenue, Suite 6440, New York, New York 10118. The Sponsor has no prior experience in the sale of cooperatives or condominiums, planned unit development homes or time shares which were first offered within the past five (5) years in the State of New York. Mr. Matthew Lee is the principal of the Sponsor.

Mr. Lee is a resident of the State of New York. Neither Sponsor or Sponsor's principal, Matthew Lee, have been a Sponsor or principal of Sponsor or a general partner, of a condominium offering, cooperative offering or a homeowners' association or time shares either within or outside of the State of New York in the last five (5) years. Mr. Lee is an experienced consultant for hospitals and medical institutions.

The Sponsor and Mr. Lee does not have any prior felony convictions, nor does he have any bankruptcies, convictions, injunctions or judgments against him.

Selling Agent:

The Selling Agent for the Condominium will be Nest Seekers International LLC, with an address at 594 Broadway, Suite 401, New York, New York 10012. The Selling Agent has no ownership interest in the Sponsor and is compensated on the basis of sales of condominium units at the building.

Attorneys:

The Sponsor's attorneys are Bleckner P.C., 350 Fifth Avenue, Suite 6440, New York, New York 10118 (Tel. No.: 212-279-4490), who have prepared the Plan, the Declaration, the By-laws and the Purchase Agreement. Bleckner P.C. is experienced in the preparation of Offering Plans. The Plan was prepared under the supervision of Martin Shaw, Esq. and Ian Lester, Esq. Bleckner P.C. has read all the printed copy submitted to the Department of Law, but disclaims any responsibility to have made an independent inspection of the building or property or investigation of the information furnished by the Sponsor. The law firm has no financial interest in the Property or the Sponsor, except that it is paid a legal fee for its services.

No separate counsel has been retained to represent the Condominium.

It is suggested and expected that each Purchaser will consult and be represented by his or

her own counsel in connection with this Offering.

Architects:

The Sponsor's architect is Zakrzewsi + Hyde Architects with an office at 515 Canal Street, Suite 1C, New York, New York 10013. The Sponsor's architect has experience in planning and designing all forms of housing in the New York area. The Sponsor's Architect has no ownership or proprietary interest, past or present, in the Sponsor, the Property or the Condominium except to be paid for services rendered in its capacity as Sponsor's architect.

Engineers:

RJD Engineering provided the Analysis Report of energy consumption and costs, which Report is reproduced in Part II of this Plan. Neither the firm nor its principals has any financial relationship with the Sponsor or the principals of the Sponsor except for being retained to do the analysis contained herein and paid a fee for its services. The firm has an office located at 590 Franklin Avenue, Suite 4, Nutley, New Jersey 07110.

Condominium Budget Expert:

Sponsor has retained WayFinder whose office is located at 20 West 20th Street, Suite 1102, New York, New York 10011. WayFinder has nine (9) years' experience managing residential, mixed-use properties and rental buildings in City of New York and assisted in reviewing the Projected Budget for First Year of Condominium Operations and provided the certification of budget and the certification of budget and common charges. WayFinder, and its principal, Adam Jernow, are not owned or controlled by sponsor and will be paid a fee its services.

Managing Agent:

The Condominium will enter into a Management Agreement with WayFinder for a (1) year term (with the Condominium's option for four (4) additional one (1) year term renewals). WayFinder's office is located at 20 West 20th Street, Suite 1102, New York, New York 10011, to be the managing agent ("Managing Agent") of the Condominium, effective as of the date of the first closing of title to a Unit, at a fee of $1,400.00 / month. In addition, an affiliate of WayFinder PM, En Point Property Maintenance LLC, will hire and employ the Condominium's Superintendent.

Real Estate Tax Consultant:

The Mazursky Group, Inc. is a property tax consultant and maintains its offices at 42 Broadway, Suite 1744, New York, New York 10004. Neither the firm nor its principals has any financial relationship with the Sponsor or the principals of the Sponsor except for being retained to do the analysis contained herein and paid a fee for its services.

MANAGEMENT AGREEMENT AND CONTRACTS

The Condominium will enter into a Management Agreement with WayFinder for a (1) year term (with the Condominium's option for four (4) additional one (1) year term renewals). WayFinder's office is located at 20 West 20th Street, Suite 1102, New York, New York 10011, to be the managing agent ("Managing Agent") of the Condominium, effective as of the date of the first closing of title to a Unit, at a fee of $1,400.00 / month. The contract may be extended at the end of the term at the option of the Sponsor. If the Managing Agent wishes to end the contract for any reason, the Managing Agent shall give the Board of Managers sixty (60) days written notice. The Board of Managers may cancel the management contract after the initial one (1) year term only for negligence or malfeasance, in which case the Board of Managers must call a meeting of the Unit Owners to permit the Managing Agent to address the Board of Managers and the Unit Owners in its defense. Upon a vote of seventy five (75%) percent of all Unit Owners approving removal of WayFinder, the Managing Agent will resign and the Board of Managers will be responsible for the hiring a new managing agent for the Condominium.

All expenses incurred by the Managing Agent in performance of its duties to the Condominium will also be reimbursed to the Managing Agent. See the Budget for the First Year of Condominium Operations (Schedule B). The Management Agreement provides that the books and records held by the Managing Agent shall be returned to the Condominium upon termination. The Management Agreement may not be assigned by either party without the consent of the other. It may be cancelled by either party for cause. The Management Agreement provides that the Condominium shall indemnify the Managing Agent for acts properly performed by the Agent in accordance with the terms of the Management Agreement.

The Managing Agent will, among other things:

(a) cause to be hired, paid and supervised, all persons necessary to be employed in order to properly maintain and operate the Common Elements, all of whom shall be the Condominium's employees;

(b) cause the Common Elements to be maintained in such condition as may be deemed advisable by the Board of Managers, provided that ordinary repairs or alterations involving an expenditure of over $2,500 for any one item which is not part of a previously approved operating or capital budget shall be made only with the prior approval of the Condominium, although emergency repairs, i.e., those immediately necessary for the preservation and safety of the Common Elements or for the safety of Unit Owners or other persons, or required to avoid the suspension of any necessary service to the Property, may be made by the Managing Agent without prior approval irrespective of the cost thereof, but with notice to the Board as soon as practicable thereafter. Notwithstanding the foregoing, the Managing Agent shall not be required to supervise any major capital improvement projects, although it will solicit bids, if requested by the Board;

(c) recommend, and with the approval of the Board of Managers, cause all such acts and things to be done in or about the Common Elements as shall be necessary or desirable to comply with any and all laws, rules and orders or violations affecting the Common Elements, placed thereon by any federal, state or municipal authority having jurisdiction thereover;

(d) enter into contracts for any necessary services and supplies, provided that any such contract having a term longer than two (2) years, or requiring annual payments in excess

of $2,500, must be authorized by the Board of Managers;

(e) check and approve all bills received for services, work, and supplies ordered in connection with maintaining and operating the Common Elements, and pay or cause to be paid all such bills and all water charges, sewer rents and assessments imposed on the Building as and when the same shall become due and payable;

(f) supervise the moving in and out of Unit Owners;

(g) bill or cause to be billed Unit Owners for Common Charges, late charges and other charges, use its best efforts to collect such Common Charges and other charges, and deposit the same promptly into an account approved by the Board of Managers;

(h) consider, and when reasonable, attend to complaints of Unit Owners. If the Managing Agent shall deem any complaint unreasonable, it shall advise the Board of Managers of the complaint and the reason for its opinion that the complaint is unreasonable;

(i) if requested by the Board, carry out required procedures and give required notice as set forth in the Condominium Documents in connection with the exercise of the right of first refusal on proposed sales or leases of Units;

(j) cause to be prepared and filed the necessary forms for unemployment insurance, withholding and social security taxes and all other tax and other forms relating to the employment of Condominium employees;

(k) set up and keep in good order a separate, accurate and full set of receipts and disbursements, and maintain files containing all documents pertaining to the Building. Maintain accurate and complete accounting records and a checkbook on the Condominium's bank account;

(l) prepare and send out all letters and reports to members of the Board of Managers as the Board of Managers may request;

(m) attend Board meetings each month and all Unit Owner meetings;

(n) process applications by Unit Owners for consent to alterations; assemble proposed plans and coordinate with the Unit Owner for use of Building services, but without supervising the renovations, at a fee to the Unit Owner, which shall be set by the Board of Managers; and

(o) generally, do all things reasonably deemed necessary or desirable by the Board of Managers for the proper management of the Condominium.

Additionally, the Managing Agent shall receive from every Unit Owner, other than the Sponsor or its designee as Owner of Unsold Units, a fee for processing applications for sale, rental or renewal rental of Units, which shall initially be as follows:

(i) $500 as a processing fee in connection with the sale of units;

(ii) $350 as a processing fee in connection with the rental of units;

(iii) $250 for attending Board meetings in excess of three (3) meetings each calendar year. The Managing Agent is required to attend one annual meeting of the Unit Owners without charge.

In the event after the transfer of control of the Board of Managers to the Unit Owners, the Condominium Board elects to employ a different managing agent or manager of its own choice, any additional cost thereof shall be added to the annual budget and become part of the Common Charges assessed against all of the Unit Owners. No representation is made by the Sponsor as to cost, terms or availability of such management services

Insurance

Prior to the first closing of title to a Unit, the Sponsor will cause the Owner to obtain, on behalf of the Condominium, the insurance coverage described in the footnotes to Schedule B. Insurance will be provided by Stern Agency, Inc. with an office located at 10 East 23rd Street, Suite 210, New York, New York 10010. Coverage provides 100% replacement cost and agreed amount endorsement that eliminates co-insurance. Total annual premium is $18,034.00.

Service Contracts

The following service and maintenance contracts, as extended or replaced, will be binding on the Condominium after the first closing of title to a Unit for one year:

Nature of Service	Annual Cost (including tax)
Pest Control	$ 1,500
Sprinkler Maintenance	$ 6,050
Elevator Maintenance	$ 4,800
Video Monitoring	$ 10,800
Fire Alarm Monitoring	$ 3,000
TOTAL	**$ 26,150**

REPORTS TO UNIT OWNERS

All Unit Owners will be entitled to receive annually from the Board of Managers of the Condominium, at the expense of the Condominium, copies of the following:

(a) annual financial statements of the Condominium, prepared and certified by independent certified public accountants, to be received within four and one-half (4-1/2) months after the end of the fiscal year;

(b) notices of the holding of the annual meetings of the Unit Owners, to be sent not less than ten (10) days nor more than forty (40) days in advance of the meeting, stating the purposes thereof as well as the time and place where it is to be held; and

(c) a copy of the proposed annual budget of the Condominium, to be received not less than ten (10) days prior to the date set for adoption thereof by the Board of Managers. While the Sponsor is in control of the Condominium, this budget will be certified in accordance with Section 20.4(d) of the Attorney General's Regulations.

DOCUMENTS ON FILE

The Declaration and the By-Laws will be recorded in the New York County officer of the Register of the City of New York prior to the conveyance of title to the first Unit. In addition, a set of floor plans for the Building showing the layout, location and approximate dimensions of the Units and Unit designations, certified by the Real Property Assessment Department of the City of New York as conforming to the official tax lot number for each such Unit, and an Architect's statement required by Section 339-p of Article 9-B of the Real Property Law of the State of New York, certifying that the floor plans fully and fairly depict the layout, location, Unit designations and approximate dimensions of the particular Unit or Units as built, will be filed in said City Register's office.

Pursuant to Section 352-e(9) of the General Business Law, copies of this Offering Plan, all Exhibits or documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan are and will be kept on file at the offices of the Sponsor set forth on the cover page hereof for six (6) years from the first closing of title to a Unit, for examination without charge and copying at a reasonable charge, during normal business hours and upon reasonable notice, by Prospective Purchasers and any person who has purchased a Condominium interest offered by this Plan and who has otherwise participated in this offering.

The Sponsor will deliver to the Board of Managers at the first closing of title to a Unit, a copy of all documents filed with the City Register.

GENERAL

This Plan does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. This Plan does not contain a full summary of all the provisions of various documents referred to herein. Statements made to the provisions of such documents are qualified in all respects by the contents of such documents, and, in the case of any such documents executed by or with the written consent of a Purchaser pursuant to this Plan, any rider or separate agreement changing or adding provisions to such document.

There are no lawsuits, administrative proceedings, or other legal proceedings now pending, or any judgments outstanding, against the Sponsor, or any person or persons, which might become a lien against the Property or which might materially and adversely affect this offering, the Purchasers of Units, the Property, the Condominium, or the operation thereof or the Sponsor's capacity to perform all its obligations under the Plan, the Condominium or the operation of the Condominium.

To the best of the Sponsor's knowledge the Property has not been the subject of any prior public offering. The Sponsor has not entered into any contracts or agreements and no deposits or advances of funds have been accepted as of the date the Plan is accepted for filing. Sponsor has performed market tests pursuant to Cooperative Policy Statement No. 1.

In accordance with the provisions of the laws of the State and City of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person because of sex, race, creed, color, national origin, ancestry, disability, marital status or other ground prohibited by law in the sale of the Units offered by Sponsor pursuant to this Plan, or in the leasing of any such Units or any other portion of the Building.

The Sponsor agrees to pay such interest on Deposits as a court may consider just and proper as part of any order granted pursuant to Section 354 of the General Business Law. Purchasers shall have the right to rescind Purchase Agreements following material adverse amendments to the Offering Plan.

To the best of Sponsor's knowledge, there are no circumstances which may affect the use or enjoyment of the Property and appurtenances, including, but not limited to, any usage restriction by statute, ordinance or zoning resolution, such as specified occupancy percentage by certified artists, or historic district or landmark designation, unless disclosed elsewhere in the Plan.

No Person other than the respective Purchasers shall have any right or benefit herein or herefrom, including, without limitation, the right to insist upon or enforce against the Sponsor the performance of all or any of the Sponsor's obligations hereunder and no such third Person shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

In accordance with the provisions of the laws of the State and City of New York, neither the Sponsor nor any Selling Agent engaged by the Sponsor will discriminate against any person because of race, creed, color, sex, disability, marital status, age, ancestry, national origin or any other ground proscribed by law in the sale of Units offered by the Sponsor pursuant to this Plan, or in the leasing of any such Units or any other portion of the Building.

The Sponsor reserves the right to revise, from time to time, the terms and conditions upon which Units are to be sold and to otherwise revise this Plan, including revisions affecting the rights, obligations and liabilities of the Sponsor, Purchasers or prospective Purchasers, without obtaining the consent of Purchasers or others. However, Sponsor may neither unilaterally cancel an outstanding Purchase Agreement, except as therein provided (such as in case of an uncured default), nor unilaterally change the purchase price or the payment terms contained in such a Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to this Plan. If there is a substantial amendment to the Plan that materially adversely affects the rights, obligations or liabilities of then existing Purchasers or reduces the undertakings or obligations of the Sponsor, then, except as otherwise provided herein, such Purchasers will be given, for fifteen (15) days after the presentation of the amendment, a right to rescind their Purchase Agreements by written notice to the Sponsor and be refunded the Deposit made thereunder, with any interest earned thereon, within thirty (30) days after the presentation of the amendment, except the Purchaser will not receive a refund of any funds released for actual work, upgrades or extras authorized by Purchaser. However, such rescission, as to a Purchaser who becomes a tenant of the Building, will be conditioned on the cancellation of any Interim Use and Occupancy Agreement and surrender of possession of his Unit within forty-five (45) days thereafter. Sponsor shall retain such Deposit, and interest, in the case of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period, but not to exceed ten percent (10%) of the purchase price (together with interest earned thereon, if any and the costs of actual work authorized by Purchaser). Sponsor must comply with the provisions of the Escrow agreement set forth in Part II of the Plan.

As of the date this Plan is accepted for filing, Sponsor has not entered into any agreement, oral or written, nor has Sponsor accepted any Deposits or advances of any funds by or on behalf of Sponsor in connection with the purchase of any Unit.

All statements and representations made in this Plan with respect to items prepared by others such as the Section of the Plan entitled "The Sponsor's Statement of Specifications or Building Condition" and the Floor Plans of the Building, have been made in reliance upon the respective firms and their authority as experts, as well the opinion letters on energy consumption and costs, on projected real estate tax liability after construction, on real estate tax benefits, which have been reproduced in the Plan.

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

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

SPONSOR'S STATEMENT OF SPECIFICATIONS OF BUILDING CONDITION

The Sponsor adopts the "Description of Property and Building Condition" (the "Report") set forth in Part II of the Plan prepared by the architecture firm of Zakrzewsi + Hyde Architects, that accurately states the description of the property and the planned renovations and partial new construction as of the date it was prepared subject to being amended as needed, and Sponsor has relied solely on this Report. The Sponsor represents that it does not know of any material defect of need for major repairs except as set forth in the Report.

The proposed number of the Units in the Offering Plan, seven (7) Units, and their uses will be identical to the number of Units and uses for which a Certificate of Occupancy will be obtained upon completion of construction. Sponsor will comply with all laws and regulations concerning the no-lead paint laws. The storage locker facilities in the basement will also be in accordance with the certificate of occupancy.

Dated: New York, New York
February 7, 2018

298 East Village Owner LLC
SPONSOR

PART II

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PART II **DOCUMENT NUMBER**

Purchase Agreement ..... Document 1

Form of Residential Condominium Unit Deed ..... Document 2

Power of Attorney ..... Document 3

Description of Property and Building Condition ..... Document 4

Floor Plans ..... Document 5

Declaration of Condominium ..... Document 6

By-Laws of Condominium ..... Document 7

Interim Use and Occupancy Agreement ..... Document 8

Unit Owner's Specimen Title Policy ..... Document 9

Real Estate Tax Projection Opinion ..... Document 10

Notice to Proceed ..... Document 11

Certifications:

Certification of Sponsor and Sponsor's Principals ..... Document 12
Certification of Sponsor's Architect ..... Document 13
Certification of Sponsor's Expert Concerning Adequacy of Budget ..... Document 14

Affidavits:

Sponsor Affidavit of No Contracts with Prospective Purchasers,
Non-Occupancy of Units and No Renting Prior to Consummation
Of the Offering Plan ..... Document 15

Affidavit of Sponsor and Principals of Sponsor Regarding
Prior Public Offering or No Public Offering ..... Document 16

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PURCHASE AGREEMENT

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PURCHASE AGREEMENT

A PURCHASER SIGNING THIS AGREEMENT SHALL BE ENTITLED TO RESCIND THIS AGREEMENT BY DELIVERY OF WRITTEN NOTICE OF RESCISSION TO THE SPONSOR WITHIN SEVEN (7) DAYS AFTER EXECUTION HEREOF IF SUCH PURCHASER HAS NOT BEEN IN POSSESSION OF A COPY OF THE OFFERING PLAN FOR AT LEAST THREE (3) BUSINESS DAYS PRIOR THERETO.

THIS AGREEMENT IS NOT CONDITIONED ON FINANCING.

PURCHASE AGREEMENT (this "Agreement") by and among _____ and _____ (collectively, "Purchaser") and 298 East Village Owner LLC ("Sponsor") for Condominium Unit number _____ in the proposed Condominium located at 298 East 2nd Street, New York, New York, together with the Unit's ____% undivided interest in the common elements (the "Common Elements"), which Purchaser agrees to buy and Sponsor agrees to sell as set forth in this Agreement:

1. Purchase Price

A. The "Purchase Price" is: $_____

B. The "Initial Deposit" (10% of the Purchase Price, the receipt of which is acknowledged) is: $_____

C. The "Additional Deposit" (5% of the Purchase Price, together with the Initial Deposit, the "Contract Deposit") is: $_____

D. The "Balance" (to be paid at Closing) is: $_____

2. Definitions

The following terms in this Agreement shall have these meanings:

A. "Attorney for Sponsor" means Bleckner P.C., having an address at 350 Fifth Avenue, Suite 6440, New York, New York 10118; Attention: Ian Lester, Esq. Telephone Number: (212) 279-4490. Fax Number: (212) 279-4495. E-mail address: ilester@blecknerlaw.com.

B. "Attorney for Purchaser" means _____, having an address at _____. Attention: _____, Esq. Telephone number: _____. Facsimile number: _____. E-mail address: _____.

C. "Building" shall mean the building or buildings known as 298 East 2nd Street, New York, New York.

D. "Closing Date", "Closing", "closing of title" and similar words are used synonymously and mean the settlement of the mutual obligations of Sponsor and Purchaser under this Agreement, including the payment to Sponsor of the Purchase Price and delivery to Purchaser of the deed transferring ownership to the Unit on the terms set forth in this Agreement.

E. "Condominium" shall mean Houston House.

F. "Declaration" shall mean the Declaration establishing condominium ownership of the Property.

G. "Escrow Agent" shall mean Attorney for Sponsor.

H. "Plan" shall mean the Offering Plan to convert the Property to condominium ownership and any amendments thereto filed prior to the date upon which Purchaser signs this Agreement.

I. "Property" shall mean the Building and the land upon which they are erected.

J. "Selling Agent" shall mean Nest Seekers International LLC, having an address at 594 Broadway, Suite 401, New York, New York 10012. Telephone Number: (646) 443-3705.

All other terms not defined elsewhere herein shall have the meanings ascribed to them below.

3. Plan

Purchaser acknowledges having received and read the Plan at least three (3) full business days' prior to Purchaser's signing this Agreement. The Plan is incorporated in this Agreement with the same force and effect as if set forth herein at length. In the event of any inconsistency or conflict between the provision of this Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding. Purchaser acknowledges having had full opportunity to examine all documents and investigate all statements made in this Agreement and in the Plan.

4. Payment of Purchase Price

A. The balance of the Purchase Price (hereinafter referred to as the "Balance"), due at the Closing, must be paid by official cashier's check or official bank check drawn on a bank that is a member of the New York Clearing House Association, and made payable to the direct order of Sponsor or such other party as Sponsor may designate.

B. Subject to Sponsor's continued obligation to perform all of its obligations under the Offering Plan, including without limitation, its obligations to complete the alterations, obtain the Certificate of Occupancy and guarantee the quality of the work as set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor", Purchaser's payment of the Balance and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactory performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from

performing those obligations expressly stated herein or in the Plan to be performed by Sponsor, prior to, or subsequent to the closing.

C. Purchaser is not required to close title, to pay the Balance or accept title to the Unit unless all of the conditions set forth in the Section "Closing of Title to Individual Units" in Part I of the Plan are met concurrently with, or prior to, the closing.

5. Contract Deposit and other Deposits to be Held in Escrow Account

A. The law firm of Bleckner P.C., with an address at 350 Fifth Avenue, Suite 6440, New York, New York 10118, telephone number (212) 279-4490, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Ian Lester, Esq. and Martin Shaw, Esq. 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 Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

B. 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 this Agreement or otherwise concerning the maintenance of release of the Contract Deposit from escrow.

C. The Escrow Agent has established the escrow account at Signature Bank, located at 565 Fifth Avenue, 12th Floor, New York, New York 10017 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Bleckner P.C. Escrow Account for the Houston House ("Escrow Account"). The Escrow Account is not an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured.

D. All deposits (including the Contract Deposit) received from Purchaser shall be in the form of checks or wire transfers and shall be made payable to or endorsed by Purchaser to the order of Bleckner P.C. Escrow Account for the Houston House, as Escrow Agent.

E. The interest rate for all deposits made into the Escrow Account shall be the prevailing rate for such accounts. Interest shall begin to accrue upon placing the Contract Deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to Purchaser at the 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.

F. Within five (5) business days after this Agreement has been tendered to Escrow Agent along with the Contract Deposit, the Escrow Agent shall sign the Escrow Agreement and place the Contract Deposit into the Escrow Account. Within ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall provide 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 the Escrow Agreement.

G. The Escrow Agent is obligated to send notice to Purchaser once the Deposit is placed in the Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Contract Deposit, he or she may cancel this Agreement within ninety (90) days after tender of this Agreement and 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, New York 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 Purchaser.

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

I. 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 a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h.

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

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

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

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

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

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

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

(y) 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.

K. Any provision of the Escrow 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 this Agreement, Plan, or any amendment thereto.

L. Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

M. 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).

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

O. 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.

P. 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 Contract Deposit and this Agreement.

Q. Prior to release of the Contract Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Contract Deposit nor deducted from the Contract Deposit by any financial institution under any circumstance.

R. Sponsor agrees to defend, indemnify, and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Agreement or the performance or non-performance of Escrow Agent's duties under this Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain

attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

6. Closing Contingent on Plan Being Declared Effective

The obligations of Purchaser and Sponsor under this Agreement are conditioned upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the terms of the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter, in certain limited cases set forth in the Plan. The Sponsor shall notify Purchaser, by notice and subsequently duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

7. Closing Date and Place

A. The closing of title shall occur as set forth in the Plan, and on the date and at the time and place in the City and State of New York as Sponsor shall designate to Purchaser on not less than thirty (30) days prior to written notice, subject to Purchaser's waiver of such thirty (30) days' notice by execution of the waiver annexed hereto as Exhibit 1. Sponsor shall have the right, from time to time, to adjourn such date and time for closing on written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for title closing and shall give Purchaser not less than ten business days' prior written notice of the new scheduled date and time for closing.

B. The closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under Section "Closing of Title to Individual Units" in Part I of the Plan.

8. The Deed

At Closing, Sponsor shall deliver to Purchaser a Bargain and Sale Deed with covenants against grantor's acts, transferring to Purchaser full ownership (fee simple title) to the Unit. The deed shall be substantially in the form reproduced in the Plan and shall be executed and acknowledged by Sponsor in form for recording. Such executed deed shall be delivered immediately to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Purchasers attorney) for recording at the Office of the Register of the City and County, and State of New York. After being recorded, the deed shall be returned to Purchaser.

9. State of Title

Except as otherwise set forth in Paragraph 11 below, legal ownership to the Unit shall be transferred to Purchaser at closing subject only to the liens, encumbrances and title conditions (hereinafter called the "Permitted" Encumbrances") enumerated in Exhibit A to this Agreement. Any other liens, encumbrances, or conditions shall not be an objection to title if: (i) the instrument required to remove it from the record is delivered to the representative of Purchaser's title insurance (or, if none, to Sponsor's attorney) for recording in the proper office, together with

the requisite recording or filing fees; or (ii) Purchaser's title insurance company will insure Purchaser and Purchaser's lending institution against its collection or enforcement out of the Unit.

10. Title Company Approval

Subject to the terms of Paragraph 11 below, Sponsor shall give, and give Purchaser shall accept, such title as Kensington Vanguard National Land Services ("Kensington") will approve and insure, provided that the only liens, encumbrances and conditions effecting title shall be the Permitted Encumbrances, and further provided that if a title insurance company selected by Purchaser other than Kensington or such other title insurance company designated by Sponsor and licensed to do business in New York ("Sponsor's designated title company") refuses to approve and insure title in accordance with the foregoing, and Kensington or Sponsor's designated title company delivers its commitment to approve and insure in accordance herewith, then in that event, Purchaser shall accept such title as Kensington or Sponsor's designated title company will approve and insure, subject only to Permitted Encumbrances.

11. Sponsor's Inability to Convey Title

In the event that Sponsor is unable to deliver to Purchaser title to the Unit in accordance with the provisions of this Agreement, Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of ½ of 1% of the Purchase Price to render title marketable, and in such case, if Sponsor notifies Purchaser of its refusal to remedy the defect in title and if Purchaser is not in default hereunder, Purchaser shall have the option to (i) take title subject to such title defect (without any abatement in, or credit against, the Purchase Price, or claim or right of action against Sponsor for damages or otherwise), or (ii) terminate this Agreement. If Purchaser elects to terminate this Agreement, Sponsor shall instruct the Escrow Agent to return to Purchaser, within ten (10) days after receipt of Purchaser's termination notice, all monies deposited hereunder, with interest accrued thereon, if any. Upon making such refund, this Agreement shall be null and void and neither party shall have any further rights, obligations or liabilities with respect to the other hereunder or under the Plan. The above option must be exercised by Purchaser in writing sent to Sponsor within ten (10) days after the giving of Sponsor's notice of refusal to remedy the title defect, failure of which shall be conclusively deemed that Purchaser elected the first option above to acquire title subject to the title defect.

12. Closing Adjustments

A. At Closing, Sponsor and Purchaser shall apportion, as midnight of this day preceding the Closing:

(i) Common Charges for the month in which title closes;

(ii) Real Estate Taxes and any escrow for Real Estate Taxes;

(iii) if Purchaser has executed an interim lease for the Unit, rent and other charges due thereunder for the month in which closing takes place based upon a (30) day month.

(iv) if Purchaser fails to close on the Closing Date initially Scheduled by Sponsor, all adjustments (except interim rent, if any) shall be made as of the original closing date. In addition, Purchaser shall pay to Sponsor interest on the full amount of the Purchase Price at the rate of .03% per day each day from and including the original closing date through and including the date of the actual closing of title.

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.

B. In the even the Unit has not been separately assessed for the then current fiscal tax year at the time of title closing, the apportionment of real estate taxes shall be based on the Unit's pro rata share (in proportion to its Common Interest) of the then current real estate taxes assessed against the Property. If the Unit has been separately assessed, but the closing occurs before the tax rate is fixed, then the apportionment of real estate taxes shall be based upon the latest tax rate applied to the most recent assessed valuation.

C. Any errors or omissions in computing apportionments at closing shall be corrected any payment made to the proper party promptly after discovery. This provision shall survive the closing.

D. Installments of 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.

13. Purchaser's Closing Costs

A. At Closing, Purchaser will pay certain costs in connection with the Purchase of the Unit and the amount of any net credit in favor of Sponsor that may result from the closing apportionments described in the preceding Paragraph 12. Such closing costs will include the following, the amounts of which are based on rates in effect on the date of the Plan and are subject to change without prior notices:

(i) If Purchaser elects to obtain fee title insurance, Purchaser will pay a premium to the title company for such insurance, which will vary depending on the amount of insurance from a title insurance company other than the company named above or Sponsor's designated title company. Additionally, Sponsor makes no representation or warranty as to the cost, terms or availability of such other title insurance, and in the event Purchaser opts to obtain such other title insurance, the provisions of paragraph 10, above, shall be carefully noted by Purchaser;

(ii) Purchaser will pay a fee for recording the deed and the Unit Owner's Power of Attorney together with a service charge to the title company for such recording; and

(iii) If Purchaser obtains a mortgage loan, Purchaser will pay:

(a) If required by the mortgage lender, mortgage origination fee of the lender, appraisal and credit investigation fee;

(b) A fee and service charge for recording the mortgage at the same rates give above for recording the deed;

(c) A mortgage recording tax in the amount provided by law (at the date of this Plan the tax is 2.05% of the face amount of the mortgage for loans up to $500,000 and 2.13% for loans in excess of $500,000, less twenty five ($25) dollars;

(d) To Sponsor, a sum equal to the partial mortgage tax credit to which Purchaser is entitled under Section 339-ee (2) of the New York Condominium Act; however; in no event shall the reimbursement of Sponsor exceed the amount of the mortgage recording tax paid by Purchaser as set forth in the preceding subdivision (ii);

(e) The legal fees of counsel to the lender in connection with such mortgage loan as agreed between Purchaser and the lender;

(f) If required by the lender, a premium for mortgage title insurance insuring the mortgagee's interest in an amount equal to the mortgage loan. The premium for both fees and mortgage title insurance, if ordered simultaneously from Sponsor's designated title company, will vary depending upon the amount of fee and mortgage title insurance requested;

(g) If required by the lender, an escrow for real estate taxes, any assessments and (if separately assessed) water charges and sewer rents in an initial amount and in such monthly sums after closing as is deemed sufficient by the lender; and

(h) Such other charges Purchaser's mortgage lender may require.

(iv) Purchaser will pay to the Condominium one (1) month of common charges for the month following the month in which the Closing occurs.

(v) Purchaser will pay to the Condominium, at the time of closing, $5,000 towards working capital reserve.

(vi) Purchaser shall pay to Bleckner P.C. the sum of $3,000, which sum represents the attorney fee for services rendered in preparing the Unit Deed, the Power of Attorney and for coordinating and attending the Closing. In the event the Closing is held at a location other than the offices of Bleckner P.C., the attorney fee shall be increased by an additional $750. Should Purchaser fail to close on the date set forth for the original closing of title, Purchaser will pay Bleckner P.C. an additional fee of $500 for its services in attending the adjourned closing. All fees noted herein are cumulative.

(vii) Purchaser shall pay the New York City Real Property Transfer Tax for each Unit, which is currently one (1%) percent of the total consideration where the purchase price is $500,000 or less, but when paid by the purchaser is approximately 1.01% since the shifting of the obligation from the seller to the purchaser is considered to be additional consideration, or at the rate of 1.425% of the purchase price where the price is more than

$500,000, but when paid by the purchaser is approximately 1.445% plus a Fifty ($50) dollar filling fee to the City of New York;

(viii) Purchaser shall pay the New York State deed document stamps, currently .4% of the total consideration, but when paid by the purchaser is increased to approximately .4016%, and that portion of the New York State Real Property Transfer Tax as computed in Schedule B, Part II of the TP-584 return (a so-called "Mansion" tax currently one percent (1%) of the purchase price, on sales in excess of a million dollars) by certified check or attorney escrow check in the amount of such taxes payable to the appropriate government agency or entity.

B. No work can be performed in the Unit by a Purchaser prior to closing, prior to issuance of a permanent certificate of occupancy. If Purchaser wishes to make alteration to the Unit, certain finished may be omitted, but only upon written agreement with Sponsor and only if it will not interfere with obtaining the permanent certificate of occupancy.

C. In addition to those costs and adjustments described in Articles 12 and in this Article 13, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." All such Closing Costs shall be paid by Purchaser, at Closing, by Purchaser's unendorsed personal certified check or by official bank check, in either event drawn upon a bank that is a member of the New York Clearing House Association.

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

14. No Guarantee of Mortgage

Purchaser hereby acknowledges and agrees that no warranties or representations were made to Purchaser, either in the Plan or by Sponsor or any other person or entity, that Purchaser will be able to obtain financing for the purchase of the Unit from any lending institution. Purchaser hereby agrees that if Purchaser is unable to obtain any such financing, Sponsor shall have no liability to Purchaser for the failure to obtain any such financing.

15. Power of Attorney to Board of Managers

At closing, Purchaser shall execute, acknowledge and deliver to the representative of the title insurance company insuring Purchaser's title to the Unit (or, if no representative is present, ten to Sponsor's attorney) for recording in the New York City Register's office of the County and State of New York, a power of attorney in favor of the Board of Managers relative to purchasing or leasing of Units and in favor of Sponsor relative to amending the Condominium Documents to the extent permitted in the power of attorney. The power of attorney shall be substantially in the form set forth as Exhibit C in Part II of the Plan. After being recorded, the power of attorney shall be sent to Board of Managers.

16. Certificate of Occupancy

At closing, Sponsor shall deliver to Purchaser a copy of the Certificate of Occupancy for the Unit, whether permanent or temporary. If a permanent Certificate of Occupancy shall not have been issued at the time of the closing, then Sponsor shall be obligated, at its sole cost and expense, to obtain renewals of the temporary Certificate of Occupancy until such time as a permanent Certificate of Occupancy is obtained.

17. Events of Default

A. The following shall constitute "Events of Default" under this Agreement:

(i) Purchaser's failure to pay the Balance on the Closing Date designated by Sponsor;

(ii) Purchasers failure to duly sign, notarize and deliver at closing, the power of attorney pursuant to Paragraph 15 above or the New York City transfer tax return pursuant to Paragraph 13 above;

(iii) The failure to pay, perform or observe any of Purchaser's other obligations hereunder, which is not cured within fifteen (15) days after the mailing of written notice specifying the nature of such default.

B. Upon the occurrence of an Event of Default, Sponsor's sole right shall be to cancel this Agreement by sending Purchaser thirty (30) days prior to written notice of its intention to do so. If Sponsor elects to cancel, Purchaser shall have thirty (30) days specified default. Time is of the essence to remedy such default within said thirty (30) day period. If the default is not timely cured, then Sponsor shall have the right to retain, as and for liquidated damages, the Contract Deposit (but in no event to exceed fifteen (15%) percent of the Purchase Price), plus the cost of any special work in the Unit ordered by Purchaser, together with any interest earned thereon (hereinafter called the "Liquidated Sum"), and any sums in excess thereof (together with any interest earned thereon) shall be returned to Purchaser promptly thereafter. Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor, Selling Agent and Escrow Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold to another as

though this Agreement has never been made, and without accounting to Purchaser for the proceeds of such sale.

18. Acceptance of the Condition of the Building and the Unit

A. The signing of this Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Property, including the Buildings, the Unit and all necessary machinery, equipment, furnishings, appliances, installations and other personal property contained therein (hereinafter collectively referred to as "Installations"), in their respective existing conditions, subject to Sponsor's obligations to renovate, alter, and construct as set forth in the Plan and the provision of subdivisions, b, c and d of this Paragraph 18.

B. Sponsor warrants and represents that it shall cause its contractors to correct any defects due to improper workmanship or material substantially at variance with the Plans and description contained in the Architects report, provided that Sponsor is notified, in writing by certified mail, within three (3) months of the first occupancy of the Unit of any latent defects and thirty (30) days with respect to any patent defects. Notwithstanding the forgoing, Sponsor shall not be obligated to correct any latent or patent defect covered by any assignable warranties or guaranties, or as otherwise limited as provided for in the Plan.

C. Sponsor will not be responsible for correcting defects in appliances, equipment, or fixtures with respect to which assignable warranties guaranties or other undertakings from manufacturers, suppliers, subcontractors, material men or others are assigned to Purchaser. However, all appliances, equipment and fixtures shall be in working order at the time of closing.

D. Sponsor shall not be responsible for any condition resulting after the closing from normal wear and tear, or natural deterioration, or from the normal settling or shifting of the Building, or for defects of any insubstantial nature, such as, without limitation, nail pops, ridging on sheetrock walls, lumber shrinkage, doors sticking due to weather, or warpage of less than ¼", separations in bathroom tiles or tile grouting, slight separation in kitchen tile or normal plumbing, heating and ventilation (exhaust) noises. Unless notified in writing by Purchaser on or before the Closing for such Unit, Sponsor shall not be responsible with respect to such Unit for paint touch-ups or for repair of chips, mars, breaks or other defects in window sashes, electrical fixtures and globes, kitchen cabinets, countertops, vanity tops and bases, medicine cabinets, doors, bases, mirrors, hardware and appliance cabinets. The Sponsor shall not be liable for consequential damages (whether based on negligence or breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligations in this respect shall be to cause its contractors to repair or replace, at its option, any defective items of construction, of set forth in the Statement of Inspection in the form annexed hereto as Exhibit 2 and to be executed by Sponsor and Purchaser at Closing and subject to the terms and conditions of such Statement of Inspection and within the time limit set forth in this Agreement.

19. Possession; Risk of Loss

A. Purchaser shall not be entitled to possession of the Unit until the deed is delivered to Purchaser at closing.

B. All risk of loss prior to closing has been assumed by Sponsor, but without any obligation or liability of Sponsor to repair the damage or restore the Unit. If Sponsor or (in the event the Declaration is filed) the Unit owners elect to repair or replace the loss or damage, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete or to permit the Board of Managers to complete such repairs or replacements. Purchaser shall not be required to pay the Balance unless and until (i) the Unit has been substantially repaired as near as is reasonably possible to its condition immediately prior to the casualty, and (ii) it's essential services such as electricity and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance, or in satisfaction of any claim or action in connection with such loss, shall belong entirely to Sponsor (subject to the rights, if any, and of the Board of Managers, or of other Unit Owners). If such proceeds are paid to Purchaser, Purchaser shall promptly, upon receipt, turn them over to Sponsor. The provisions of the two preceding sentences shall survive the Closing.

C. In the event that Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or (in the event the Declaration has been filed) the Unit Owners do not resolve to make such repairs or restorations pursuant to the Condominiums By-Laws, this Agreement shall be deemed cancelled and of no further force or effect, and Sponsor shall instruct Escrow Agent to return to Purchaser all sums deposited hereunder, together with interest, whereupon the parties and the Escrow Agent shall be released and discharged from all obligations and liabilities hereunder and under the Plan.

20. No Representation

Purchaser acknowledges that Purchaser has not relied upon any architects 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 others, including, but not limited to, any relation to the description or physical condition of the property, the Building or the Unit, or the size or the dimensions of the Unit, or the rooms therein contained, or any other physical characteristics thereof, the services to be provided to the Unit Owners or the estimated Common Charges and estimated real estate taxes for the Units, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as may be specifically represented herein or in the Plan, Purchaser having relied on Purchasers own examination and investigation thereof. No person has representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans, is accurate and correct, provided the layouts and dimensions conform substantially to such Floor Plans and (b) that Purchaser shall not be relieved of any of Purchasers obligations hereunder by reason of any minor inaccuracy or error. The provisions of this Paragraph 20 shall survive the closing title.

21. Notices

A. Any notice, election, demand, request, letter, consent or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage

prepaid, by registered or certified mail return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed to the Attorney for Purchaser at the address given at the beginning of this Agreement with a copy to Purchaser at the address given at the beginning of this Agreement by regular mail, and to the Attorney for Sponsor at the address given at the beginning of this Agreement, with a copy to Sponsor at the address given at the beginning of this Agreement by regular mail. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected, or in the case of mailing, the 3 business days after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

B. Sponsor hereby designates and empowers both the Selling Agent and Attorney for Sponsor, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

C. Purchaser hereby designates and empowers the Attorney for Purchaser, as Purchaser's agent to give any notice to Sponsor under this Agreement in Purchaser's name, which notice so given shall have the same force and effect as if given by Purchaser.

22. Broker

Purchaser represents to Sponsor that the Selling Agent is the only broker or sales agent with whom Purchaser has dealt in connection with this transaction. Sponsor represents to Purchaser that to its knowledge, no other broker or sales agent was instrumental in introducing Purchaser to Sponsor. Sponsor agrees to compensate the Selling Agent pursuant to a separate agreement. Purchaser agrees that should any claims be made against Sponsor for commissions by any broker, other than the Selling Agent, on account of any acts of Purchaser or of Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from any and all liabilities and expenses in connection therewith, including (without limitation) reasonable legal fees and disbursements. The provision of this Paragraph 22 shall survive the closing.

23. No Lien; Agreement Subject and Subordinate to Mortgage

A. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder. This Agreement shall not be recorded and any purported recordation hereof by Purchaser shall constitute an Event of Default.

B. In furtherance, and not in limitation, of Paragraph A of this Section, Purchaser agrees that the provisions of this Agreement are, and shall continue to be, subject and subordinate to the lien of any mortgages heretofore or hereafter made with respect to the Building and any payments or expenses already made or incurred or which hereafter may be made or incurred 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 mortgaged on or prior to the Closing

Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof other than the Unit and its undivided interest in the Common elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the purchase Price or performing all of Purchaser's other obligation hereunder or be the basis of any claim against or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration and the Unit is released from the lien of such mortgage at closing.

24. Entire Agreement

This Agreement, together with the Plan, as the Plan may be amended from time to time, constitutes the entire agreement between the parties as to the subject matter hereof and supersedes all prior understandings and agreements.

25. Agreement May Not Be Assigned

A. Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld, conditioned or delayed. An assignment would include the transfer of a beneficial interest in an entity that is Purchaser. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. Under no circumstances will Sponsor consent to an assignment of this Agreement in which Purchaser will receive consideration. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall be required to pay Sponsor's attorneys a fee of $1,000, in advance, for the review of the assignment and assumption agreement. Any purported assignment by Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Article 17 hereof, and shall be voidable at the option of Sponsor.

B. Notwithstanding anything to the contrary contained in Paragraph 24, if Purchaser has signed this Agreement in an individual name (and not in the name of an entity), Purchaser shall have a one-time right to assign Purchaser's rights under this Agreement, in whole, but not in part, to an entity "controlled" (as such term is defined below) by Purchaser, (the entity to which the rights are assignable may be a trust, limited liability company or a corporation) or to member(s) of Purchaser's immediate family, provided that (i) Purchaser designates such assignee at least five (5) business days prior to the Closing Date; (ii) Purchaser delivers to Sponsor's counsel a fee in the amount of $1,000.00 for its services in connection with the review of the assignment and assumption agreement, (iii) the Closing will not be delayed as a result of such assignment, (iv) the assignee of this Agreement assumes in writing, the obligations of Purchaser under this Agreement, (v) the assignment is made without consideration and (vi) the assignee delivers an "affidavit of intent to reside" in the form required by Sponsor. As used in this subparagraph, the term "control" shall mean the control, either directly or indirectly, of at least 51% of the voting shares or equity interests of such assignee, together with the authority to direct and manage the affairs of such assignee, which shall include Purchaser being the managing general partner of such partnership or the principal manager or managing member of such

limited liability company. Purchaser shall deliver to Sponsor evidence reasonably satisfactory to Sponsor of who controls the entity. Any obligations of Purchaser may be performed by such assignee, and Sponsor agrees to accept such performance as if it were the performance of Purchaser. No such assignment shall modify Purchaser's obligations hereunder, including without limitation, the named Purchaser's indemnity obligations contained in this Agreement, reduce or limit any liability or obligation of the named Purchaser who shall remain primarily liable notwithstanding any liability assumed by assignee. Unless Purchaser complies with the provisions of this subparagraph, any purported assignment by Purchaser shall be null and void and of no effect as against Sponsor.

26. Liability of Sponsor

Sponsor shall be excused from performing any obligation or undertaking provided in this Agreement for so long as such performance is prevented, delayed, or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure or transportation, strike lock-out, action of labor unions or any other cause. Sponsor's time to perform such obligation or undertaking shall be extended for the reasonable period for it to perform, following termination of the event for which such performance was excused.

27. Miscellaneous

A. 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 provision 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.

B. 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 provisions to other person 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.

C. Any failure by Sponsor to insist upon strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches that may occur, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

D. The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State or New York.

E. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of connected with, or related 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.

F. 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.

G. 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.

H. All prior understandings, agreements, representations and warranties, oral or written, between Sponsor and Purchaser are merged in this Agreement; it completely expresses their full agreement and has been entered into after full investigation, neither party relying upon any statement made by anyone else that is not set forth in this Agreement.

I. Neither this Agreement nor any provision thereof may be waived, changed or cancelled except in writing. This Agreement shall also apply to and bind the heirs, distributees, legal representatives, successors and permitted assigns of the respective parties. The parties hereby authorize their respective attorneys to agree in writing to any changes in dates and time periods provided for in this Agreement.

J. The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement and shall not be considered in the interpretation of this Agreement or any provision hereof.

K. This Agreement shall not be binding or effective until duly executed and delivered by Sponsor and Purchaser.

L. Sponsor and Purchaser shall comply with IRC reporting requirements, if applicable. This subparagraph shall survive Closing.

M. This Agreement is intended for the exclusive benefit of the parties hereto and, except as otherwise expressly provided herein, shall not be for the benefit of, and shall not create any rights in, or be enforceable by, any other person or entity.

N. Sponsor's taxpayer identification number is _____. Purchaser's taxpayer identification number is: _____.

O. This Agreement may be executed in counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement. Facsimile, .pdf and photocopy signatures on this Agreement shall have the same force and effect as originals.

28. No Oral Changes

The Agreement cannot be changed or any provision waived orally. ANY CHANGES OR ADDITIONAL PROVISIONS OR WAIVERS MUST BE SET FORTH IN ADDENDA HERETO OR IN A SEPARATE WRITTEN AGREEMENT BY THE PARTIES.

29. Acceptance of Agreement

A. On or prior to Purchaser's signing and delivering this Agreement, Purchaser shall complete, sign and deliver to the Selling Agent an application for form furnished by Sponsor. Such application shall be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation binding obligation on either the applicant or Sponsor.

B. The submission of such application or this Agreement to Purchaser does not constitute a binding obligation on either Purchaser or Sponsor. No such binding obligation shall arise until duplicates of this Agreement are executed by, and delivered to, both Purchaser and Sponsor (or Sponsor's duly authorized agent). If within thirty (30) days after the Selling Agent receives this Agreement, an Agreement signed by Sponsor or its authorized selling agent is not sent or delivered to Purchaser, then it shall be deemed rejected and of no force or effect, and all monies paid by Purchaser shall be promptly refunded, without interest. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Sponsor has the right without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, or other ground proscribed by law.

30. Prohibition Against Advertising

A. If Purchaser enters into a contract for the sale of his Unit within one (1) year after the date on which he closed title to the purchase of such Unit from Sponsor, then Purchaser shall pay to Sponsor the "Unit Sale Excess Consideration", as calculated below. The Unit Sale Excess Consideration shall be an amount equal to fifty (50%) percent of the difference between (A) the sale price of the Unit, as set forth in the contract for the sale of the Unit by Purchaser, from which Purchaser, as the seller of the Unit, shall deduct the following expenses in connection with the sale of the Unit: (i) brokerage commissions incurred and paid by Purchaser, as seller of the Unit, but not to exceed, in the aggregate, six (6%) percent of the sale price of the Unit; (ii) transfer taxes imposed by Law on Purchaser, as the seller of the Unit and paid by Purchaser, as the seller of the Unit; (iii) costs incurred and paid by Purchaser to renovate the Unit, provided any such renovation was undertaken in accordance with the terms and conditions set forth in the Condominium Documents, including designer fees and architectural fees, as well as typical hard costs associated with any such renovation; and (iv) reasonable legal fees incurred and paid by Purchaser, as seller of the Unit, but not to exceed $5,000; and (B) the Purchase Price paid by Purchaser to Sponsor, as set forth in this Agreement between Purchaser and Sponsor. By way of example only, if (i) the sale price of the Unit, as set forth in the contract for the sale of the Unit, was $2,000,000; (ii) the Purchase Price paid by Purchaser to Sponsor, as set forth in this Agreement between Purchaser, as seller of the Unit, and Sponsor, was $1,300,000; and (iii) the expenses incurred and paid by Purchaser, as the seller of the Unit, were: (a) brokerage commissions in the amount of $120,000; (b) transfer taxes imposed by Law on Purchaser, as seller of the Unit, in the amount of $36,500; (c) renovation costs in the amount of $85,000; and (d) reasonable legal fees in the amount of $5,000, then the Unit Sale Excess Consideration due and payable to Sponsor, by Purchaser, as the seller of the Unit, would be in the amount of $226,750. The Unit Sale Excess Consideration shall be due and payable by Purchaser to Sponsor on the day on which Purchaser, as the seller of the Unit, closes title to the sale of his Unit. The terms and provisions of this Article 22.1 shall survive the Closing of Title.

B. Prior to the Closing of Title, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without Sponsor's prior written consent. In addition, a Purchaser (other than a Purchaser purchasing for such Purchaser's own occupancy or the occupancy of such Purchaser's Family Members) may not, in any event, advertise, list or sell a Unit acquired from Sponsor for twelve (12) months after acquisition of such Unit (provided however, such limitation shall not apply from after the date Sponsor conveys title to all of the Units.) Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to Closing of Title shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Article 17 hereof. Any conveyance in violation of the foregoing prior to Closing of Title will be voidable by Sponsor.

31. Costs of Enforcing and Defending This Agreement

The defaulting party shall be obligated to reimburse the non-defaulting party for any legal fees and disbursements incurred by the non-defaulting party in defending its rights under this Agreement or, in the event a party defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing the default party's obligations hereunder.

32. Limited Warranty

A. SPONSOR MAKES NO HOUSING MERCHANT IMPLIED WARRANTY OR ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, IN CONNECTION WITH THIS AGREEMENT OR THE UNIT(S) COVERED HEREBY AND ALL SUCH WARRANTIES ARE EXCLUDED. THE TERMS OF THE LIMITED WARRANTY ARE HEREBY INCORPORATED INTO THIS AGREEMENT AND THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE THEREOF. PURCHASER HEREBY ACKNOWLEDGES THAT A WRITTEN COPY OF THE TERMS OF THE ANNEXED LIMITED WARRANTY HAVE BEEN PROVIDED BY SPONSOR TO PURCHASER FOR PURCHASER'S EXAMINATION AND THAT A REASONABLE PERIOD OF TIME FOR ITS EXAMINATION BY PURCHASER HAS BEEN AFFORDED TO PURCHASER PRIOR TO THE TIME OF PURCHASER'S EXECUTION OF THIS AGREEMENT. PURCHASER UNDERSTANDS AND ACCEPTS THAT THE WARRANTY ANNEXED TO THIS AGREEMENT WILL BE FULLY EFFECTIVE WITHOUT THE EXECUTION OF ANY OTHER DOCUMENT BY EITHER PURCHASER OR SPONSOR ON THE EARLIER TO OCCUR OF (i) THE DATE THE DEED TO THE UNIT IS DELIVERED TO PURCHASER, OR (ii) THE DATE ANY PERSON COMMENCES OCCUPANCY OF THE UNIT.

B. THE LIMITED WARRANTY IS LIMITED TO AN OBLIGATION TO CORRECT MATERIAL DEFECTS IN THE CONSTRUCTION AND/OR RENOVATION OF THOSE PORTIONS OF THE UNIT WHICH WERE REQUIRED TO BE CONSTRUCTED OR RENOVATED IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS. THE LIMITED WARRANTY EXCLUDES DEFECTS IN THE UNIT, IF ANY, WHICH ARE NOT WITHIN THE SCOPE OF THE CONSTRUCTION OR RENOVATION WORK AS SHOWN IN THE PLANS AND SPECIFICATIONS. IN ADDITION, SPONSOR SHALL NOT BE RESPONSIBLE FOR CORRECTING OR REPAIRING ANY DEFECTS IN CONSTRUCTION, RENOVATION OR REHABILITATION (INCLUDING, WITHOUT LIMITATION,

DEFECTIVE MATERIALS OR DEFECTIVELY CONSTRUCTED COMPONENTS OR PORTIONS OF THE BUILDING OR UNIT) OR DEFECTS IN THE INSTALLATION OR OPERATION OF ANY APPLIANCES (INCLUDING, WITHOUT LIMITATION, KITCHEN APPLIANCES), EQUIPMENT OR FIXTURES, TO THE EXTENT COVERED BY ASSIGNABLE WARRANTIES OR OTHER UNDERTAKINGS (HOWEVER DENOTED) FROM MANUFACTURERS, CONTRACTORS, MATERIALMEN, OR OTHERS, WHICH ARE ASSIGNED TO PURCHASER OR THE CONDOMINIUM BOARD.

33. Waiver of Diplomatic or Sovereign Immunity

A. The provisions of this Article shall survive the Closing or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement or the Condominium Documents.

B. If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser expressly and voluntarily waives such immunity and consents to any suit, action or proceeding arising out of or relating to this Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents, and hereby designates and authorizes a lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents.

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

34. Mortgage Tax Credit

In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the New York Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of Title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed. Alternatively, Sponsor may require, in its sole discretion, that a Purchaser, who is financing the purchase of the Unit with a purchase money loan secured by a mortgage (the "Purchase Money Mortgage"), must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, the Purchase Money Mortgage will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor will be solely entitled to the benefits of any mortgage tax credit which Purchaser receives as a result of such assignment. Accordingly, at the Closing, Purchaser will pay to Sponsor an amount equal to the mortgage

recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage.

35. Confidentiality

Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties' undertaking of confidentiality contained in this Agreement. Any failure by either party to keep the terms and conditions of this Agreement confidential shall be a default by such disclosing party, entitling the non-disclosing party to the remedies set forth in Paragraph 17 of this Agreement and/or legal or equitable remedies.

The parties have executed this Agreement this ____ day of _____, 20__.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

298 EAST VILLAGE OWNER LLC
By: 298 East Village Mezzanine LLC,
its Sole Member
By: 298 East Village Property LLC,
its Sole Member

By: _____
Name: Matthew Lee
Title: Managing Member

Executed solely for the purpose of accepting the Contract Deposit in escrow, subject to collection, on the terms and conditions set forth in Paragraph 3 of this Agreement.

Bleckner P.C.

By: _____

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EXHIBIT 1 to this Agreement

PURCHASER'S WAIVER OF 30-DAY NOTICE TO CLOSE

Re: Condominium Unit No.___ (the "**Unit**")
in the Condominium known as Houston House

The undersigned, Purchaser of the above referenced Unit located at 298 East 2nd Street, New York, New York 10009 at the Houston House acknowledges that notwithstanding its right to a thirty (30) day period to close from the date of notice to close, pursuant to the Plan, as defined in this Agreement, the undersigned waives its right to such 30-days period.

PURCHASER:

By: _____
Name:
Title:

Dated: _____, 201__

EXHIBIT 2 to this Agreement

Statement of Inspection

Re: Houston House
298 East 2nd Street
New York, New York 10009

Purchaser: _____

Unit No.: _____

Date: _____

I (we) hereby acknowledge that I (we) have purchased this Unit in "As Is" and therefore Sponsor has no obligation to make any repairs or replacements in or to my Unit except for any condition that may be unsafe or in violation of building code. I (we) found the above referenced Unit, its floors, walls, doors, fixtures, appliances, equipment, hardware, and all other general items to be in good and satisfactory condition and acceptable to me (us) except for those matters, if any, expressly noted below and which Sponsor has agreed, at Sponsor's sole discretion, to repair or replace, prior to closing or within a reasonable time thereafter.

Upon completion of work to each open item, if any, listed below, I agree to initial each such item.

ITEMS	DATE & INITIALS
a. Walls: _____	_____
b. Floors: _____	_____
c. Ceilings: _____	_____
d. Windows: _____	_____
e. Electrical Fixtures: _____	_____
f. Painted Surfaces: _____	_____
g. Kitchen Cabinets: _____	_____
h. Appliances: _____	_____
i. Kitchen Sink: _____	_____
j. Medicine Cabinets: _____	_____
k. Vanities: _____	_____
l. Bathroom sinks: _____	_____
m. Water Closet: _____	_____
n. Bathtubs: _____	_____
o. Bathroom tile: _____	_____
p. Other: _____	_____

The undersigned understands and agrees that Sponsor shall not be obligated to make any repairs, adjustments or corrections to the Unit or any portion thereof or fixtures, appliances, equipment, etc., contained therein, from or after the date of delivery of possession of the Unit to

the undersigned, except as to those items (if any) expressly excepted above (and Sponsor's obligation regarding any such excepted items shall cease upon the completion of the repair, adjustment or correction of same).

Purchaser acknowledges that except as set forth above, Sponsor's work on the Unit is complete. Nothing contained herein shall be construed to excuse Sponsor from its obligations to correct defects in construction to the extent required in the section entitled "Rights and Obligations of Sponsor" contained in the Offering Plan.

I (we) understand that the full Balance of the Purchase Price of the Unit must be paid at Closing under this Agreement, without provision for escrow, notwithstanding Sponsor's obligation to complete or correct the items noted above after the closing

I (we) also agreed that that Sponsor will be excused from completing any excepted items contained herein if: (a) I (we) undertake any repairs or alterations, or improvements in the Unit prior to Sponsor's start or completion of such excepted items; or (b) if I (we) fail to provide access to the Unit to Sponsor, as permitted above, to repair any punch list item, within thirty (30) days of Closing.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

298 EAST VILLAGE OWNER LLC
By: 298 East Village Mezzanine LLC,
its Sole Member
By: 298 East Village Property LLC,
its Sole Member

By: _____
Name: Matthew Lee
Title: Managing Member

Date: _____

EXHIBIT 3 to this Agreement

PERMITTED ENCUMBRANCES

1. Building restrictions and zoning laws and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having "jurisdiction."

2. Any state of facts which an accurate survey of the Unit would show, provided such state of facts do not render title unmarketable.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Condominium Board of Managers and Sponsor and the Floor Plans, all as may be amended from time to time.

4. Consents by Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Land may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance, repair and replacement of all utility lines, wires, boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Land and Building.

6. Encroachments of stoops, areas, cellar steps or doors, trip, copings, retaining walls, bay windows, balconies, cornices, foundations, footings, chutes, drainage and stand pipes, and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

7. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

8. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board of Managers), 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 (however, the then current installments shall be adjusted at closing).

9. Any encumbrances as to the title insurance company which insures Purchaser's title to the Unit would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrance (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.

10. Any recorded covenant, restriction, reservation, agreement, assessment and 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.

11. Any lease covering, or tenancy or occupancy or use of, the Unit and the rights of such tenant(s) and occupant(s), if any, under applicable law.

12. Any violations against the Property (other than the Unit's) which are the obligation of the Condominium Board of Managers or another Unit Owner to correct.

13. Standard exceptions contained in the form of fee title insurance policy then issued by the title insurance company insuring Purchaser's title to the Unit.

14. Projections over by trim, stand pipe, marquee, and air conditioners.

Policy will except any state of facts an accurate survey of the Unit would show, however, policy will insure that any encroachments of a portion of the Unit structure upon other Units or upon the common elements may remain undisturbed as long as same shall stand.

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FORM OF RESIDENTIAL CONDOMINIUM UNIT DEED

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RESIDENTIAL CONDOMINIUM UNIT DEED

TO THE

HOUSTON HOUSE

UNIT __

Located At:
298 EAST 2ND STREET
NEW YORK, NEW YORK 10009

Record and Return to:

Purchaser's Attorney
_____
_____
_____

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CONDOMINIUM UNIT DEED

THIS INDENTURE, made the ___ day of _____, 201_, between **298 EAST VILLAGE OWNER LLC,** with offices located at 334 East 9th Street, New York, New York 10003 (hereinafter referred to as "Grantor") and **PURCHASER**, with an address at _____, New York _____ (hereinafter referred to as "Grantee").

WITNESSETH:

That Grantor, in consideration of Ten Dollars ($10) and other good and valuable consideration, paid by Grantee, does hereby grant and release unto Grantee, and the heirs or successors and assigns of Grantee, forever:

The Condominium Unit known as Unit ____ (the "Unit") together with a ___% undivided interest in the common elements of the Houston House, also known by the street number 298 East 2nd Street, County, City and State of New York, said Unit being designated and described by the above unit number in the Declaration establishing a plan for Condominium ownership of the condominium property under the Condominium Act of the State of New York, as amended (Article 9 of the Real Property Law of the State of New York) dated Month/Day, 201_ and recorded in the New York County Office of the Register of the City of New York (the "Register's Office") on Month/Day, 201_ as CRFN #_____.

The Land on which the Building containing the Unit is located is bounded and described as on "Schedule A-1" and "Schedule A-2" annexed hereto.

The Unit is also designated as Tax Lot __ in Block 372 of the Borough 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 the Building, certified by Zakrzewski + Hyde Architects on _____ and filed with the Real Property Assessment Department of The City of New York on _____, ___, as Condominium Plan No. _____and also filed in the Register's Office on_____, ___, as Condominium Map No. _____.

TOGETHER with an undivided ____% interest in the Common Elements (as such term is defined in the Declaration);

TOGETHER with, and subject to the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of the Houston House condominium, as amended, and may be further amended from time to time (hereinafter referred to as the "By-Laws"), all of which shall constitute covenants running with the Land and shall bind the person having at any time interest or estate in the Unit, as though recited and stipulated at length herein;

SUBJECT also to such liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are hereinafter collectively referred to as the "Property");

TO HAVE AND TO HOLD the same unto Grantee, and the heirs or successors and assigns of Grantee; forever.

If any provisions of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of Article 18 of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium's Board of Managers (as such term is defined in the Declaration) a Unit is intended for residential purposes only.

Grantor covenants that Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the declaration, as amended, and the By-Laws (any Rules and Regulations adopted under the By-Laws).

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvements of the Property and will apply the same first to the payment of the cost of the improvements before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the party of the first part.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

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SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, Grantor and Grantee have duly executed this deed on the day and year first above written.

GRANTEE:

By: _____
Name:
Title:

GRANTOR:

298 EAST VILLAGE OWNER LLC
By: 298 East Village Mezzanine LLC,
its Sole Member
By: 298 East Village Property LLC,
its Sole Member

By: _____
Name: Matthew Lee
Title: Managing Member

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 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 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

SCHEDULE A

DESCRIPTION OF LAND

298 East 2nd Street, New York, New York

The subject tract of land with respect to which the foregoing parties are the parties in interest as aforesaid, is known as Tax Lot Number 52 in Block 372 on the Tax Map of the City and County of New York and more particularly described as follows:

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, and distinguished upon a map of property of land of Augusta Wydheep and filed in the Register's Office of New York County as Map No. 139, Lot 50, being bounded and described as follows:

BEGINNING at a point on the northerly side of East Second Street, 193 feet 1 inches west of the corner formed by the intersection of the westerly side of Avenue D with the northerly side of East Second Street;

RUNNING THENCE northerly at right angles to East Second Street 105 feet 11-1/2 inches survey (106 feet 0 inches, deed);

THENCE westerly at right angles to the last mentioned course, 25 feet 0 inches;

THENCE southerly again at right angles to East Second Street, 105 feet 11-1/2 inches survey (106 feet 0 inches, deed) to the northerly side of East Second Street;

THENCE easterly along East Second Street 25 feet 0 inches to the point or place of BEGINNING.

POWER OF ATTORNEY

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HOUSTON HOUSE

Located at
298 East 2nd Street
New York, New York 10009

UNIT OWNER'S POWER OF ATTORNEY

RESIDENTIAL CONDOMINIUM UNIT NO.___

Block 372
Lot 52

Return to:

Bleckner P.C.
350 Fifth Avenue
Suite 6440
New York, New York 10118
Attn: Ian Lester, Esq.

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POWER OF ATTORNEY

The undersigned, _____, residing at 298 East 2nd Street, New York, New York, the Owner of Condominium Unit (hereinafter referred to the "Undersigned's Unit") known as Unit No. ___ located at 298 East 2nd Street Street, New York, New York said Unit being designated and described as Unit No. ___ in the Declaration of the Houston House condominium (hereinafter referred to the "Condominium") and also designated as Tax Lot __ in Block 372 of the City 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 irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium's Board of Managers true and lawful attorneys-names, as members of the Board of Managers or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners' respective Common Interests, subject to the provisions of the By-Laws then in effect (1) (a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, or lease the same; (b) to acquire any Unit, together with its Appurtenant Interests, whose owner elects to surrender the same pursuant to the terms of paragraph (c) of Section 6.2 of the By-Laws; (c) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, on such terms and (with respect to any transfer pursuant to the terms of subdivision (a) or (c) of this paragraph) at such price or at such rental, as the case may be, as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease, mortgage or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, or to sublease any Unit so leased by them, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to present; and (2) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium that the Board of Managers 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, that the Board of Managers deems necessary or appropriate; and (3) to contest the assessed valuation allocated to the Unit or the Property on behalf of any Unit Owner and to settle such contest on such terms as the Board of Managers deems appropriate.

The acts of a majority of such persons constituting the Board of Managers shall constitute the acts of said attorney-in-fact.

The Undersigned does hereby irrevocably nominate, constitute and appoint (until such date as the Sponsor or its designee no longer owns any Unsold Units under the Plan) 298 East Village Owner LLC (hereinafter referred to as "Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time said Declaration, By-Laws and the Rules and Regulations of the said Condominium, or any of said documents when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units, resulting therefrom, made by Sponsor or its designee in accordance with Article 10 of the Declaration, or (2) shall be required by (a) an Institutional lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (by any governmental agency having regulatory jurisdiction over the Condominium, or (b) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common

Interest of the Undersigned's Unit, or require a material, physical modification to the Undersigned's Unit, or require a material, physical modification to the Common Elements serving the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the Undersigned (in the event described in subdivision (i) or (ii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as the Sponsor or its designees shall cease to own any of the Units in the Condominium.

IN WITNESS WHEREOF, the Undersigned has executed this Unit Owner's Power of Attorney as of this __ day of _____, 201__

_____

_____

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

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ATTORNEY GENERAL'S REPORT

298 E 2nd STREET, NEW YORK, NEW YORK 10009
Block 372
Lot 52
21 July 2017

SPONSOR:
298 East Village Owner LLC
350 5th Avenue Ste 6440
New York, NY 10118

SUBMITTED BY:
Stas Zakrzewski, Architect P.C.
DBA Zakrzewski & Hyde Architects
515 Canal Street, Suite 1C

Section 20.7 Description of Property and Specifications or Building Conditions

A) ***Location and use of the property.*** The subject property will be an 8 story new building. Uses will comply with all Planning and Zoning Board Conditions.
   1) ***Address:*** 298 E 2nd Street, New York, NY 10009
   2) ***Block and Lot:*** Block 372; Lot 52
   3) ***Zoning:*** R8-A
   4) ***Permissible Use:***
      Existing Zoning Use Group 17
      Proposed Zoning Use Group 2 on all floors
      Proposed occupancy class R2

B) ***Status of construction***
   1) ***Year built:*** 2017-2019. Final date of substantial completion dependent on any potential delays as a result of weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment of labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Sponsor has no control.
   2) ***NYC Department of Buildings, New Building Number:*** 122866149
   3) ***Class of Construction:*** Construction Class 1B.
   4) ***Certificate of Occupancy, type and number:*** Certificate of occupancy to be supplied upon completion of construction
   5) ***Alteration permit numbers and description of work done:*** Alteration permit numbers to be provided following DOB full building approval

C) ***Site***
   1) ***Size:*** The size of the building lot is approximately 2648.95 square feet.
   2) ***Number of buildings and use:*** One Building, will contain seven (7) residential units.
   3) ***Streets owned or maintained by the project:*** N/A
   4) ***Drives, sidewalks and ramps:*** New public sidewalk to be provided along Houston Street. (Building frontage is on Houston St.) The sidewalk and curb will be built to comply with New York City Department of Transportation, Local Law (LL) and ADA requirements.
      i) ***Paving:*** Concrete.
      ii) ***Curbing (material and condition):*** Stone curb to match existing.
      iii) ***Catch basins, drainage (location and condition):*** The street is presently pitched to drain via existing catch basins in the New York City storm water drainage system.
      iv) ***Street lighting (material, type, location and condition):*** There is an existing street light located to the East of the property on Houston street.
      v) ***State whether these items are in conformity with local fire district, town or municipal building codes:*** Yes
      vi) ***Designated site***: NYC Zoning designates that the block and lot is subject to an E-Designation for potential noise impacts. The following E designations apply to the site:

      E-216 Window Wall Attenuation and Alternate Ventilation;
      This regulates that outside noise within an apartment be less than or equal to the minimum required by code, and that the minimum Outdoor Indoor Transmission Class (OITC) rating, the amount of noise reduction, in a window wall assembly be greater than or equal to 31 dBA. This quiet condition must be achievable at all times. Therefore alternate means of ventilation must be provided to each habitable space within each apartment. A window will be tested and will have an OITC rating greater than 29 dBA ensuring the window wall assembly to have a greater than 31 dBA OITC rating.
      Alternate means of ventilation will be provided via dedicated outside air ventilation system (energy recovery veniltators in each unit and terminating at the north façade.) All required documentation including a remedial action plan has been submitted to the NYC Office of Environmental Remediation to show compliance with the (E) requirements of the site. OER'S Notice to Proceed

will be obtained prior to construction. OER's Notice of Staisfaction has not yet been obtained, a copy will be provided prior to closing.

D) ***Utilities***
1) ***Electrical service is provided by:*** Con Ed (individually metered).
2) ***Water service is provided by:*** the New York City Municipal Water Supply.
3) ***Sewer service is provided by:*** New York City
4) ***Gas:*** N/A
5) ***Telephone is provided by:*** third party vendors. Each unit owner will contract directly for service.
6) ***Cable T.V. is provided by:*** third party vendors. Each unit owner will contract directly for service.

E) ***Sub-soil conditions***
1) Subsurface soil consists of a silty sand stratum and silt stratum down to a maximum depth of 100 feet (maximum depth of boring).
2) The groundwater is measured at a depth of 8.3 to 8.4 feet below existing grade.

F) ***Landscaping and enclosures***
1) ***Grass Cover***: There is partial grass cover at the rear yard.
2) ***Plantings:*** Rear yard perimeter planter.
3) ***Trees:*** There will be one new 3" caliper dogwood tree located in the rear yard.
4) ***Fencing:*** New fencing is provided at the East, West, and North perimeter of the rear yard.
5) ***Gates:*** N/A
6) ***Garden walls:*** N/A
7) ***Retaining walls:*** N/A
8) ***Display pools and fountains:*** N/A

G) ***Building size***
1) ***Total height:*** Approximately 92'-1 1/4"
2) ***Crawl spaces:*** N/A
3) ***Number of sub-cellars and cellars:*** There is no cellar.
4) ***Number of floors:*** There are 8 floors and one elevator penthouse with the following areas:
    i. First floor: 654 s.f
    ii. Second to eight floors: 1721 s.f
    iii. Roof, Elevator Bulkhead, and mechanical room: 1854 s.f
5) ***Equipment rooms:*** The following rooms are located on the 1st floor: residential refuse storage room, electric meter room, and water meter room
6) ***Parapet (height above roof):*** *Minimum* 42" above walking surface

H) ***Structural system:*** The structural system is a 9" thick reinforced concrete two-way slab for the floors and roof supported on reinforced concrete columns. Reinforced concrete shear walls are used for lateral load resistance. The foundation is a concrete mat.
1) ***Exterior of buildings***
    i) ***Walls***: Exterior walls located at the east and west building exterior, and partial north building exterior are constructed as follows: one layer of 5/8" gypsum board, followed by 1 1/2" layer of mineral wool batt insulation, inside of 6" AAC block wall with a weather resistant membrane, and a 5 1/2" drained EIFS system. Exterior walls located at the south and part of the north façade are constructed as follows: one layer of 5/8" gypsum board, followed by a stud cavity and an air gap, over top of 2 ½" of mineral wool insulation, followed by a 6" AAC block wall with a weather resistant membrane, and 5" of mineral wool dual density board insulation, covered by a rainscreen panel system. The R value of the exterior walls meets the minimum requirements of the NYC Energy.
    ii) ***Windows:***
    - Windows to be wood clad aluminum triple glazed tilt and turn. Zola Thermoclad windows or approved equal.

- All windows to meet OITC requirements of E designation E-216.
- Window limiters to be provided at all tilt and turn windows to comply with NYS law.
- Warranty to be 5 years material warranty for both frames and glazing.
- Sill to be powder coated aluminum
- No screens or storm windows provided
- No sash required.
- Lintels to be Hebel 6" reinforced AAC U-block or approved equal
- Hardware to be Zola standard aluminium hardware or equal.

iii) ***Landmark status:*** Building has no landmark status.

iv) ***Shades:*** Exterior automatic shades to be provided at south facing glazing in units. To be InSync cable guided exterior shade or approved equal. Powder coated aluminum casing with NFPA 701 rated PVC shade fabric. Warranty to be 5 years for system fabrics, and controls.

v) ***Exterior Shade Structure:*** Exterior shading structure provided on floors 2-8. There are no balconies provided on the South facade.

2) ***Parapets and copings:*** Coping to be Siplast Paraguard formed alumum coping. Mechanically fastened, no skyward facing joints.

3) ***Chimneys:*** No chimneys provided on property, or required.

4) ***Balconies and terraces:*** Exterior cantilevered balconies at northern façade on floors 3-8 only. Balcony structure to be cast in place concrete with structural thermal break.

i) ***Deck finish:*** Exposed concrete.

ii) ***Balustrade:*** N/A

iii) ***Railings:*** Stainless steel panel 42" above finished floor.

iv) ***Copings:*** N/A

v) ***Soffits:*** N/A

vi) ***Doors to balconies and terraces:*** Balcony and terrace doors to be wood clad aluminum triple glazed Zola Thermoclad doors or approved equal.

- All exterior doors to meet OITC requirements of E designation E-216.
- Warranty to be 5 years material warranty for both frames and glazing.

5) ***Exterior entrances***

i) ***Exterior doors and frames:*** Stairway exits hollow metal fire rated door.

ii) ***Vestibule doors and frames:*** Aluminum triple glazed door. To be Zola Alu90 doors or approved equal with electric strike.

- All exterior doors to meet OITC requirements of E designation E-216.
- Warranty to be 5 years material warranty for both frames and glazing.

iii) ***Railings:*** N/A

iv) ***Mail boxes:*** USPS approved horizontal aluminum mailboxes with powder coated finish made by Salsbury Industries 3700-4C located in the first floor lobby space, adjacent to the elevator.

v) ***Lighting:*** LED lighting is provided in common hall spaces, stairways, and the front exterior of the building. Battery-pack emergency lights will be installed in the stairways and lobbies. Exit lights will be installed as required by Code. For manufacturer and model numbers refer to section Q.

6) ***Service entrances***

i) ***Doors and frames:*** Hollow metal fire rated door and frame located on Houston street.

ii) ***Gates:*** N/A

iii) ***Exterior stairs:*** N/A

iv) ***Railings:*** N/A

7) ***Wall and Floor Structure:***

i) **Wall Structure:** All walls will meet or exceed minimum NYC STC sound attenuation ratings. See approved plans for wall fire ratings and partition types.

ii) ***Floor Structure:*** 3/4" engineered plywood finish floor sits above 2 crossed layers of 1/2" plywood sub-floor, followed by a 12 mm sound mat adhered to the underlayment, pliteq geniemat EST or equal, on top of the 9" cast-in-place concrete floor slab and concrete topping.

8) ***Roof and roof structure:*** **Flat roofs**
   i) ***Type roof for all areas:*** Multi-ply Siplast Modified SBS roofing over glass mat gypsum sheathing board over insulation board over cast in place concrete structural deck
      - ***Material:*** *Multi-ply Siplast* Modified SBS roofing
      - ***Insulation:*** 8" polyisocyanurate board Insulation. Meets minimum code required insulation value
      - ***Surface finish:*** Granular
      - ***Bond or guarantee:*** 15 Year Guarantee
      - ***Flashing material including counter flashing:*** Siplast Parapro 123 Flashing System.
   ii) ***Drains***
      - ***Location, material and type:*** Flow control roof drain, cast iron body & dome strainer, located at low points of upper and lower roof.
      - ***Gutters and leaders:*** Exposed box type, aluminum at bulkhead.
   iii) ***Skylights:*** N/A
   iv) ***Clerestory Windows:*** One clerestory located at the 8th floor level viewing onto lower roof level, one raised roof Clerestory on the upper roof level located above the 8th floor Foyer.
   v) ***Bulkheads***
      - ***Stairs:*** Stair Bulkhead provided at main roof level.
      - ***Elevator:*** Elevator bulkhead provided at main roof level.
      - ***Other:*** N/A
   vi) ***Metal work at roof levels:***
      - ***Exterior, metal stairs:*** Galvanized Steel (no paint finish) OSHA compliant ladder provided between upper and lower roof levels
      - ***Vertical ladders, including gooseneck:*** Galvanized steel (no paint finish) ladder located at upper roof level for access to bulkhead roof
      - ***Railings:*** Galvanized steel pipe (no paint finish) railing located at changes in roof level.
      - ***Hatches to roof:*** N/A
      - ***Other:*** Galvanized steel (no paint finish) substructure provided for photovoltaic array at roof level. Minimum 9'-0" height clearance provided between bottom of array and roof deck. Galvanized steel metal grating provided above southern clerestory window for shading, McNicholas GW series bar grating or equal.
   vii) ***Rooftop facilities:*** Hot Water mechanical room located at roof level
9) ***Fire escapes:*** Describe at each floor and specify any unusual access situation. N/A
   i) ***Location:*** N/A
   ii) ***Floors covered:*** N/A
   iii) ***Drop ladder:*** N/A
   iv) ***Type:*** N/A
   v) ***Materials:*** N/A
10) ***Yard and courts:*** Rear yard located to north of building – For use of townhouse unit only. Rear Yard depth greater than or equal to 30'-0"
   i) ***Paving:*** In-situ poured concrete slab on grade (sloped to drain)
   ii) ***Draining:*** One trench drain provided in rear yard. JR Smith Modular trench drain or equal.
   iii) ***Railing:*** N/A
   iv) ***Stairs:*** N/A
   v) ***Fencing:*** *¾" aged Cedar* wood fencing located on West, North and East sides of rear yard
   vi) ***Walls:*** N/A

11) ***Interior stairs***
   i) ***Interior Egress Stairs***
      i) ***Number of stairs of each type:*** (2) Two interior egress stairs
      ii) ***Enclosure:*** Two hour rated cast in place concrete enclosure. Separation between scissor stairs to be two hour rated reinforced CMU. (Previously submitted CCD1 application no longer required, withdrawn)
      iii) ***Stair construction (steel, concrete, wood):*** Cast in place Concrete stairs.
      iv) ***Stringers (material):*** Steel.
      v) ***Treads (material):*** Cast in place concrete
      vi) ***Risers (material):*** Steel.
      vii) ***Guard rails (material):*** Schedule 40 steel pipe
      viii) ***Balustrade (material):*** 1" steel bar
   ii) ***Interior Communication Stair, Townhouse, Floors 1-2***
      i) ***Number of stairs of each type:*** 1 light gage steel and plaster communication stair from floor 1 to floor 2 in unit 1.
      ii) ***Enclosure:*** N/A
      iii) ***Stair construction (steel, concrete, wood):*** Light gage steel framing
      iv) ***Stringers (material):*** Plaster over light gage steel framing
      v) ***Treads (material):*** *¾" engineered wood flooring with oak finish*
      vi) ***Risers (material):*** *¾" engineered wood flooring with oak finish*
      vii) ***Guard rails (material):*** *Plaster over light gage steel framing*
      viii) ***Balustrade (material):*** *Wood handrail*

12) ***Interior doors and frames:***
   i) ***Unit entrance and interior doors and frames:*** Elevator doors enter directly into residential units and are fire rated. Interior doors are solid core wood doors.
   ii) ***Corridor doors and frames:*** 1 1/2 hr rated steel door and frame
   iii) ***Stair hall doors and frames:*** 1 1/2 hr rated steel door and frame. No panic hardware is provided or required for alarmed door release.
   iv) ***Roof doors and frames:*** 1 1/2 hr fire rated Insulated steel door and frame
   v) ***Zero clearance door:*** A fire rated door is located at the elevator entrance to each apartment.

13) ***Elevators***
   i) ***Number of passenger and service elevators:*** One (1) passenger elevator
   ii) ***Manufacturer:*** New installation of one (1) 3,500# capacity, 350 FPM
   iii) ***Type of operation of elevator:*** Simplex – Selective Collective
   iv) ***Automatic (type of controls):*** Automatic overhead traction elevator (AC gearless PM machine with nonproprietary controls – VVVF with regerative drives)
   v) ***Floors served:*** 8 stops in line (L, 1-7)
   vi) ***Type:*** Overhead Gearless AC – PM machines
   vii) ***Doors:*** Single speed slide automatic doors
   viii) ***Location of machine rooms:*** Machine room application overhead roof/bulkhead level
   ix) ***DC motor: (manufacturer):*** N/A
   x) ***AC motor-generator set (manufacturer):*** N/A for MG sets
   xi) ***Other:*** *N/A*

14) ***Elevator cabs:***
   i) ***Kind (manufacturer):*** TBD
   ii) ***Floor (material):*** TBD
   iii) ***Walls (material)*** TBD
   iv) ***Ceiling (material):*** TBD
   v) ***Lighting:*** TBD
   vi) ***Alarm, safety system:*** Audible alarm, emergency light, and 2 way telephone/intercom communications system

I) ***Auxiliary facilities***

1) ***Laundry rooms:*** N/A
   i) ***Location and number of rooms:*** N/A
   ii) ***Clothes washers, number and type:*** *(e.g. heavy duty, coin operated, electric, gas):* N/A
   iii) ***Clothes dryers (number and type):*** N/A
   iv) ***Room ventilation (method and final exhaust):*** N/A
   v) ***Dryer ventilation (method and final exhaust):*** N/A

2) ***Bicycle room:*** Located off of ground floor residential lobby. Approx. 61 sf. 7'-11 1/2" x 7'-7 1/4"

3) ***Package room:*** *N/A*

4) ***Storage room:*** One storage room located off of ground floor residential. Approx. 30 sf. 9'-10 3/4" x 3'-0 1/2"

5) ***Powder room:*** One ADA compliant powder room located off of ground floor lobby. Approx. 55 sf. 8'-7" x 6'-5 1/2"

6) ***Refuse disposal:*** Refuse room located off of ground floor residential. Approx. 60 sf. 7'-11 1/2" x 7'-8". No trash chutes are provided as they are not required.
   i) Incinerators *(number, location, capacity, type, manufacturer):* N/A
   ii) Compactors *(number, location, capacity, type, manufacturer):* N/A
   iii) Approvals by authority having jurisdiction (date of each approval): N/A
   iv) Initial storage location (ultimate storage location): N/A
   v) Pick-up schedule, and whether public or private provider: N/A

J) ***Plumbing and drainage***

1) ***Water supply. Describe system, pumps, storage and location:*** Building is served by a 6" combined fire/domestic water service supply line from Houston Street. 6" combined service shall be schedule 40 steel tubing with grooved couplings and not insulated. 2" domestic water service shall be type L copper tubing per ASTM B88 with a minimum of 1" fiberglass pipe wrap. Domestic water pressure is boosted by means of a pressure boost pump assembly located at the ground floor in a mechanical closet. There is no water storage proposed. Domestic hot water is generated by a heat pump system. Domestic hot water equipment is located at roof bulkhead mechanical room.

2) ***Fire protection system. Describe:*** A combined sprinkler and standpipe system with a water flow alarm system is provided for fire protection. Building is served by a 6" combined fire/domestic water service from Houston Street. 6" fire service shall be schedule 40 steel tubing with grooved couplings

and not insulated. The building is fully sprinklered. A sprinkler boost pump located in the ground floor mechanical room supplements street pressure to maintain water flow as required.

3) ***Standpipes (material, size, location):*** There is no standpipe for the project, the buildig height
   i) ***Standpipes (material, size, location):*** There is no standpipe for the project, the buildig height falls within the acceptable limits.
   ii) ***Hose racks, hoses nozzle (location):*** N/A
   iii) ***Sprinkler heads (type, system, location):*** NFPA 13 wet sprinklers. Various types throughout.
   iv) ***Siamese connection (type, location):*** A flush mounted 3" Siamese connection is located on Houston Street within fifteen feet of Houston Street.
4) ***Water storage tank(s) and enclosures. Describe:*** N/A
   i) ***Number, type location of each:*** N/A
   ii) ***Material (interior, exterior and roof of tank):*** N/A
   iii) ***Access to tank (e.g. vertical gooseneck ladder):*** N/A
   iv) ***Capacity (total gallons):*** N/A
   v) ***Capacity (fire reserve):*** N/A
5) ***Water pressure and how maintained:*** Per DEP hydrant flow test conducted on 5/13/2016, the available static pressure at the street is 47 psi. This pressure will be supplimented by means of a domestic pressure boost pump for domestic use and by a sprinkler booster pump for fire service.
6) ***Sanitary sewage system. Describe, including:*** Sanitary service shall be a new 8" combined storm sewage service tied into local sewer service.
   i) ***Sewage piping (materials):*** *Cast Iron*
   ii) ***Sewage pumps (if any):*** N/A
   iii) ***Sewage disposal (public/ private; treatment; drainfield; sewer):*** City Sewer
7) ***Permit(s) required. (List and include dates obtained):*** Required Permits to be provided prior to closing
8) ***Storm drainage system. Describe system, adequacy, method of disposal and materials including:*** Piping from the roof drains to the house trap via gravity. Flow control roof drains shall be provided to maintain maximum flow requirements.
   i) ***Catch basins (location):*** N/A
   ii) ***Yard and roof drains (location):*** 4 roof drains located on the main roof combine with 2 area drains from the rear yard.
   iii) ***Piping (material):*** Cast Iron
   iv) ***Eject or sump pumps (describe in detail and describe conditions requiring pumps):*** A duplex sump pump is located in the elevator pit

K) ***Heating***

1) ***Heating and distribution of domestic hot water:*** Heating is provided by a split-system air cooled direct exchange heating and cooling system comprised of indoor air handling units with associated outdoor air cooled condensing units manufactured by Mitsubishi. Local Thermostats maintain the temperatures within individual spaces. Domestic hot water is generated by a heat pump system. Domestic hot water equipment is located a roof bulkhead mechanical room. Hot water distribution is capable of meeting peak building needs. Domestic hot water is circulated through the building by means of the cold water pressure from the domestic boost pump assembly. Space Heating systems are designed to maintain indoor air at 68 degrees temperature on an 11 degree design day in accordance with the Building Code of New York and Energy Conservation Code of NY City. All systems are designed in accordance with the ASHRAE code in affect at the time of permit filing.
2) ***Number of boilers and description:*** N/A
3) ***Manufacturer and age of boiler(s):*** N/A
4) ***Manufacturer and age of burners:*** N/A
5) ***Type of controls:*** N/A
6) ***Radiators, piping, insulation, valves, pumps:*** N/A
7) ***Fuel:*** N/A
8) ***Location of oil tank, materials, enclosure:*** N/A
9) ***Capacity of oil tank:*** N/A

L) ***Gas supply:***
1) ***Type:*** N/A
2) ***Meters:*** N/A
3) ***Piping:*** N/A

M) ***Air conditioning***
1) ***Type of system:*** Cooling is provided by a split-system air cooled direct exchange heating and cooling system comprised of indoor air handling units with associated outdoor air cooled condensing units manufactured by Mitsubishi. Indoor air temperature for air conditioning is calculated at a minimum of 75 degrees F per the New York City Energy Conservation Code.
2) ***Central system (manufacturer, model and capacity):*** N/A
3) ***Cooling towers, condensers (roof top, self-contained unit, including number, location and description):*** Condensing units are located on the roof bulkhead level. Four self contained air cooled inverter driven heat pump condensing units. Two units are for space cooling/heating and two units are for domestic hot water generation
4) ***Individual units covered by the offer (window/sleeve-specify number, capacity and efficiency):*** N/A

N) ***Ventilation***
1) Outside air ventilation will be provided to the residential areas via individual Zehnder energy recovery ventilators (ERVs) serving each apartment. Each unit is individually ducted and exhausted to the north wall of the building on each floor. ERV units have 2 filters that are accessible via access panels located within each unit. Filters will need to be changed a few times per year.

O) ***Electrical system***
1) ***Service from main service switchgear (amperes, voltage, phase, wire, protective equipment):*** The building is served by a new electric service rated for 120/208 volt/3 phase/4 wire/600 Amps. The building is equipped with three service switches; 1) Sprinkler Boost Pump, rated for 120/208 V/3 phase/150 Amps. 2) Apartment Meter Bank, rated for 120/208 volt/3 phase/400 amps, 3) House service, rated for 120/208 volt/3 phase/400 amps .
2) ***Service to individual units:*** Service to individual units: Each unit is provided with (1) 225amp apartment electrical panel fused at 125 amps. At least one (1) spare breaker is supplied in each panel.
3) ***Compartment switch gear:*** Switchgear and meter banks are located in the electrical room on the ground floor.
4) ***Unit service (rating of fuses and circuit breakers):*** All units have a 225amp electrical panel fused at 125Amps. Various size circuit breakers are included specifically to supply air conditioners, dishwasher, microwave, etc
5) ***Adequacy:***
   i) ***Service:*** Each unit will have a 30 circuit panel with code required dedicated circuits for all kitchen appliances, small appliance circuits, heating and ventilation equipment, bathroom receptacles, and laundry equipment
   ii) ***Lighting and fixtures:*** Mix of fluorescent LED and incandescent lights
   iii) ***Convenience outlets, appliance outlets:*** Apartments have between 31 and 36 Outlets depending on whether they are a shared floor unit or a single apartment per floor.
6) ***Electrical Generators:*** No electrical generator is provided
7) ***Solar PV:*** A 25 kW solar photovoltaic array is planned to offset a portion of both common and individual electrical usage. The Solar PV array will be located on a steel structure at roof level. The array will consist of the following equipment, or equal.

- SunPower X-22 360watt commercial solar panels (70)
  - 22% efficiency
- SolarEdge 9 kW and 14.4 kW Inverters for 208V service(1 of each)
  - Compatible with SunPower high efficiency modules
- SolarEdge P800 Optimizers (35)
  - Compatible with SunPower commercial panels in 2-1 format

The SunPower Modules are warrantied for 25 years. SolárEdge inverters come standard with a 12 year warranty. Solar PV system production will be monitored in real time with SolarEdge monitoring equipment or equal.

8) ***Metering:*** The building electrical usage is measured via a master meter and individual unit electrical usage is measured via individual submeters for each unit. Common area electrical usage will be incorporated into the common charges.
The 25 kW on-site Solar PV system provides electricity to the building of varying amounts depending on season and weather. In order to power common areas and all apartments from the onsite solar array, the building solar array is tied into the Master "net" meter account that faces the local utility. Revenue grade submeters are then installed to measure individual apartments' energy usage. Electrical generation from the Solar PV array will be applied to common area electrical usage which will proportionately reduce common charges. If solar generation exceeds common area electrical usage, the electrical generation from the Solar PV system will be applied to individual units. In this situation, each unit will pay the full cost corresponding to their electrical usage, and savings will be credited to the condominium.
If electrical generation from the Solar PV array exceeds the demand for the entire building, the excess electricity will be sold back to the utility and credited to the condominium.
9) ***Monitoring:*** Electrical energy usage monitoring will be provided for each typical unit as well as for the building using current transformer monitors. Electricity usage will be logged for a 3 year period using Onset HOBO remote monitoring system or equal hardware. CO2 and moisture monitors will also be provided (1 per unit) to measure indoor air quality. Data logging will be provided for a period of three years. Solar PV electrical generation will be monitored with SolarEdge monitoring equipment or equal.

P) ***Intercommunication and/or door signal systems, security closed circuit TV***
Intercom to be Siedle Vario or approved equal with 2 year warranty. Each unit has an audio phone with a color video screen. A similar unit is located at the concierge desk. No security system to be provided. No television or telephone facilities to be provided.

Q) ***Public area lighting***
LED lighting will be provided in the common hall spaces, stairways, and the front exterior of the building. Battery-pack emergency lights will be installed in the stairways and lobbies. Exit lights will be installed as required by Code.

Location	*Manufacturer*	*Unit*
STAIRS	XAL INC	CORNER 75 led
LOBBY	ALW	LIGHTPLANE 1 – LP1 Suspended, Surface back mounted Front Facing
LOBBY	ALW	LIGHTPLANE 1 – LP1 Suspended, Surface back mounted Front Facing. Mitered Corners
LOBBY	STICKBULB	Little Sky Bang
ENTRY CANOPY	ALW	LIGHTPLANE 1 – LP1 Suspended, Surface back mounted Front Facing
PLANTER UPLIGHT	LUMENPULSE	Lumenfacade Inground White
PLANTER UPLIGHT	LUMENPULSE	Lumenfacade Inground White
EXTERIOR	LUCIFER LIGHTING	Impact ISL-ALED Recessed Luminaire

R) ***Garages and parking areas:*** N/A
1) ***Location of garages (description of facility):*** N/A
2) ***Location of parking areas (number of space in each):*** N/A
3) ***Surfaces (materials used, lighting, facing, etc.):*** N/A
4) ***Parking (attended or unattended):*** N/A
5) ***Garage ventilation (method and equipment):*** N/A
6) ***Garage fire protection (method and equipment):*** N/A
7) ***Drainage:*** N/A

S) ***Swimming pools:*** N/A
1) ***Type (concrete, material composition) and location on property:*** N/A
2) ***Size, including length, width, depth, and approximate number of bathers permitted at any time:*** N/A
3) ***Enclosure (material including roof):*** N/A
4) ***Pumping and filter system (describe material):*** N/A
5) ***Water heating equipment or usage of building's hot water (feed or heat exchangers):*** N/A
6) ***If on building roof, specify structural support system:*** N/A

T) ***Tennis court, playgrounds and recreation facilities:*** N/A
1) ***Tennis courts:*** N/A
   i) ***Type:*** N/A
   ii) ***Number and size:*** N/A
   iii) ***Lighting:*** N/A
   iv) ***Fencing or enclosure:*** N/A
2) ***Playgrounds:*** N/A
3) ***Other recreation facilities:*** N/A

U) ***Sustainibility Features***
1) The building has been designed to Passive House principles with a high-performance building envelope and mechanical systems including the following: triple glazed window units, low thermal bridging envelope details, enhanced insulation levels and Energy Recovery Ventilators providing filtered indoor air.

V) ***Permits and certificates***
1) ***Permits Required:***
   - New Building Permit
   - Foundation / Earthwork
   - Construction Equipment
   - Electrical
   - Plumbing
   - Fence
   - Mechanical Ventilation
   - Equipment use
   - Sprinkler
   - Standpipe
   - Plumbing water service permit
   - Fire Alarm (Sprinkler Alarm)
   - Fire protection plan
   - Builders pavement plan
   - Sheeting and shoring permit
   - Heavy duty Shed permit
   - Scaffolding
   - Material Hoist
   - Elevator

Inspections required:

- Concrete Cast in Place
- Structural Steel - Welding
- Structural Steel - Details
- Wood - Installation of High-Load Diaphragms
- Subgrade Inspection
- Subsurface Conditions - Fill Placement & In-Place Density
- Subsurface Investigations (Boring/Test Pits)
- Wall Panels, Curtain Walls, and Veneers
- Mechanical Systems
- Structural Stability - Existing Buildings
- Excavations - Sheeting, Shoring, and Bracing
- Sprinkler Systems
- Standpipe Systems
- Fire resistance penetrations and joints
- Post Installed Anchors
- Concrete Design Mix
- Concrete Sampling and Testing
- Fire Resitance Rating Construction
- Energy Code Compliance Inspections
- Footing and Foundation
- Lowest Floor Elevation
- Structural Wood Frame
- Energy Code Progress Inspections
- Protection of Exposed Foundation Details
- Insulation Placement and R values
- Fenestration U-factor and product rating
- Fenestration Air Leakage
- Fenestration areas
- Air sealing and insulation - visual
- Projection Factors
- Electrical Energy Consumption
- HVAC and Service water equipment
- HVAC and service water heating system controls
- Electrical Motors
- Maintenance Information
- Permanent certificate
- Shutoff Dampers
- HVAC insulation and sealing

2) ***Recurring inspections:***

- Local Law 11 Facade Inspection
- Elevator Inspection
- NFPA 80 Inspection

W) ***Violations***

Prior to issuing the Certificate of Occupancy by the NYC Department of Building, all the violations and stop work orders, if any, will be removed in accordance with the Department of Buildings regulations.

X) ***Unit Information***

The building has a total of 7 residential units. The square foot area of the Units set forth in the Floor Plans, Schedule A to the Offering Plan, and Exhibit B to the Condominium Declaration are approximate and are based upon the following method of tabulation: The measurement of every unit will consist of the area measured horizontally from the exterior face of the exterior walls of the property to the centerline of partitions separating one unit from public lobby spaces on the first floor or to the interior wall of the stair core. Where the elevator opens solely onto one apartment per floor the elevator is included in the square footage sizes of the unit. Unit sizes are per the attached schedule. Each unit contains a kitchen, living/dining area, coat closet, Laundry closet, at least two (2) bathrooms and an entry foyer. All units are accessible units as required by the NYS building code, section 27-292 Local Law 58/1997 and ANSI A117.1 1986.

All dimensions are approximate and subject to normal construction variances and tolerances.

1) ***Unit Designation and Sizing***

Unit Designation	Unit Type	Approx. Gross Square Footage of Condo Unit	Approx. Gross Square Footage of Private Yard/Private Terrace/Private Balcony
Unit: Townhouse	3 Bedroom / 3 1/2 Bath	2383	766
Unit: 3rd Floor	2 Bedroom / 3 Bath	1721	64
Unit: 4th Floor	2 Bedroom / 3 Bath	1721	64
Unit: 5th Floor	2 Bedroom / 3 Bath	1721	64
Unit: 6th Floor	2 Bedroom / 3 Bath	1721	64
Unit: 7th Floor	2 Bedroom / 3 Bath	1721	64
Unit: Penthouse	2 Bedroom / 3 Bath	1721	64

2) ***Type and grade of finish material:***

Partitions and ceilings are constructed of fire code-rated gypsum board over wood studs. Cementitious board is used beneath ceramic tile at shower and tub surrounds. All walls and ceilings receive 2 coats of finish paint over 1 coat of primer.

Corridor doors are 1 1/2 hr rated steel doors. Interior doors are 1 3/4" thick solid core doors. Door hardware complies with NFPA 80 and ANSI A117.1 1986

Lighting in Foyer, hallways, walk in closets, bathrooms, and kitchens have LED downlights or surface mounted lights.

Master Bathroom floors and base are finished with a thin set porcelain tile. Other bathroom floors and base are finished with a stone tile. Bathroom Walls are finished with paperless GWB. Walls at showers are full height ceramic tile. Living/dining rooms, hallways and bedrooms will have 3/4" engineered wood flooring over cemetitious sub-floor.

3) ***Presence, type and condition of all bath fixtures:***

Kitchen:
Blanco Sink – Precision #516223
Hansgrohe Faucet – #39835001

ADA Bathroom Public:
Duravit Washbasin – Vero #045460
Hansgrohe Faucet – #31060001
Duravit Toilet – Darling New #254509
Geberit Actuator – #115891 Sn.5
Dyson Handryer – Airblade V
Accessories – Hansgrohe Toiletpaper Hooks.
Mirror – AJ Washroom or Equal

Powder Room Type 1:
Duravit Washbasin – Vero #045460
Hansgrohe Faucet – #36111001 – Brushed Brass
Duravit Toilet – Darling New #254509
Geberit Actuator – #115.758 Manual Acutator
Mirror – Clear, Fixed

Powder Room Type 2 – w/shower:
Duravit Washbasin - Vero #045460
Hansgrohe Faucet - #36111001
Duravit Toilet - Darling New #254509
Geberit Actuator – #115.758 Manual Acutator
Hansgrohe Showerhead - #26465001
Hansgrohe Hand Shower Head - #04341000
Hansgrohe Shower Controls - #36703001
Accessories - Hansgrohe Toiletpaper Holder, Robe Hooks
Robern Medicine Cabinet – PL Series

Master Bath:
Duravit Washbasin – Vero #045410
Hansgrohe Faucet – #36111001
Duravit Toilet – Darling New #254509

Hansgrohe Faucet – #36111001
Duravit Toilet – Darling New #254509
Geberit Actuator – #115891 Sn.5 handsfree actuator
Duravit Bath Tub – D code #700095
Hansgrohe Tub Filler - #36425001 - Chrome
Hansgrohe Shower Controls - #36703001 - Chrome
Hansgrohe Shower Head – #26465001 –Chrome
Hansgrohe Hand Shower - #04529000 – Chrome
Mirror – Clear Fixed
Accessories – Hansgrohe Toiletpaper Holder, Robe Hooks, Towel Bar

Secondary Bath – Type 1:
Duravit Washbasin – Vero #045460
Hansgrohe Faucet – #31060001- Chrome
Duravit Toilet – Darling New #254509
Geberit Actuator – #115.758 Manual
Duravit Bath Tub – D code #700095
Hansgrohe Shower Head – #04340000 - Chrome
Hansgrohe Thermostatic Trim – #0423000 - Chrome
Hansgrohe Tub Spout - #14413001 – Chrome
Robern Medicine Cabinet – PL Series
Accessories – Hansgrohe Toiletpaper Holder, Robe Hooks, Towel Bar

Secondary Bath – Type 2:
Duravit Washbasin – Vero #045410
Hansgrohe Faucet - #31060001 -Chrome
Duravit Toilet – Darling New #254509
Gerabrit Actuator - #115.758 Manual Actuator
Hansgrohe Showerhead - #26465001 – Chrome
Hansgrohe Hand Shower Head - #04529000 – Chrome
Hansgrohe Volume Control/Diverter - #04231000
Accessories – Hansgrohe Toiletpaper Holder, Robe Hooks, Towel Bar

4) ***Presence, type and condition of all kitchen and laundry equipment:*** All kitchens have white gloss cabinets with Danby Marble countertops and stainless steel sinks, Hans Grohe faucets and fittings.

Kitchen Equipment:
Asko Dishwasher
Wolf Built-In Oven – #SO30CM/B
Wolf Cooktop – #CI304C/B
Sub-Zero Refrigerator – #BI-30U/S
Bertazzoni Hood – #KIN30PROX
Sharp Microwave – (R-248BS)

Laundry Equipment:
Whirlpool Washer – #WED9290F
Whirlpool Dryer – #WFW9290F

Y) ***Finish schedule of spaces other than units***

Location		Finishes			
Type	Room	Floor	Walls	Ceiling	Remarks
Common	Vestibule	Coco Mat	Wood Slat	Wood Slat	
	Public Bath	Porcelain Tile	Paint On GWB	GWB	
	Lobby	Porcelain Tile	Wall Paper	GWB	
	Refuse Room	Concrete	GWB	GWB	
	Bicycle Room	Concrete	GWB	GWB	
	Stair #A	Concrete	Concrete/CMU	Concrete	
	Stair #B	Concrete	Concrete/CMU	Concrete	
Residential	Apartments	Engineered Wood	GWB	GWB	
	Master Baths	Porcelain Tile	Porcelain Tile/GWB	GWB	
	Second Baths	Stone	Porcelain Tile/GWB	GWB	
	Powder Baths	Stone	Stone/GWB	GWB	

Z) ***Safety and warning devices.***

Describe all common rooms and spaces including but not limited to sub-sub cellar, sub-cellar, basement, cellar, first floor, public and service halls, corridors, lobbies:

120 volt, hard wired smoke detectors shall be provided within each bedroom and outside each bedroom. Elevator smoke detectors connected to a central monitoring system will be provided at each landing. Activation of any elevator lobby smoke detector shall cause the car to recall to the lobby level. Water flow and tamper switches will be provided to monitor the sprinkler system status. These devices will also connect to a central monitoring system. The unit owner is responsible to keep the in unit safety and warning devices operable Central station fire alarm system is installed per NFPA 72 and FDNY, with fire alarm control panel located in mechanical room 03 on first floor.

Documents To Be Transferred To The Condominum Management

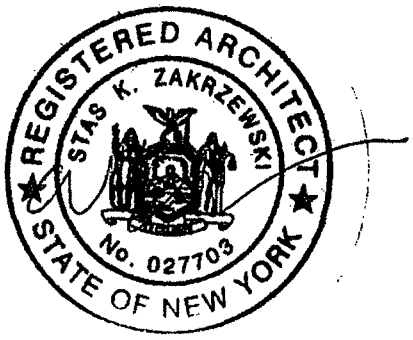
Operation and Maintenance manuals for Mechanical Equipment;
Electronic System manual;
Re-commissioning manuals;
Equipment warranties;
Roof Warranty;
Control system As-builts;
Original test and balance report for HVAC systems;
Post construction asbestos report;
Post-construction air quality report;
Final as-built drawings as maintained during construction including: structural, mechanical, electrical, plumbing, and approved shop drawings.

Sponsor reserves the right to make changes due to unforeseen conditions in accordance with the Offering Plan and to replace all materials, fixtures, appliances or other items stated in this report with those of equal or better quality, in its sole discretion.

DATE: 7/21/2017

Certifying Architect: Stas Zakrzewski
Zakrzewski & Hyde Architects

SEAL:



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FLOOR PLANS

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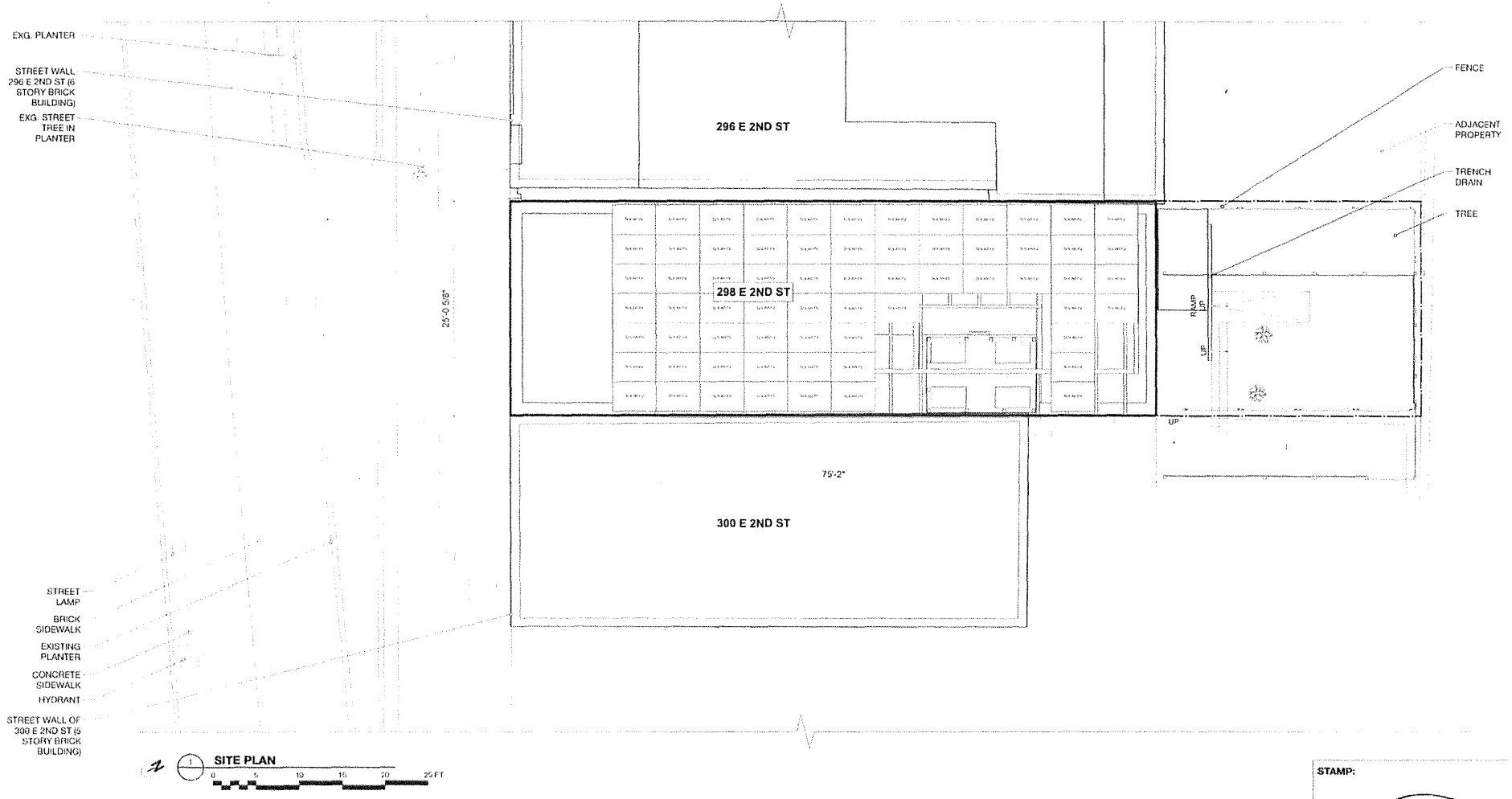
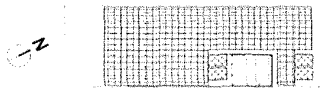


PROJECT TITLE:

298 EAST SECOND STREET

298 EAST SECOND STREET, NEW YORK, NY 10009

KEY PLAN:



PAGE NUMBER:

ISSUED: JULY 21, 2017

1 OF10

SCALE: AS NOTED

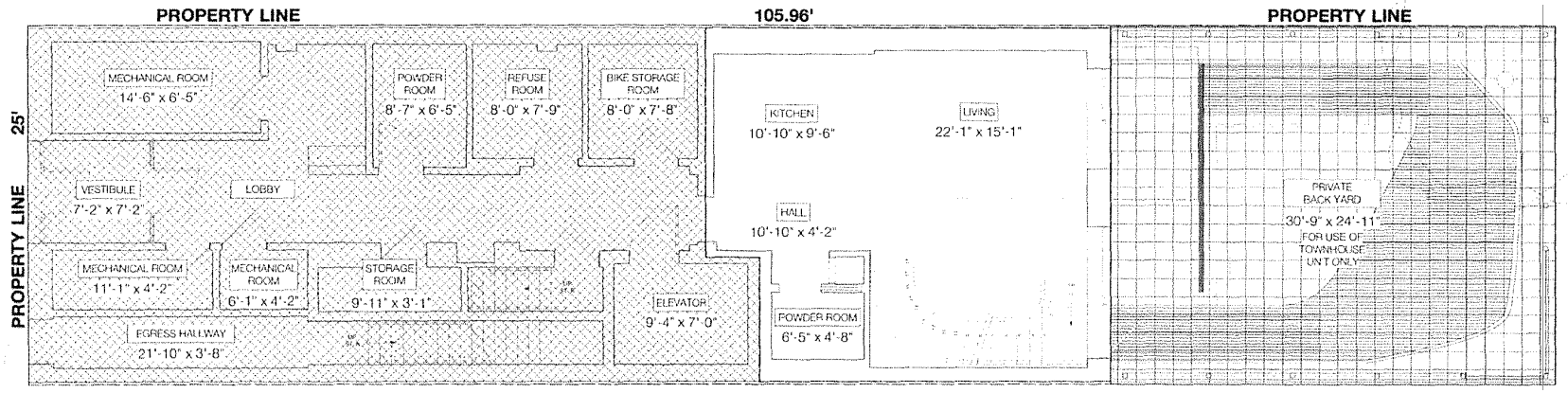
STAMP:

REGISTERED ARCHITECT
STAS K. ZAKRZEWSK
No. 027703
STATE OF NEW YORK

LEGEND:

LIMITED RESIDENTIAL COMMON ELEMENT

COMMON ELEMENTS



Z 1 **FIRST FLOOR PLAN**

0 5 10 15 20

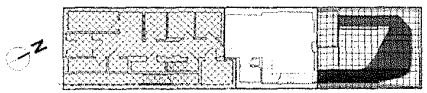
220

PROJECT TITLE:

298 EAST SECOND STREET

298 EAST SECOND STREET, NEW YORK, NY 10009

KEY PLAN:



COMMON ELEMENTS = 1192 SQ. FT.

'TOWNHOUSE, FL. 1'
AREA = 662 SQ. FT.
766 SQ. FT. REAR YARD
HALL, LIVING ROOM, 0.5 BATH

PAGE NUMBER:

ISSUED: JULY 21, 2017

2 OF10

SCALE: AS NOTED

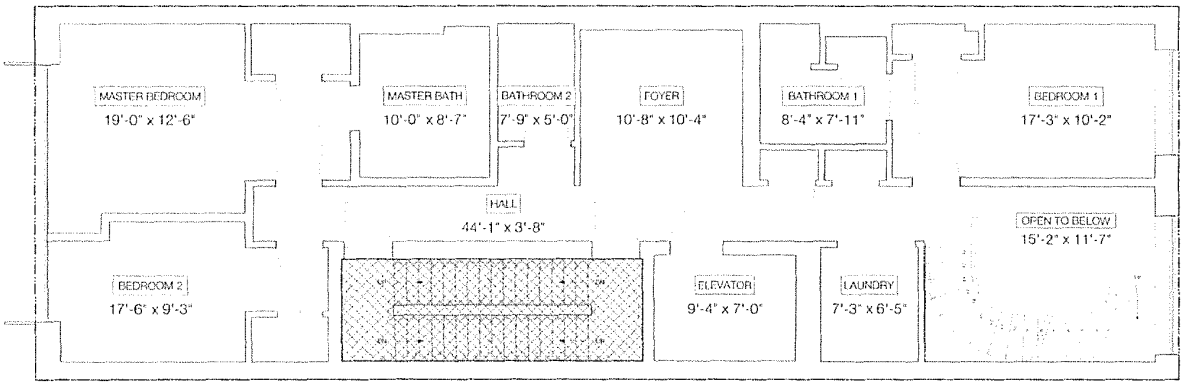
STAMP:

REGISTERED ARCHITECT
STAS K. ZAKRZEWSKI
No. 027703
STATE OF NEW YORK

LEGEND:

LIMITED RESIDENTIAL COMMON ELEMENT

COMMON ELEMENTS



1 **SECOND FLOOR PLAN**

0 5 10 15 20

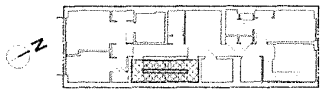
221

PROJECT TITLE:

298 EAST SECOND STREET

298 EAST SECOND STREET, NEW YORK, NY 10009

KEY PLAN:



COMMON ELEMENTS = 133 SQ. FT.

'TOWNHOUSE, FL. 2'
AREA = 1721 SQ. FT.
3 BEDROOMS, 3 BATHS,
FOYER, LAUNDRY CLOSET

PAGE NUMBER:

ISSUED: JULY 21, 2017

3 OF10

SCALE: AS NOTED

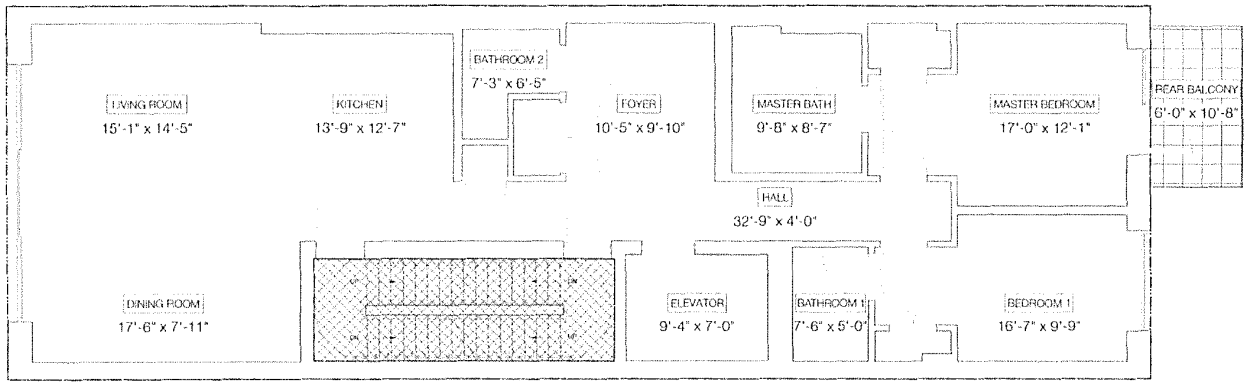
STAMP:

REGISTERED ARCHITECT
STAS K. ZAKRZEWSKI
No. 027703
STATE OF NEW YORK

LEGEND:

LIMITED RESIDENTIAL COMMON ELEMENT

COMMON ELEMENTS



1 **TYPICAL FLOOR PLAN, FL. 3-7**

0 5 10 15 20

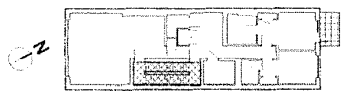
222

PROJECT TITLE:

298 EAST SECOND STREET

298 EAST SECOND STREET, NEW YORK, NY 10009

KEY PLAN:



COMMON ELEMENTS = 133 SQ. FT.

'APARTMENT 3' THRU 'APARTMENT 7'
AREA = 1721 SQ. FT.
64 SQ. FT. REAR BALCONY
2 BEDROOMS, 3 BATHS,
LIVING ROOM, DINING ROOM, FOYER

PAGE NUMBER:

ISSUED: JULY 21, 2017

4 OF10

SCALE: AS NOTED

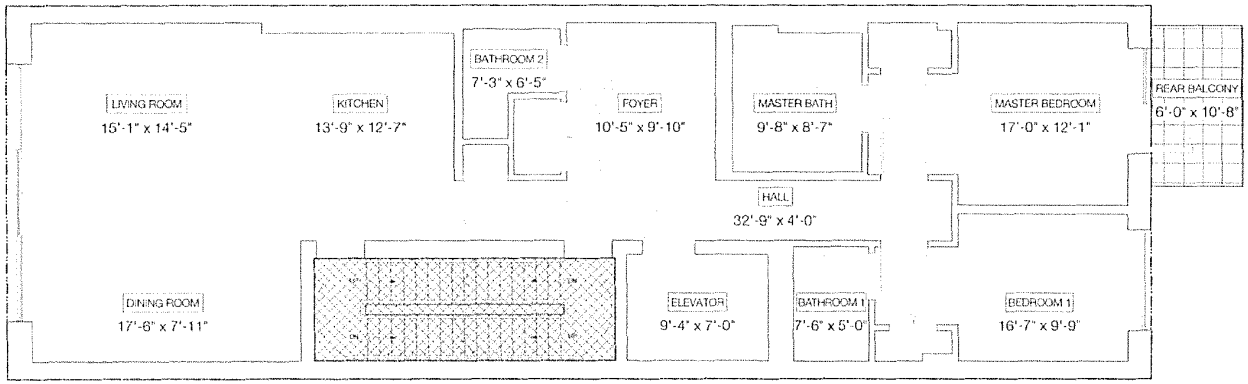
STAMP:

REGISTERED ARCHITECT
STAS K. KAMIENSKI
No. 027703
STATE OF NEW YORK

LEGEND:

LIMITED RESIDENTIAL COMMON ELEMENT

COMMON ELEMENTS



1

PENTHOUSE FLOOR PLAN

0 5 10 15 20

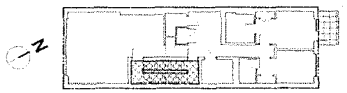
223

PROJECT TITLE:

298 EAST SECOND STREET

298 EAST SECOND STREET, NEW YORK, NY 10009

KEY PLAN:



COMMON ELEMENTS = 133 SQ. FT.

'PENTHOUSE'
AREA = 1721 SQ. FT.
64 SQ. FT. REAR BALCONY
2 BEDROOMS, 3 BATHS,
LIVING ROOM, DINING ROOM, FOYER

PAGE NUMBER:

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5 OF10

SCALE: AS NOTED

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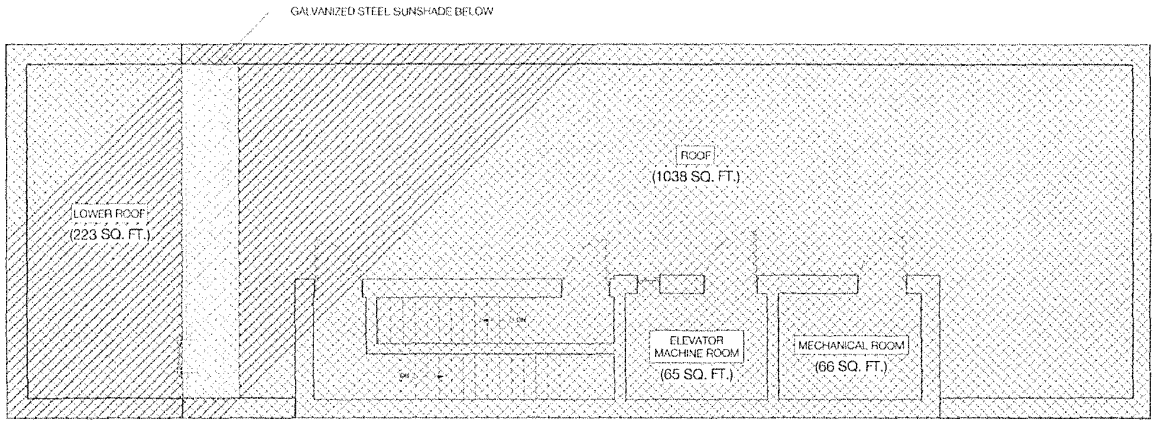
STAS K. ZAKRZEWSKI
No. 027703
STATE OF NEW YORK

LEGEND:

LIMITED RESIDENTIAL COMMON ELEMENT

COMMON ELEMENTS



1 **ROOF PLAN**

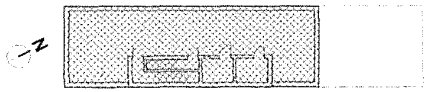
0 5 10 15 20

PROJECT TITLE:

298 EAST SECOND STREET

298 EAST SECOND STREET, NEW YORK, NY 10009

KEY PLAN:



COMMON ELEMENTS = 1854 SQ. FT.

PAGE NUMBER:

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6 OF10

SCALE: AS NOTED

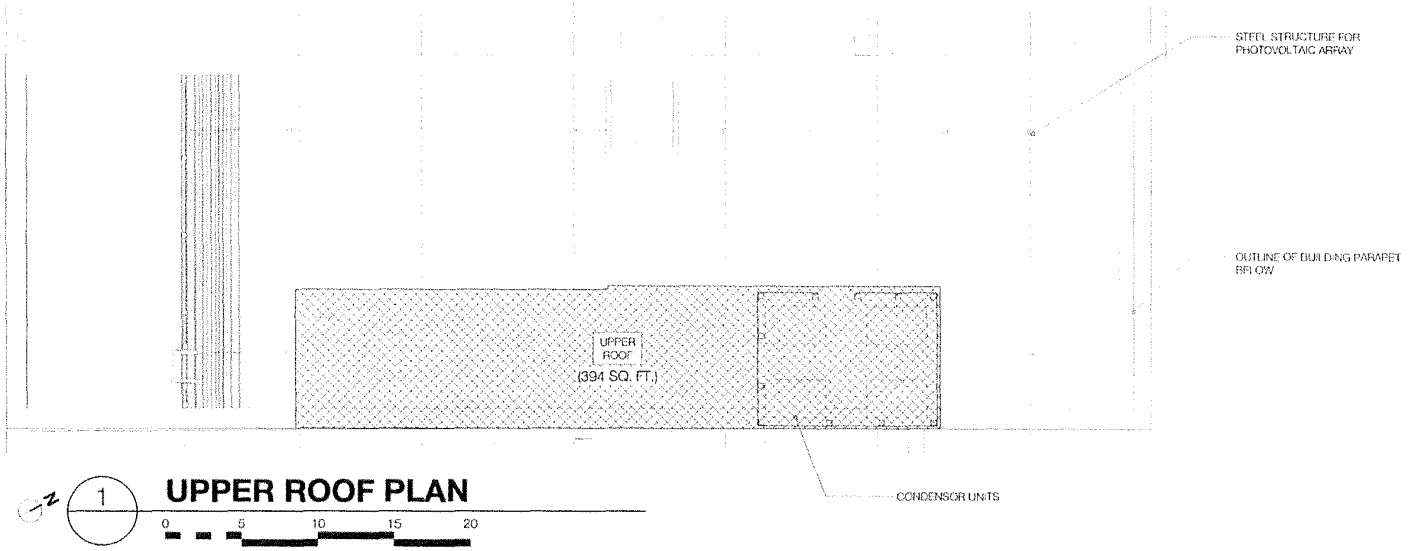
STAMP:

REGISTERED ARCHITECT
STAS K. ZAKRZEWSKI
No. 027703
STATE OF NEW YORK

LEGEND:

LIMITED RESIDENTIAL COMMON ELEMENT

COMMON ELEMENTS



1 UPPER ROOF PLAN

0 5 10 15 20

PROJECT TITLE:

298 EAST SECOND STREET

298 EAST SECOND STREET, NEW YORK, NY 10009

KEY PLAN:

COMMON ELEMENTS = 394 SQ. FT.

PAGE NUMBER:

ISSUED: JULY 21, 2017

7 OF10

SCALE: AS NOTED

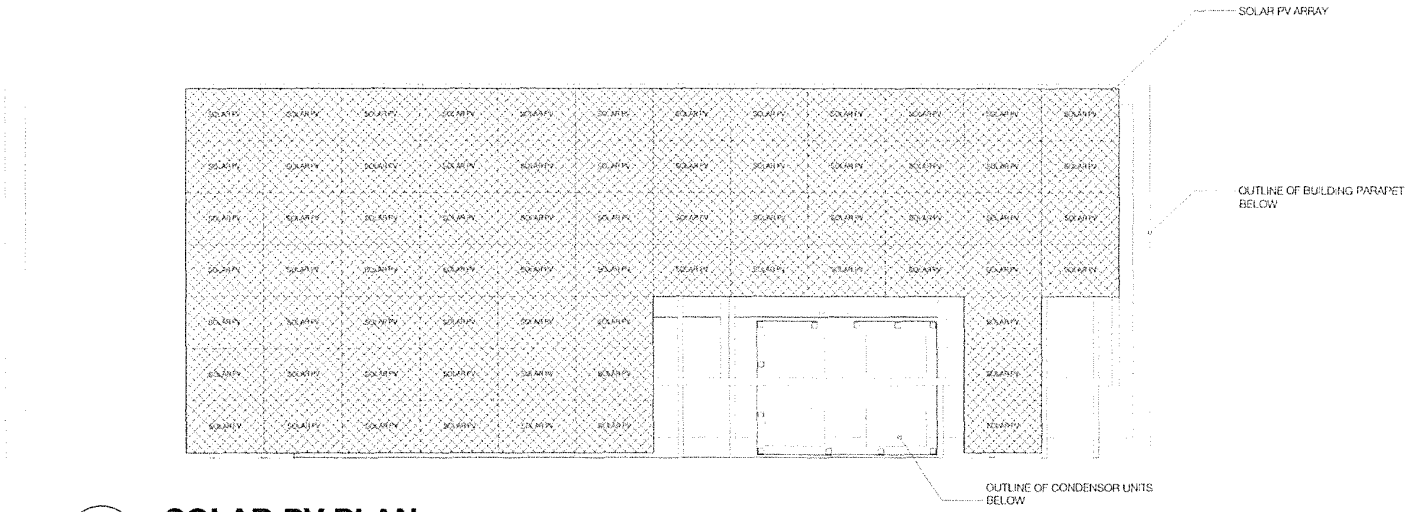
STAMP:

REGISTERED ARCHITECT
STAS K. ZAKRZEWSKI
No. 027703
STATE OF NEW YORK

LEGEND:

LIMITED RESIDENTIAL COMMON ELEMENT

COMMON ELEMENTS



SOLAR PV PLAN

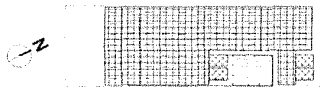
0 5 10 15 20

PROJECT TITLE:

298 EAST SECOND STREET

298 EAST SECOND STREET, NEW YORK, NY 10009

KEY PLAN:



PAGE NUMBER:

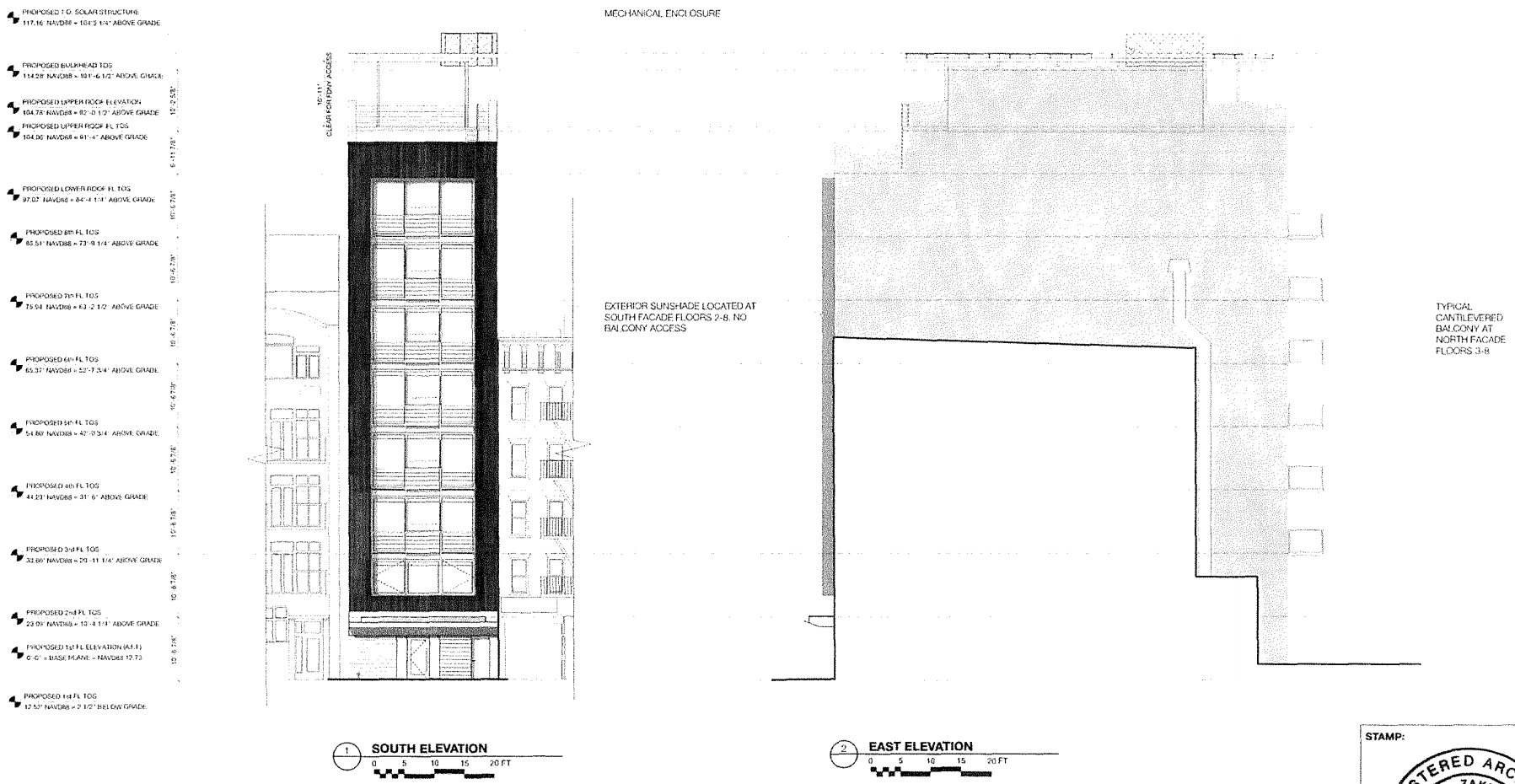
ISSUED: JULY 21, 2017

8 OF10

SCALE: AS NOTED

STAMP:

REGISTERED ARCHITECT
STAS K. ZAKRZEWSKI
No. 027703
STATE OF NEW YORK



1 **SOUTH ELEVATION**
0 5 10 15 20 FT

2 **EAST ELEVATION**
0 5 10 15 20 FT

PROJECT TITLE:

298 EAST SECOND STREET

298 EAST SECOND STREET, NEW YORK, NY 10009

KEY PLAN:

PAGE NUMBER:

ISSUED: JULY 21, 2017

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SCALE: AS NOTED

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STAS K. ZAKRZEWSKI
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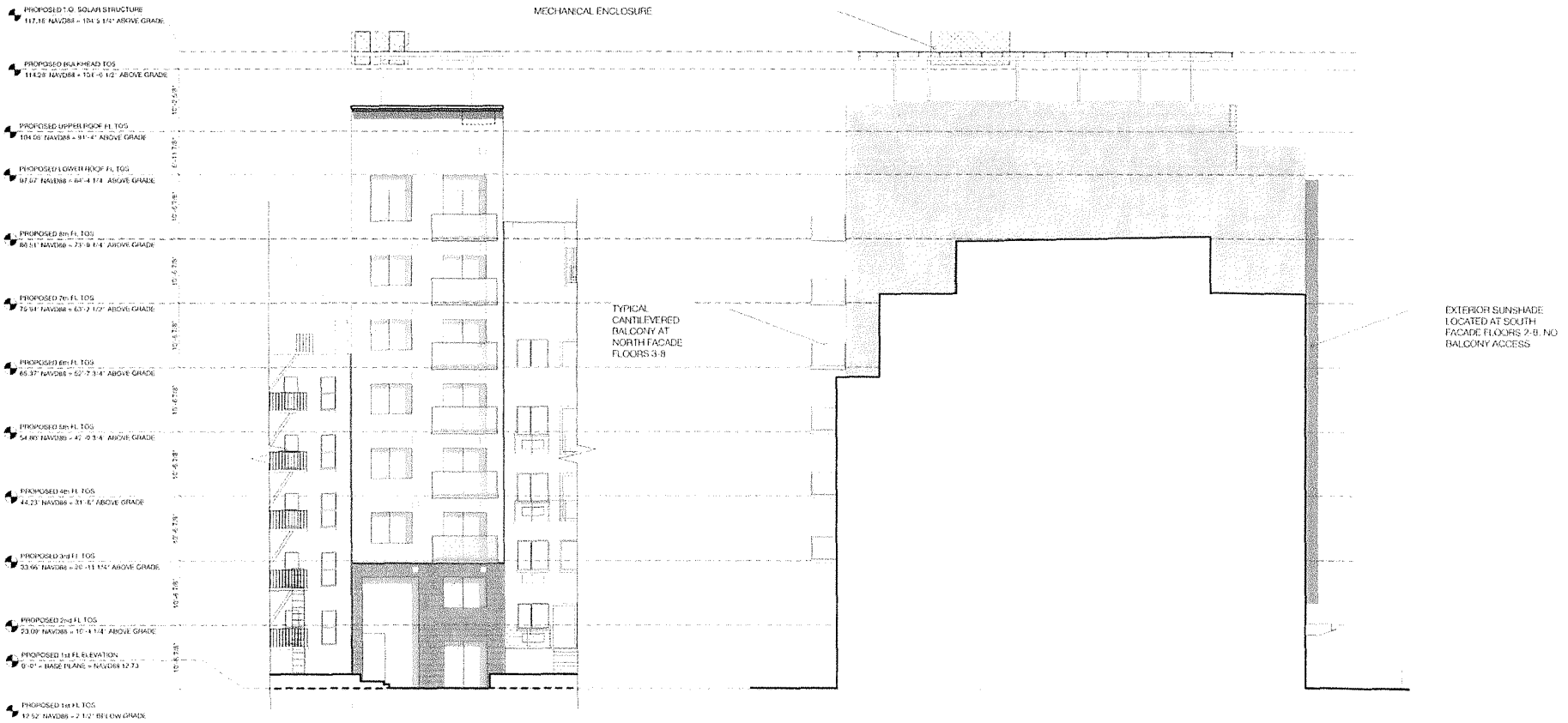
STATE OF NEW YORK



1 **NORTH ELEVATION**
0 5 10 15 20 FT

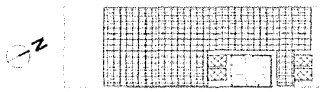
2 **WEST ELEVATION**
0 5 10 15 20 FT

PROJECT TITLE:

298 EAST SECOND STREET

298 EAST SECOND STREET, NEW YORK, NY 10009

KEY PLAN:



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STAMP:

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STAS K. ZAKRZEWSKI
No. 027703
STATE OF NEW YORK

DECLARATION OF CONDOMINIUM

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DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises known as
Houston House
298 East Second Street, New York, New York 10009

Pursuant to Article 9-B of the Real Property
Law of the State of New York
Name
Houston House
Declarant
298 EAST VILLAGE OWNER LLC
334 East 9th Street
New York, New York 10003

Date of Declaration

_____, 2017

This land affected by the within instrument lies in
Block 372
Lot 52
on the Tax Map of the City, County and State of New York

Bleckner P.C.
Attorneys for Sponsor
350 Fifth Avenue, Suite 6440
New York, New York 10118
(212) 279-4490

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DECLARATION
OF
HOUSTON HOUSE

(Pursuant to Article 9-B of the Real Property Law
of the State of New York)

298 EAST VILLAGE OWNER LLC, a New York limited liability company having an office located at 334 East 9th Street, New York, New York 10003 ("Declarant"), does hereby declare as follows:

ARTICLE 1
DEFINITIONS

All capitalized terms used in this Declaration (herein after referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which the same are used will otherwise require.

ARTICLE 2
SUBMISSION OF THE PROPERTY

2.1 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 Houston House (the "Condominium").

2.2 Attached to this Declaration and made a part hereof are the By-Laws of the Condominium, which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said "By-Laws", as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms, which are not separately defined herein, shall have the meanings given to those terms in the By-Laws.

ARTICLE 3
THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 2,649 square feet.

ARTICLE 4
THE PROPERTY AND BUILDING

Included in the Property described in Article 2 is one (1) building (the "Building") located at 298 East 2nd Street, New York, New York, containing eight (8) above grade floors, including a penthouse floor (the "Penthouse Floor"), which, when completed, will contain seven (7) units (the "Units"), each of which is intended for residential use. There is no cellar in the Building. There is one (1) Unit comprising the first (1st) and second (2nd) floors, and one (1) Unit on each of the third (3rd), fourth (4th), fifth (5th), sixth (6th), seventh (7th) and Penthouse floors of the Building. There is a storage room, bike storage area, powder room (i.e. a small bathroom containing a toilet, sink and vanity but no shower or bathtub), mechanical rooms, stairs and an elevator and elevator lobby located on the first floor and a mechanical room and elevator machine room located on the roof of the Building. The owner of a Unit is herein called a "Unit Owner". The Building will be classified as non-combustible construction class 1-B under the New York City Building Code and the structural system will be a poured concrete mat foundation and a steel superstructure.

ARTICLE 5
THE UNITS

5.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; and tax lot number; approximate square foot area; the portions of the Common Elements (as hereinafter defined) to which the Unit has immediate access or the right to exclusive use; and the percentage interest in the Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Building (the "Floor Plans") certified by Zakrzewski + Hyde Architects and intended to be approved by the Real Property Assessment Department of the City of New York and filed in the New York County office of the Register of the City of New York (the "City Register's Office") simultaneously with the recording of this Declaration.

5.2 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other doors to such Unit, smoke and carbon monoxide detectors, interior walls, partitions and doors, floor and ceiling coverings, all windows (including panes, sashes, casements and frames), all plumbing and heating fixtures and equipment such as washers, dryers, refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, ranges and other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing and heating fixtures and equipment as used in the preceding sentence shall include exposed water pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, to the extent located with a Unit from the panel and serving or benefiting only that Unit. Notwithstanding anything contained in this Article 5 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and

expense, decorations, fixtures and coverings (including, without limitation, painting finishing, wall to wall carpeting, pictures, mirrors, shelving and light fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind the surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

5.3 As of the date of filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 6
DIMENSION OF UNITS

6.1 Generally, a Unit consists of the square foot area of the Unit measured as follows: (a) vertically from the top of the floor (located under the finished flooring and subflooring materials) to the underside of the ceiling and (b) horizontally from the exterior side of the exterior walls (perimeter columns and perimeter mechanical pipes are not deducted) to the midpoint of the interior walls and partitions separating one unit from another unit, or the exterior side of the interior walls and partitions separating a unit from public corridors, stairs, and other mechanical equipment spaces or any Common Elements or Limited Common Elements. As is customary in New York City, these square foot areas exceed the useable floor area of each unit. Units include entrance doors, interior walls, partitions and doors, floor and ceiling coverings, all windows, including panes, sashes, casements and frames and all equipment, fixtures and appliances, plumbing and wiring affixed, attached or appurtenant to such Unit and benefiting only that Unit. The measurement for any Unit does not exclude for the purpose of computing the size of any Unit, any Common Elements located within the Unit. However, any Common Elements included within any Unit shall not be considered part of that Unit.

6.2 The Common Elements, including but not limited to structural members with their enclosures, demising and enclosure walls, pipes, wiring and shaftways with pipes, conduits, or ducts, may fall within the horizontal or vertical boundaries of the Unit, and are not part of the Unit, but are not deducted from the area of the Unit.

ARTICLE 7

COMMON ELEMENTS

7.1 The common elements of the Condominium (the "Common Elements") consist of the entire Property, including the Land, development rights, if any, and all parts of the Building and improvements thereon other than the Units and Limited Common Elements. The Common Elements and Limited Common Elements are described in Article 7.2, and 7.3, respectively. 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 or which are necessary or convenient for the existence, maintenance or safety of the Property. The Limited Common Elements of the Condominium (the "Limited Common Elements") consist of those Common Elements that serve or benefit exclusively one or more, but not all of the Units of the Condominium.

7.1.1 The Common Elements will remain undivided and no Unit Owner or other Person will bring, or will have the right to bring, any action for partition or division thereof, except as may be specifically provided for herein and in the By-Laws.

7.2 The Common Elements consist of the following:

7.2.1 The Land (as more particularly described in Exhibit A attached to this Declaration) together with all easements, rights and privileges appurtenant thereto and the development rights, if any.

7.2.2 Any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls.

7.2.3 All exterior walls and columns of the Building, not including the unfinished surface of sheetrock within a Unit, which abuts the structural materials or insulating material within the exterior walls of the Building; all walls and partitions separating one Unit from another Unit or from corridors, stairs, and other mechanical equipment spaces, other than the Unit side of the unfinished surface of sheetrock abutting the structural materials or insulating material within the walls and partitions;

7.2.4 All roofs, hallways, passages, corridors, lobbies, stairs, stairways and all entrance doors and door frames separating the Units from the corridors;

7.2.5 All underground utility or other vaults, all recreational facilities not specifically included within a Unit;

7.2.6 All central and appurtenant installations for services such as power, light, telephone, television, solar panels, hot and cold water, including all pipes, ducts, chutes, wires, cables, and conduits used in connection therewith, whether located in common areas or in Units and all other mechanical equipment spaces;

7.2.7 All tanks, pumps, motors, fans compressors and control equipment;

7.2.8 All sewage and drainage pipes and facilities; and

7.2.9 All other parts of the Property and all apparatuses, installations and facilities existing in the Building or on the Property for common use or necessary or convenient to the existence, maintenance or safety of the Property.

7.2.10 All areas of the Building listed below, including equipment, all stairwells, interior walls, doors, partitions, floors, ceilings, including without limitation, intercom system,

providing access to the Units located therein and include, without limitation, the following:

7.2.10.1 First Floor: bike storage area, powder room (i.e. a small bathroom containing a toilet, sink and vanity but no shower or bathtub), refuse room, lobby, vestibule, egress hallway, storage room, elevator, stairwells, vents and shafts servicing the units and mechanical rooms; and

7.2.10.2 Second Floor through Penthouse Floor: stairwells; vents and shafts servicing the Units; and

7.2.10.3 Roof: Stairs and ladders on the roof and any mechanical equipment or rooms, vents and shafts servicing the Units, elevator machine room and solar panels; and

7.3 Limited Common Elements: The Limited Common Elements include, but are not limited to, the garden or balconies to which one or more Units have exclusive or semi-exclusive use and any area of the Building which will be available for the exclusive or semi-exclusive use of a particular Unit Owner. The Limited Common Elements shall also include any space or area forming a part of the Common Elements hereafter incorporated in an Unsold Unit in accordance with the rights reserved for Declarant and its designee in Article 10 below, which incorporated space or area shall be for the exclusive use of the owner of such Unsold Unit.

ARTICLE 8
NAME OF CONDOMINIUM

The Condominium and the Building shall be designated as the Houston House. Only the Declarant shall have the right to change the name of the Condominium. In addition, Declarant shall have the right, at its option, for as long as the property is a Condominium, to maintain a plaque identifying Declarant as the Sponsor of the Condominium offering, together with such information as Declarant determines in its sole discretion.

ARTICLE 9
USE OF UNITS

9.1 As more particularly set forth in the By-Laws, each of the Units is intended to be used as a residence, subject to (1) the terms and condition of the then existing certificate of occupancy for such Unit, (2) applicable governmental laws and regulations, (3) the use of such Unit not adversely affecting the use and enjoyment of neighboring or adjacent Units for residential purposes, and (4) the restrictions as defined in Section 5.17 of the By-Laws. Not more than one (1) family may occupy a 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, or an officer, director, stockholder, or employee of such corporation, or a partner or employee of such partnership, 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 or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such family members or guests); except that any Unit may be used as a professional office or for any other lawful purpose, provided the prior written consent of the Declarant or the Condominium Board is first given, which consent shall not be unreasonably withheld. Units can only be leased in accordance with the By-Laws and the Rules and Regulations. A home office use hereunder shall only be accessory to the residential use of the Unit. No signs shall be allowed in connection with the home office.

9.2 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant or its designee and their respective successors and assigns may, without the permission of the Condominium Board (i) 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 the applicable governmental laws and regulations, or (ii) grant permission for the use of any Unit as a professional office or for any other purpose, provided such use is permitted by law and does not violate the then existing Certificate of Occupancy covering such Unit, and the user of such Unit complies with all applicable governmental regulations.

9.3 The Unsold Units (as defined in the Plan) may be used as a single-family residence and for any home occupation permitted by law. Any Unit may be used as a professional office or for any other lawful purpose, provided such use is in compliance with applicable zoning and other governmental regulations, does not violate the then Certificate of Occupancy covering such Unit, and the prior written consent of the Declarant or the Condominium Board is first given, which consent shall not be unreasonably withheld. Units can only be leased in accordance with the By-Laws and the Rules and Regulations.

9.4 No nuisance or immoral, improper, offensive or unlawful use shall be allowed in the Building or any portion thereof. No portion of a Unit, other than the entire Unit, may be rented, and no transient tenants may be accommodated therein. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Board of Managers, whoever shall have the obligation to maintain or repair such portion of the Property.

ARTICLE 10
CHANGES IN THE CONDOMINIUM

Except to the extent prohibited by law, Declarant or its designee and its respective successors and assigns shall have the right, without the vote or consent of the Condominium Board, other Unit Owners or the representatives of holders of mortgages on Units, if any, to: (a) make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Units owned by Declarant or its designee ("Unsold Units"); (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 or more Unsold

Units into two or more separate Units, combining several 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) incorporate into any Unsold Unit any of the Common Elements (whereupon any such Common element shall be deemed to be a Limited Common Element, including, but not limited to, hallway space), provided only that access to any other Unit on the floor is not materially impaired; and (e) if appropriate, reapportion among the Unsold Units affected by such change in size or number, pursuant to Article 9, their appurtenant interest in the Common Element, 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 designee and its respective successors and assign 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. The provisions of this Article 9 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its designee and its respective successors and assigns. By written permission of the Condominium Board, which permission shall not be unreasonably withheld, any other Unit Owner may be given, with respect to such owner's Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 9 with respect to Unsold Units, and provided further that such rights do not adversely affect any other Unit.

ARTICLE 11
PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action, which may be brought against the Condominium.

ARTICLE 12
DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The respective percentage of interest of each Unit in the Common Elements (hereinafter called the "Common Interest") have been determined pursuant to Section 339-i(i)(iv) of the New York Condominium Act and is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. The aggregate Common Interest for all Units is 100%.

ARTICLE 13
ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements, or (c) any such encroachment shall hereafter occur as a result of (i) construction of the Building or settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant or its designee or its respective

successors and assigns, or any Unit Owner, in accordance with this Declaration or the By-Laws, or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any Taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

ARTICLE 14
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 pipes, wires, ducts, vents, cable, conduits, public utility lines and other facilities and all other Common Elements located in any of the other Units or elsewhere on the Property which serve such Unit including an easement to connect to existing utilities including but not limited to utilities for electricity, steam and ventilation. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace the pipes, wires, ducts, vents, cables, conduits, public utility lines and other facilities and all other Common Elements located in such Unit or elsewhere on the Property which serve other Units. In addition, The Condominium Board or its agents, to the extent the Board is permitted to act by the By-Laws for such purposes, shall have the 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. All easements and rights of access described in this Article 14 shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entries shall be permitted on not less than one (1) day's notice, except that no notice will be necessary in the case of an Emergency.

ARTICLE 15
EASEMENTS

15.1 Except as set forth in this Declaration, each Unit Owner shall have, in common with all other Unit Owners, an easement for the use of the Common Elements.

15.2 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement (a) to utilize, install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements or Limited Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Unit, the Common Elements or the Limited Common Elements, 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 with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one (1) day's notice, except that no notice will be necessary in the case of an Emergency.

15.3 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.

15.4 Each Unit shall be subject to existing easements in favor of any utility company for construction, use, maintenance, repair and replacement of all utility lines, wires, terminal boxes, mains, pipes, cables, conduits, and other equipment and facilities in, under, over and across the Land and Building.

15.5 Declarant or its designee and their respective successor and assigns shall also have an easement to maintain, repair and replace, one or more signs on the Property, including the exterior walls of the Building, including the right to install in or upon the walls of the Building such equipment, hooks, supports, materials and other fixtures and equipment as may be necessary to affix the signs to the exterior of the Building. The signs and equipment may be of such size and material and contain such content as Declarant or its designee deems appropriate. The Declarant shall have an easement to install such signs on the exterior of the Building, whether or not related to the use or sale of any Unit, provided only that any such signs comply with all governmental rules and regulations relating to any such installation.

Declarant and its designees and their respective successors and assigns and their agent, servants, contractors and employees shall also have the right of access to the exterior walls and if necessary or desirable, access to the roof of the Building and to other portions of the Building, whether interior or exterior, as may be necessary or desirable for the installation and or maintenance of the signs. Neither the Declarant nor its designee shall be obligated to pay any fee to the Condominium, nor shall the Condominium be entitled to receive any proceeds from the use of the walls or the roof relating to placing signs on the Building or equipment on the roof.

15.6 Declarant or its designee and their respective successors and assigns shall have, and the Units and Common Elements shall be subject to, an easement, (a) to install, operate, maintain, repair, alter, rebuild, restore and replace satellite dishes and similar equipment on the roof of the Building and the conduit and other Facilities relating thereto, other than those portions of the roof which constitute Common Elements or Limited Common Elements, and (b) to maintain any encroachment on any Unit, or any common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any Unit or Common Element in furtherance of such easement shall be exercised in 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) day's notice, except that no notice will be necessary in the case of an Emergency.

15.7 Declarant, its contractors, subcontractors, agents and employees shall have the right of access to the Common Elements and the Units for the purposes of completing construction of the Building and to fulfill Declarant's obligations as set forth in the Offering Plan covering the Condominium under the section entitled "Rights and Obligations of the Declarant," provided that access thereto is exercised in such a manner as would not unreasonably interfere with the use of the Units for dwelling and other lawful purposes.

15.8 Declarant or its designee and its respective successors and assigns and the Condominium Board shall have the right to grant such additional electric, steam, ventilation or other easements for utilities or otherwise to relocate any easement in any portion of the Property, as Declarant or its designee and its respective successors and assigns 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 to complete the Building as described in the Plan or for the general health or welfare of the Unit Owners, tenants and occupants of the 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 and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to 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 their permitted purposes.

15.9 Each Unit Owner who's Unit has one or more appurtenant Limited Common Elements shall have an exclusive easement for the use and enjoyment thereof. The Units having the exclusive use of the Limited Common Elements are indicated on Exhibit B to this Declaration.

15.10 Notwithstanding anything to the contrary contained in section 15.1 hereof, Declarant and its successors, assignees, invitees, licensees, contractors, employees, agents and tenants shall have an easement in, over, under, through and upon the Common Elements to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units. In addition, Declarant shall have the right, to the extent not prohibited by Law, to use one or more portions of the Limited Common Elements and Common Elements, as designated by Declarant, in its sole discretion, for sales, rental, or display purposes, which right shall include, without limitation, the right to place "for sale," "for rent" and other signs and promotional materials of such size and content as Declarant shall determine, in, on, about and adjacent to the Building (including on the exterior walls thereof) and the Property.

15.11 Declarant shall have an easement, to construct, maintain, repair, install or replace a ventilation flue or other mechanical equipment, running up the side of the Building, or to be placed on the roof of the Building, at any time after the recording of this Declaration.

15.12 The Board of Managers, the Declarant and its designees shall have an easement to install pipes, conduits, wires, ducts and other facilities along the walls and above the ceilings of any of the Units.

15.13 Pursuant to the existing zoning laws and building codes, the Owner of any Unit that has appurtenant to it outdoor limited common elements has the right, without obtaining a permit, to install roof decking and gardening provided, however, that the Unit Owner will not be entitled to use the roof unless and until the Unit Owner installs an adequate traffic surface.

15.14 Declarant shall have an easement to use the sidewalk surrounding portions of the

Building for purposes permitted by Law.

15.15 The Condominium shall have the right of access and egress to any Unit for the purposes of making any repairs to any Common Elements located therein or for the purpose of making inspections of the Unit or any Common Elements located therein. The Condominium shall be responsible for the repair or replacement of the roof unless the repair is required as a result of the conduct of the Owner of the Unit or such Owner's guests, invitees, contractors or occupants provided however, that nothing contained herein is intended to obligate the Condominium to repair the traffic surface installed or to be installed by the Unit Owner.

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, together with a fee to cover recording of such power of attorney) following due authorization (if required) from the Unit Owners (a) to acquire title to, 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, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact 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, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Units so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine, (b) 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 (c) to execute, acknowledge and deliver 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 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

ARTICLE 17
ACQUISITION OF INTERESTS IN UNITS

17.1 If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units 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 (iii) the interest of such Unit Owner in any other assets of the Condominium (such interest in (i),

(ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act, (b) the Condominium Board acquires or leases a Unit, together with its Appurtenant Interests, or (c) the Condominium Board purchases, at a foreclosure or other similar sale, a Unit together with its Appurtenant, 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 Common Elements.

17.2 The Condominium Board shall have the authority to purchase, on behalf of all Unit Owners, and Unit to be used the residence of the superintendent of the Building and, in such event, title to all or any such portion of the 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.

ARTICLE 18
COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provision of this Article, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provision hereof and thereof shall be binding upon, and inure to, the benefit of the owner of all or any part thereof, or interest therein, and his and/or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in, or for the benefit of, the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having, at any time, any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

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 provisions 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 the 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 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the New York Condominium Act, the provision of this Declaration and the By-Laws shall, nevertheless, be valid and binding upon, and inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable law to the extent permitted under such applicable law, with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provisions 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 its designee and its respective successors and assigns or any Unsold Units, any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least sixty-six and two thirds (66-2/3%) percent in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved in writing by 66-2/3% in number and in Common Interest of all Unit Owners, provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners affected. No such amendment, modification, addition or deletion shall be effective until recorded in the New York City Register's Office. The holders of mortgages or Units may, at their election, designate one or more (but not more than three (3)) representatives ("Mortgagee Representatives") who shall be empowered to act on behalf of all holders of mortgages with respect to any matter requiring their consent or approval under this Declaration or the By-Laws. If any Mortgagee Representatives are so designated and written notice thereof is given to the Condominium Board by certified mail addressed to the office of the Condominium, the act of any such Mortagee Representative (or a majority of such Mortgagee Representatives if more than one is so designated) shall be deemed binding upon the holders of all mortgages. Subject to the provisions contained herein or in the By-Laws, with respect to amendments, modifications, additions or deletions affecting Declarant or its designee and its respective successors and assigns or any Unsold Units, no amendment, modification, addition or deletion pursuant to the clause above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgagee Representatives, if any. Subject to the provisions contained herein or in the By-Laws with

respect to amendments, modifications, additions or deletions affecting Declarant or it's designee, 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, which 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 designee and its respective successors and assigns under the terms of this Declaration and the By-Laws this Declaration may not be amended, modified, added or deleted unless (in addition to the consent, if required, of Mortgagee Representatives, if any, as set forth above) eighty (80%) percent in number and in Common Interest of all Unit Owners thereby approve such amendment, modification, addition or deletion in the manner set forth above. Each Unit Owner shall further grant to Declarant a Power of Attorney to amend the Condominium Declaration and to effectuate the rights granted to Declarant under the Declaration and By-Laws and the Plan including the power to execute the required documentation.

19.2 If the number of rooms in an Unsold Unit is changed, or the use, size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage interest in the Common Elements is reapportioned as a result thereof, all in accordance with Article 10 hereof, then the Declarant or its designee and its respective successors and assigns causing such changes shall have the right to execute, or (upon 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 designee and its respective successors and assigns deem appropriate to effectuate the same), reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests in Units in the Common Elements resulting therefrom, all without the approval of the Condominium Board, the Unit Owners or Mortgagee Representatives, if any.

19.3 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no Amendment to the Condominium Documents shall be adopted which would:

19.3.1 interfere with the sale, lease or other disposition of an Unsold Unit;

19.3.2 abridge, modify, suspend, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to Declarant or its designee (as Owner of a Unit);

19.3.3 impose any discriminatory charge or fee against Declarant or its designee, unless Declarant or such designee shall consent thereto, by joining in the execution of such Amendment; or

19.3.4 change the permitted use of any Unit or such Unit's Common Interest, unless the Owner of such affected Unit shall consent thereto by joining in the execution of such Amendment.

19.4 The provisions of 19.1, 19.2 and 19.3 may not be modified, amended, added to or deleted, in whole or in part, without the prior written consent of Declarant or its designees and its respective successors and assigns (so long as the Declarant or its designee and its respective successors and assigns owns any Units).

ARTICLE 20
TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from provisions of the New York Condominium Act is authorized by a vote of at least eighty (80%) percent in number and Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgagee Representative, if any, and (b) without the written consent of Declarant, until such time as Declarant and its designees have conveyed title to all Units, provided that no event shall Declarant's consent be required more than five (5) years after the designees pursuant to the Offering Plan. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for the partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of 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 that 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 hereof.

ARTICLE 23
CERTAIN REFERENCES

23.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

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, unless the context otherwise requires.

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 17.2 and 17.3, 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 Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of 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, the Board or any other party which is subject to the terms of this Declaration fails , within ten (10) days after request therefore, to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Board which represents such Unit Owner, Board or other party is hereby authorized as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

25.3 If any Unit Owner or the Condominium Board or any other party which is the subject to the terms of this Declaration, fails, within ten (10) days after request therefore, to execute, acknowledge or deliver any instrument, or to take any action, which such Unit Owner, Board or other party is required to execute, acknowledge and deliver pursuant to this Declaration at the request of Declarant or its designee and its respective successors and assigns, then Declarant or its designee and its respective successors and assigns is hereby authorized as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute,

acknowledge and deliver such instrument or to take such action, in the name of the such Unit Owner, Board or other party, and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

ARTICLE 26

SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of, and be binding upon, any successor or assign or Declarant or its designee or, with the consent of Declarant or its designee, any transferee of all the then Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant or its designee, as the case may be, shall have the right, at any time, in its sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ARTICLE 27
CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unsold Units.

ARTICLE 28
INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Owner's Power of Attorney annexed hereto as Exhibit E; (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

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SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the __ day of _____, 2017.

298 EAST VILLAGE OWNER LLC,
a New York limited liability company

By: 298 East Village Mezzanine LLC,
its Sole Member

By: 298 East Village Property LLC,
its Sole Member

By: _____
Name: Matthew Lee
Title: Managing Member

Principal:

_____
Matthew Lee

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____day of _____in the year 2017 before me, the undersigned, a Notary Public in and for said State, personally appeared Matthew Lee, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

_____
Notary Signature

EXHIBIT A
DESCRIPTION OF PROPERTY

DESCRIPTION OF LAND

298 East 2nd Street, New York, New York

The subject tract of land with respect to which the foregoing parties are the parties in interest as aforesaid, is known as Tax Lot Number 52 in Block 372 on the Tax Map of the City and County of New York and more particularly described as follows:

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, and distinguished upon a map of property of land of Augusta Wydheep and filed in the Register's Office of New York County as Map No. 139, Lot 50, being bounded and described as follows:

BEGINNING at a point on the northerly side of East Second Street, 193 feet 1 inches west of the corner formed by the intersection of the westerly side of Avenue D with the northerly side of East Second Street;

RUNNING THENCE northerly at right angles to East Second Street 105 feet 11-1/2 inches survey (106 feet 0 inches, deed);

THENCE westerly at right angles to the last mentioned course, 25 feet 0 inches;

THENCE southerly again at right angles to East Second Street, 105 feet 11-1/2 inches survey (106 feet 0 inches, deed) to the northerly side of East Second Street;

THENCE easterly along East Second Street 25 feet 0 inches to the point or place of BEGINNING.

EXHIBIT B

DESCRIPTION OF THE UNITS

Unit #	Approx. Sq. Ft.	Percentage of Common Elements	Limited Common Elements	Tentative Tax Lots
Townhouse	2,375	16.7841%	Garden	
3	1,721	12.8024%	Balcony 3	
4	1,721	13.4426%	Balcony 4	
5	1,721	13.7626%	Balcony 5	
6	1,721	14.0828%	Balcony 6	
7	1,721	14.4027%	Balcony 7	
PH	1,721	14.7228%	PH Balcony	
TOTALS	**12,701**	**100%**		

EXHIBIT C

DEFINITIONS

"Adversely affect", or "adverse affect" shall mean any action or proposed change with respect to any Unit Owner(s), that such action or change could, if realized, (i) increase the Common Charges payable over those set forth in the budget in effect at the time in question by twenty-five (25%) percent or more, (ii) materially and permanently interfere with such Unit Owner's access to its Unit(s), (iii) obstruct or degrade the view from the window of such Unit Owner's Unit or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit or Units.

"Appurtenant Interest" refers to, in connection to a Unit Owner surrendering his or her Unit, (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units 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 (iii) the interest of such Unit Owner in any other assets of the Condominium.

"Board of Managers" or "Board" or "Condominium Board" refers to the governing body of the Houston House, which was established pursuant to the terms of this Declaration and is to be governed pursuant to the terms of the By-Laws.

"Building" refers to the structure situated on the Land and known as 298 East 2nd Street, New York, New York 10009.

"By-Laws" refers to the by-laws of the Condominium, which are annexed as Exhibit E to the Plan, as the same may be amended from time to time pursuant to the terms thereof.

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

"Common Charges" refers to the charges allocated and assessed by the Board of Managers to the Unit Owners, pro-rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), to meet the Common Expenses.

"Common Elements" refers to all portions of the Property that are owned by the all Unit Owners and generally are for the use, service and benefit, in common, by the Unit Owners excluding the Units and the Limited Common Elements. Each Unit Owner owns a proportionate undivided interest in the Common Elements, which is called the "Common Interest" herein and in the Declaration. The Common Interest of each Unit in the Common Elements is set forth in Exhibit B to the Declaration. The items comprising the Common Elements are more particularly described in Article 7 of this Declaration.

"Common Expenses" refers to all costs and expenses to be incurred generally by the Unit Owners pursuant to this 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 and the Limited 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 and/or Limited Common Elements or to make up any deficit in the Common Charges for any prior year(s): (iii) the purchase, lease, or sublease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any

Unit whose Owner has elected to sell, lease, transfer, or convey the same, or that is to be sold at a foreclosure or other sale; and (iv) generally, the conduct of the affairs of the Condominium.

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

"Condominium" refers to Houston House.

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

"Condominium Documents" refers to this Declaration and all exhibits thereto, including the By-Laws, the Rules and Regulations, the Floor Plans, the form of Unit Deed and the form of Unit Owners Power of Attorney.

"Declarant" or "Declarant" refers to 298 East Village Owner LLC, having an office located at 334 East 9th Street, New York, New York 10003.

"Declaration" refers to this declaration, as may be amended from time to time, as executed by Declarant for the purposes of submitting the Property to the provisions of the Condominium Act and establishing a regime for the Condominium ownership thereof.

"Emergency" refers to a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building.

"Facilities" refers to 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 of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler beads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drains, catch basins, leaden, filters, incinerators, canopies, closets, risers, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, draperies, shades, window coverings, wallpaper, wall coverings, trees shrubbery, flowers, plants, horticultural tubs and horticultural boxes.

"Family Members" refers to the spouse or one live-in companion, children (natural and adopted, stepchildren, grandchildren, siblings, parents, parents-in-law and grandparents of a Unit

Owner who reside in such Unit Owner's Unit.

"First Closing", or words of similar import, refers to the first date upon which title to a Unit is conveyed to a purchaser pursuant to the terms of the Plan.

"Floor Plans" refers to the floor plans of the Units, as may amended from time to time, certified by Zakrzewski + Hyde Architects, and filed in the Register's Office simultaneously with the recording of this Declaration, together with any supplemental floor plans thereto.

"Initial Control Period" refers to the period ending the earlier to occur of: (i) the date on which one hundred (100%) percent of the Unsold Units are sold, or (ii) five (5) years from the date of the First Closing.

"Institutional Lender" refers to (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.

"Institutional Mortgage" refers to any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either the Declarant or its designee or an Institutional Lender.

"Insurance Trustee" refers to a bank or a trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of $100,000,000 or more, from time to time appointed to serve as such by the Board of Managers.

"Land" refers to all that certain tract, plot, piece and parcel of land situate, lying and being in the City, County and State of New York, as more particularly described in Exhibit A to this Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the Property and/or the Condominium, and/or the direction of any public officer pursuant to law.

"Limited Common Elements" shall mean those certain portions of the Land and the Building (other than the Units and the Common Elements) that are to be used by the Owners of one or more specified Units to the exclusion of all other Unit Owners, and more particularly described in Article 7 of this Declaration. The following items as Limited Common Elements appurtenant to the Units indicated:

i. the private garden on the ground floor which is appurtenant to, and for the exclusive of the Townhouse Unit;

ii. the private balconies in the rear of the third, fourth, fifth, sixth, seventh and Penthouse floors which are appurtenant to, and for the exclusive of Units 3, 4, 5, 6, 7 and PH, respectively;

iii. the windows of each Unit are Limited Common Elements appurtenant to such Unit, as applicable; and

iv. the solar panels on the roof of the Building.

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

"Majority of Unit Owners" refers to those Unit Owners having more than fifty (50%) percent of the total authorized votes of all Unit Owners (determined in accordance with the terms of Section 3.10 of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

"Mortgagee Representatives" refers to designated representatives of the holders of mortgages or Units, not to exceed three (3) in number.

"Permitted Mortgage" refers to a mortgage complying with the provisions of the By-Laws and of which the Board has received written notice.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage.

"Person" refers to any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

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

"Property" refers to the Land, Building, all other improvements erected or to be erected on the Land, all easements, rights, appurtenances pertaining thereto and all other property, real, personal, or mixed, used or intended to be used in connection therewith.

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

"Rules and Regulations" refers to the rules and regulations of the Condominium, which arc annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

"Selling Agent" refers to any Person employed by Declarant or its designee in connection with the sale, renting, management, operation, and/or promotion of the Unsold Units.

"Special Assessments" refers to the charges allocated and assessed by the Board of Managers to the Unit Owners, pro-rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with Section 6.1 of the By-Laws.

"Taking" refers to a government's acquisition of private property.

"Unit" shall have the same meaning as such term is defined in the Condominium Act.

"Units" refers to more than one (1) Unit.

"Unit Owners" refers to the owners of all Units at the time in question.

"Unsold Unit" refers to any Unit owned by Declarant or its designee at the time in question.

"Unsold Units" refers to more than one (1) Unsold Unit.

EXHIBIT D

HOUSTON HOUSE

Located at
298 East 2nd Street
New York, New York 10009

UNIT OWNER'S POWER OF ATTORNEY

RESIDENTIAL CONDOMINIUM UNIT NO.___

Block 372
Lot 52

Return to:

Bleckner P.C.
350 Fifth Avenue
Suite 6440
New York, New York 10118
Attn: Ian Lester, Esq.

POWER OF ATTORNEY

The undersigned, _____, residing at 298 East 2nd Street, New York, New York, the Owner of Condominium Unit (hereinafter referred to the "Undersigned's Unit") known as Unit No. ___ located at 298 East 2nd Street, New York, New York said Unit being designated and described as Unit No. ___ in the Declaration of the Houston House condominium (hereinafter referred to the "Condominium") and also designated as Tax Lot __ in Block 372of the City 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 irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium's Board of Managers true and lawful attorneys- names, as members of the Board of Managers or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners' respective Common Interests, subject to the provisions of the By-Laws then in effect (1) (a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, or lease the same; (b) to acquire any Unit, together with its Appurtenant Interests, whose owner elects to surrender the same pursuant to the terms of paragraph (c) of Section 6.2 of the By-Laws; (c) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, on such terms and (with respect to any transfer pursuant to the terms of subdivision (a) or (c) of this paragraph) at such price or at such rental, as the case may be, as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease, mortgage or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, or to sublease any Unit so leased by them, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to present; and (2) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium that the Board of Managers 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, that the Board of Managers deems necessary or appropriate; and (3) to contest the assessed valuation allocated to the Unit or the Property on behalf of any Unit Owner and to settle such contest on such terms as the Board of Managers deems appropriate.

The acts of a majority of such persons constituting the Board of Managers shall constitute the acts of said attorney-in-fact.

The Undersigned does hereby irrevocably nominate, constitute and appoint (until such date as the Sponsor or its designee no longer owns any Unsold Units under the Plan) 298 East Village Owner LLC (hereinafter referred to as "Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time said Declaration, By-Laws and the Rules and Regulations of the said Condominium, or any of said documents when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units, resulting therefrom, made by Sponsor or its designee in accordance with Article 10 of the Declaration, or (2) shall be required by (a) an Institutional lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (by any governmental agency having regulatory jurisdiction over the Condominium, or (b) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, or require a material, physical modification to the Undersigned's Unit, or require a material, physical modification to the Common Elements

serving the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the Undersigned (in the event described in subdivision (i) or (ii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as the Sponsor or its designees shall cease to own any of the Units in the Condominium.

IN WITNESS WHEREOF, the Undersigned has executed this Unit Owner's Power of Attorney as of this __ day of _____, 201__

_____

_____

_____

BY-LAWS OF CONDOMINIUM

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BY-LAWS

OF

HOUSTON HOUSE

298 EAST 2ND STREET
NEW YORK, NEW YORK 10009

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ARTICLE 1

GENERAL

Section 1.1. Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Houston House (the "Condominium"). The Condominium covers the property (the "Property) consisting of approximately 2,649 square feet of land (the "Land") which forms a part of Block _372__, Lot _52_ on the Tax Map of the City, County and State of New York, the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units, the Common Elements, Limited Common Elements and 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 the Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York City office of the Register of the City of New York (the "City Register's Office"), together with these By-Laws.

Section 1.2. Definitions. All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are used shall otherwise require. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforesaid capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3. Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units and employees and guest 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 hereinafter defined), as each of the same may be amended from time to time. The acceptance of a deed or conveyance, or the succeeding of 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, as each of the same may be amended from time to time, are accepted, ratified, and will be complied with.

Section 1.4. Principal Office of the Condominium. The principal office of the Condominium shall be located within the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2
BOARD OF MANAGERS

Section 2.1. General. As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Board of Managers. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall

act as, and shall be, the agent of the Unit Owners, subject to, and in accordance with, the term of the Declaration and these By- Laws.

Section 2.2. Status of the Condominium Board. Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3. Principal Office of the Condominium Board. The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4. Powers and Duties of the Condominium Board. The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Condominium Board by the Unit Owners). All determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall be entitled to make determinations with respect to the following matters:

(i) Operation, care, upkeep, maintenance, repair and replacement of the Common Elements, including contracts for utilities, services and supplies;

(ii) The amount of Common Charges;

(iii) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements;

(iv) Adoption of, and amendments and additions to, the General Rules and Regulations (as hereinafter defined);

(v) Making additions and improvements to, or alterations of, the Common Elements;

(vi) 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;

(vii) Enforcing obligations of Unit Owners;

(viii) Levying fines against Unit Owners for violations of the General Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owner against which there are levied);

(ix) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor;

(x) Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the Common Elements; provided, however, that (i) the affirmative consent of all of the members of the Condominium Board shall be required for the borrowing of any sum in excess of $20,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (ii) the consent of at least 75% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $20,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years), and (iii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph 2.4(x) is not repaid by said Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit;

(xi) Organizing corporations to act as designees of the Condominium Board with respect to such matters as such Board may determine;

(xii) Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws;

(xiii) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of 5.7;

(xiv) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith);

(xv) Imposing move-in fees and charges, and transfer fees in connection with the sale or lease of a Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Sponsor;

(xvi) Commencement of summary eviction proceedings in the name of or on behalf of the Condominium Board and/or Unit Owner or Unit Owners, as the case may be, against an authorized Guest and/or a Tenant of a Unit Owner if such authorized Guest and/or Tenant does not conform to the Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized Guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Unit Owner;

(xvii) Acquiring, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a Condominium;

(xviii) Maintaining records with respect to the finances and the operation of the Condominium, including, without limitation: (a) detailed accounts of receipts and expenditures affecting the Property; (b) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (c) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(xix) Preparing and adopting a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

;

(xx) Using the Common Charges and Special Assessments, if any, collected from Unit Owners, or a reserve fund, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements;

(xxi) Accepting the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.4 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xxii) Purchasing, leasing, or otherwise acquiring Units offered for sale or lease by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xxiii) Purchasing Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xxiv) Selling, leasing, mortgaging and otherwise dealing with Units acquired by, and subleasing Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to the vote appurtenant to any such Unit;

(xxv) Enforcing by legal means the terms, covenants and conditions contained in the Condominium Documents and bringing or defending against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xxvi) Incorporating, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and By-laws;

(xxvii) Execution, acknowledgement and delivery: (a) any declaration or other instrument affecting the Property that 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 Building and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate;

(xxviii)Preparation, execution, acknowledgement and recording on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the same;

(xxix) Execution, acknowledgement and delivery of any documents necessary for filing an appeal for reduction of assessment of real estate taxes on behalf of all units in the Condominium, unless written notice is received by the Condominium Board from any Unit Owner not to so on behalf of his or her condominium unit;

(xiii) Unless and until real estate taxes, water charges and sewer rents are billed directly to the Unit Owners by the New York City Department of Finance and/or the Department of Environmental Protection, the Condominium Board shall promptly pay such taxes, charges and rents as a common expense;

(xiv) Retaining counsel on behalf of Unit Owners for the purpose of reviewing and/or contesting the assessed valuation of any Unit; commencing tax certiorari proceedings and withdrawing or settling any such proceeding or commencing any other proceeding by or in the name of the Condominium or the Unit Owners. Notwithstanding the foregoing and except for proceedings to collect maintenance charges, the Board shall require the consent of not less than seventy-five (75%) percent in Common Interests of all of the Unit Owners prior to commencing any proceeding the cost of which will exceed one hundred thousand ($100,000) dollars in the aggregate to prosecute any such proceeding to its completion as reasonably estimated by the Board; and

(xv) Carrying out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws. The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Notwithstanding anything to the contrary contained in these By-Laws, , so long as Sponsor or its designee shall continue to own at least one Unsold Residential Unit but in no event later than five years from the First Closing of a sale made under an Offering Plan, the Board may not, without Sponsor's prior written consent (a) make any addition, alteration or improvement to the Common Elements (unless required by law); (b) assess any Common Charges for the creation of, addition to or replacement of, all or part of any reserve, contingency or surplus funds in excess of the balance thereof at the time of the first closing of title to a Unit, other than a twelve (12) month reserve for contingencies not exceeding five (5%) percent of the budgeted operating expenses for the ensuing twelve (12) months of condominium operation; (c) hire any employee in addition to the employees provided for in Schedule B entitled "Projected Budget for the First Year of Condominium Operation" set forth in the Offering Plan for Houston House, as the same may, from time to time be amended (the "Offering Plan"); (d) enter into any service or maintenance contract for work not covered in said Schedule, or otherwise provide services in excess of those contemplated by such schedule of the Offering Plan, which cost more than $10,000 per year; (e) borrow money on behalf of the Condominium; (f) eliminate or reduce the insurance coverage or any services below contemplated by such Schedule; or (g) undertake any capital or major improvement or addition not mandated by the Offering Plan unless required by law or which is approved by a resolution of the Unit Owners and is necessary to avoid jeopardy to the continued existence of the premises, or which constitutes a danger to health or safety, or to avoid risk of severe deterioration, destruction or breakdown of a component part, fixture or element of the Building. While Sponsor has voting control of the Board, Sponsor will not reduce or eliminate the services to be provided to the Condominium as set forth in this Plan.

Any action of the Condominium Board, which exclusively benefits one or more Unit Owners, shall be taken at the sole expense of said affected Unit Owners. The Board of Managers may not, without the written consent of the Sponsor, take any action, which materially and

adversely affects Sponsor's interest in any of the Unsold Units or impairs the Sponsor's ability to perform its obligations, if any, set forth in the Plan unless required to do so to avoid jeopardy to the continued existence of the premises, or which constitutes a danger to health or safety, or to avoid risk of severe deterioration, destruction or breakdown of a component part, fixture or element of the Building.

Section 2.5. Exercise and Delegation of Powers and Duties.

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations contained in paragraph (D) of this Section 2.5 and such additional exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium um Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.5.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation to be established by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.5, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.5, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (v), (vii), (viii), (xi), (xiii), (xxvii), and (xxviii) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in Subsection (B) of this Section 2.5 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.6. Number, Election and Qualification of Board Members.

(A) Sponsor's Initial Control Period. The Sponsor or its designee shall designate all members of a two-member Board during the "Initial Control Period". Sponsor shall have the right to vote all of the Common Interest attributable to the Unsold Units. Further, at all elections held after the expiration of the Initial Control Period (i.e., the period ending on the earlier to occur of (i) the date on which one hundred (100%) percent of the Unsold Units are sold, or (ii) five (5) years from the date of the First Closing), not more than two (2) of the members of the Board of Managers may be designees of the Sponsor or the then Owner of the Unsold Units.

Accordingly, from and after the first meeting of Unit Owners at least one (1) of the members of the Board of Managers shall be unrelated to the Sponsor. A meeting will be held to elect the requisite number of new board members unrelated to the Sponsor within three (3) months of the expiration of the Initial Control Period.

(i) The first Board shall consist of two (2) persons designated by the Sponsor or its designee and respective successors and assigns, none of whom need to be a Unit Owner, and they shall hold office and exercise all powers of the Board.

(ii) The number of the permanent Board members shall be three (3) members. Within thirty (3) months of the expiration of the Initial Control Period, Sponsor shall give a thirty (30) day written notice to all Unit Owners of the First Annual Meeting of Unit Owners for the purpose of electing a new Board of Managers. At such First Meeting of Unit Owners all Unit Owners in good standing shall vote to elect at least one (1) member of the three (3) member Board. Sponsor or its designee shall have the right to designate a majority of the Board based on its number of Unsold Units.

(iii) In no event shall Sponsor be obligated to transfer control of the Board to the Unit Owners prior to the earlier to occur of (x) the date which is five (5) years from the First Unit Closing title and (ii) closing as to Units representing one hundred (100%) percent of the Common Interests.

(B) First Annual Meeting of Unit Owners. Within approximately nine (9) months after title to the first Unit has been conveyed (other than to Sponsor's designee or a successor and assign of Sponsor or its designee), the first annual meeting of Unit Owners shall be held. Subject to the provisions of Section 2.6(A)(i) through (iii) above, at such meeting the incumbent Board shall resign and a new Board shall be elected by the Unit Owners as provided elsewhere herein. Thereafter, annual meetings shall be held in each succeeding year as determined by the Board. At such meetings, the Unit Owners shall elect members to fill vacancies in the Board or to succeed retiring members of the Board as provided in Article 2 of these By-Laws and shall also transact such other business of the Condominium as may properly come before the meeting. Notwithstanding the provisions of Section 2.6 or any other provision of these By-Laws to the contrary, after the Initial Control Period, Sponsor may, in lieu of voting, designate two (2) persons to the Board for so long as the percentage of Common Interest attributable to the Unsold Units equals twenty (20%) percent or more and One (1) person to the Board so long as Sponsor or its designee owns at least one (1) Unsold Unit.

(C) Qualification of Board Members. Except for members elected by Sponsor or its designee all other members of the Board shall be Unit Owners or spouses of Unit Owners, or an individual Permitted Mortgagee (as hereinafter defined), or, in the case of partnership Unit Owners or Permitted Mortgagees, shall be managers or employees (or their spouses) of such partnerships, or in the case of corporate Unit Owners or Permitted Mortgagees, shall be directors, officers, stockholders or employees (or their spouses) of such corporation, or, in the case of fiduciary Unit Owners or Permitted Mortgagees, shall be the fiduciaries or their beneficiaries (or their spouses), or directors, officers, stockholders or employees (or their spouses) of a corporate fiduciary, or partners or employees (or their spouses) of a partnership fiduciary. Except for members elected by Sponsor (unless all Units owned by Sponsor are sold), no member shall continue to serve on the Board after he ceases to be a Unit Owner or an interested party in a Unit as specified in the preceding sentence.

At such time as title to all Sponsor-Owned Units is conveyed, all members elected by Sponsor or its designee, as a result of its ownership of said Sponsor-Owned Units, shall resign. As used herein, the term "Permitted Mortgagee" means the holder of any mortgage of a Unit or Units, which is permitted to be placed thereon pursuant to these By-Laws. All members must be over the age of eighteen (18). After the Initial Control Period, the President and the Treasurer of the Board must be members who reside at the Condominium and who are unrelated to the Sponsor and its principals.

(D) Election of Condominium Board. Subject to the provisions of Section 2.6(A)(i) through (iii), all elections of Board members shall be determined by a majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws

(i) the term "Majority of Unit Owners" means those Unit Owners having more than one-half of the total authorized votes of all Unit Owners who are present in person or by proxy and voting at any meeting at which a quorum is present;

(ii) the term "quorum" of the Unit Owners means the presence, in person or by proxy, of Unit Owners owning more than one-half (1/2) of the Common Interests of all Units

(iii) 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. Board Members shall be elected by a majority of the votes cast at a meeting at which a quorum shall be present.

(iv) Each Unit Owner or one (1) person designated by such Unit Owner to act by proxy on his behalf and 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 of the Condominium and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designated.

(v) 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 any interest appurtenant to any Unit owned by the Board or its designee, and the Common Interest of such Unit shall be excluded from the total of Common Interests when computing the total Common Interest of all Unit Owners for voting purposes.

(vi) At all meetings of Unit Owners Sponsor or its designee shall be able to vote and thus able to exercise its vote in Board elections. When the Sponsor or its designee no longer owns any Unsold Units neither Sponsor nor its designee shall have any further right to vote.

(vii) At all meetings of Unit Owners each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor with respect to Units owned by Sponsor) shall be entitled to cast one (1) vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to his or her Unit.

(E) Form of Ballot. When voting for members of the Board, the voting shall be by ballot and shall state the name of the Unit Owner voting, the number of such Unit Owner's Unit and the percentage of Common Interests owned by such Unit Owner, and, in addition, the name of

the proxy if such ballot is cast by a proxy. Nothing contained in these By-Laws shall be determined to permit cumulative voting.

Section 2.7. Term of Office of Members. The term of office of each non-Sponsor designated member of the Condominium Board shall be for (1) year. A Sponsor designated member shall have the right to serve indefinitely. Notwithstanding anything to the contrary, however, each Condominium Board shall serve until a successor Board is elected and qualified. At the expiration of the initial term of office of each member, his or her successor shall be elected to serve for a term of one (1) year. The members shall hold office for the term herein fixed and until their successors have been qualified and elected. There shall be no limit on the number of successive terms a member may serve on the Board, if elected as herein provided.

Section 2.8. Resignation and Removal of Members. Any member of the Condominium Board may resign his or her membership at any time by giving written notice thereof, hand delivered or sent by certified mail, return receipt requested, to the Condominium Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of Section 2.6(A), at any regular or special meeting of Unit Owners, any one or more of the members of the Board may be removed with or without cause by a vote of seventy-five percent (75%) vote of the Unit Owners, and a successor may then and there or thereafter be elected to fill the vacancy thus created, except that members elected by Sponsor or its designee may only be removed by Sponsor or said designee, respectively, and only Sponsor or said designee shall have the right to designate a replacement for any member removed by Sponsor or said designee. Any member of the Board whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting.

Section 2.9. Vacancies. Any vacancy in the Board caused by any reason other than the removal of a member thereof by a vote of the Unit Owners shall be filled by vote of a majority of the remaining members at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy, even though the managers present at such meeting may constitute less than a quorum, and each person so elected shall be a manager 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 the Unit Owners. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Board, created by the resignation, removal or any other cause which results in any Board member designated by Sponsor or its designee, ceasing to be a member of any such Board, Sponsor or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

Section 2.10. Organizational Meeting of the Condominium Board. The first meeting of the Board following each annual meeting of Unit Owners shall be held immediately following such annual meeting.

Section 2.11. Regular Meetings of the Condominium Board. Regular meetings of the Condominium Board may be held at such time and place as shall be reasonably determined from time to time by a majority of the members thereof. Notice of regular meetings shall be given to each member thereof by personal delivery, mail, e-mail or telegram at least five (5) business days prior to the date scheduled for such meeting.

Section 2.12. Special Meetings of the Condominium Board. Any officer of the Board may call a special meeting of the Condominium Board whenever he or she deems the same to be necessary or desirable provided all members of the Board are given oral, written or electronic communication with a minimum of 72-hour notice, which notice shall state the time, (reasonably determined) place and purpose of the meeting, unless all Board members agree to an earlier meeting.

Section 2.13. Waiver of Notice of Meetings. Any member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Condominium Board at any meeting thereof shall constitute a waiver by him or her of notice of the time and place thereof. 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.

Section 2.14. Quorum of the Condominium Board. For purposes of all meetings of the Condominium Board, the attendance of a majority of all Board Members thereof shall be required for the transaction of business. In connection therewith, one or more members of the Condominium Board may participate in any meeting thereof by means of telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. 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.

Section 2.15. Conduct of Meetings. The minutes of the meetings of the Condominium Board shall be faithfully recorded, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order shall govern the conduct of meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws or the Condominium Act.

Section 2.16. Decision by the Condominium Board. Except as otherwise expressly provided in the Declaration or these By-Laws, the affirmative vote of a majority of the members of the Condominium Board shall constitute the decision of the Condominium Board. Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Condominium in the minutes of the Condominium Board. In the event of a deadlock in voting between units or in the Condominium Board, such deadlock shall be submitted to an arbitration board in accordance with Article 9 "Arbitration", below.

Section 2.17. Compensation of Members. No member of the Condominium Board shall receive any compensation for acting as such.

Section 2.18. Common or Interested Members of the Condominium Board. Each member of the Condominium Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by law, no contract or other transaction between the Condominium Board and either (x) any of its

members or (y) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either (1) any such member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (2) the vote of any such member was counted for such purpose, provided, however, that either:

(i) the fact thereof is disclosed to, or known by, the Condominium Board or noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by vote of the Condominium Board;

(ii) the fact thereof is disclosed to, or known by the Unit Owners, and the Unit Owners authorize, approve, or ratify such contract or transaction; or

(iii) the contract or transaction is commercially reasonable to the Condominium Board at the time that the same is authorized, approved, ratified, executed, or otherwise consummated.

Any such member of the Condominium Board may be counted in determining the requisite attendance of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction. The Sponsor is not subject to this section in regard to contracts with or employment of agents, contractors and specialists in order to complete construction, maintain, repair or replace one or more sections of the Property in order to comply with the building code and any government agency with jurisdiction thereof, and representations set forth in the Offering Plan.

Section 2.19. Liability of the Condominium Board.

(A) To the extent permitted by applicable law, no manager 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 superintendent 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. Board members shall have no liability to Unit Owners for errors of judgment, negligence or otherwise, except that a Board manager shall be liable for his own bad faith or willful misconduct. All Unit Owners, as the case may be, shall severally, to the extent of their respective interests in their Units and their appurtenant interest in the Common Elements, indemnify each Condominium 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, Sponsor or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

(B) Every contract made, and other document executed, by or on behalf of the Condominium Board, any committee thereof, or the Managing Agent shall expressly state (if obtainable and in addition to the limitation of liability of the officers of the Condominium and the Unit Owners pursuant to the terms of Sections 3.10 and 4.12 hereof, respectively) that the same is made or executed by or on behalf of the Condominium Board, such committee, or the Managing Agent solely as agent for the Unit Owners and that the members of the Condominium Board or such committee or the Managing Agent shall have no liability thereon, except to the extent of their

liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(C) Neither the Condominium Board nor any member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Board or any member thereof; or

(ii) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit or the Common Elements, and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

(D) The Unit Owners shall jointly and severally indemnify and hold each member of the Condominium Board harmless from and against any claim or liability to others arising from his or her acts or omissions as, or by reason of the fact that such individual is or was, a member of the Condominium Board, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such member. To the extent that a manager of the Board or an officer of the Condominium has been successful on the merits, or otherwise in the defense of any action, suit or proceeding, or in defense of any claim, issue or matter therein, or has settled such action, suit or proceeding with the consent of the other members of the Board, or if all Board members are co-defendants with the consent of a majority in Common Interest of all Unit Owners, he or she shall be indemnified against any losses, liabilities or expenses (including legal fees) actually and reasonably incurred by him in connection therewith, consistent with the limitation expressed in Section 2.19(A).

(E) Expenses incurred in defending a civil action, suit or proceeding may be paid by the Condominium in advance of the final disposition of such action, suit or proceeding as authorized by the Board in the specific case upon receipt of an undertaking, by or on behalf of the person or entity seeking such indemnification or payment in advance, to prepay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Condominium as authorized in this Section 2.19.

(F) The Board shall obtain and ensure maintenance of fidelity bonds or insurance, in amounts deemed to be appropriate by it, for all its members, officers and employees and the managing agent or manager, if any, employed by it and the premium of such bonds or insurance shall constitute Common Expenses.

Section 2.20. Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an Executive Committee and such other committees as the Board may deem appropriate, each to consist of as many members as the Board shall deem appropriate for the purpose of making such reports and studies as the Board deems appropriate. For so long as Sponsor is entitled to designate members to the Board, any committee appointed by the Board shall have as at least one of its members a member appointed by Sponsor.

Section 2.21. Incorporation of Condominium Board of Unit Owners. The Board or the Unit Owners may be incorporated as permitted by the laws of the State of New York. In the event that the Board of Unit Owners so incorporate, they shall have, to the extent permitted by applicable

law, the status conferred upon them under such laws in addition to the status conferred upon them 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.

Section 2.22. Condominium Board as Agent of Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board may act as the agent of the Unit Owners, subject to, and in accordance with, the provisions of the Declaration and these By-Laws.

ARTICLE 3
OFFICERS

Section 3.1. General. The principal officers of the Condominium shall be the President, the Secretary and the Treasurer. The Condominium Board may appoint a Vice President, an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. Where necessary, one individual may act as or hold the office of more than one office. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by the officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2. President. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and at all meetings of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as he or she may decide, in his or her discretion, are appropriate to assist in the conduct of the affairs of the Condominium. Sponsor or its designee shall be the President of the Board as long as it has the right to designate a majority of the Board. Sponsor or its designee need not be a resident of the Condominiums.

Section 3.3. Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other member of the Condominium Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon him or her from time to time by the Condominium Board or by the President.

Section 3.4. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5. Treasurer. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial

records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6. Election, Term of Office and Qualifications of Officers. The officers of the Condominium Board shall be elected annually by a majority vote of the Condominium Board from amongst the members of the Board, taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board until their successors are elected. All members of the Board and officers of the Board shall be resident Unit Owners, except for Sponsor and its designee.

Section 3.7. Removal and Resignation of Officers. Any officer may resign at any time by giving written notice delivered or sent by certified mail, return receipt requested, to the Condominium Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Condominium Board, any officer may be removed, either with or without cause. Finally, if an officer of the Board shall cease to be a member of the Condominium Board during his or her term of office, such officer shall be deemed to have resigned his or her office effective upon the date upon which his or her membership shall cease.

Section 3.8. Vacancies. Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9. Compensation of Officers. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10. Liability of the Officers of the Condominium.

(A) The officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each officer of the Condominium shall be liable thereto for his or her own bad faith or willful misconduct. In addition, every contract made, and other document executed, by one or more officers or other Persons on behalf of the Condominium shall expressly state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the Unit Owners pursuant to the terms of Sections 2.19 and 4.12 hereof, respectively) that the same is made or executed by such officers or Persons on behalf of the Condominium solely as agent for the Unit Owners and that such officers or Persons shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(B) None of the officers of the Condominium shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by any such officer on behalf of the Condominium or to be paid for as a Common Expense; or

(ii) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit or the Common Elements, and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

(C) The Unit Owners shall jointly and severally indemnify and hold each officer of the Condominium harmless from and against any claim or liability to others arising from his or her acts or omissions as, or by reason of the fact that such individual is or was, an officer of the Condominium, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such officer.

ARTICLE 4
UNIT OWNERS

Section 4.1. Annual Meetings of the Unit Owners. The first annual meeting of the Unit Owners shall be called on or no more than one year from the First Closing provided twenty-five percent of the Units have closed title. Thereafter, within sixty (60) days from the date that 75% of the Units close title to their Units as provided both in this Article 4 and in Article 2 hereof. Annual meetings of the Unit Owners shall be held within approximately 30 days of each anniversary of the first annual meeting unless otherwise set forth by majority vote of the Unit Owners. At each such annual meeting, the Unit Owners shall transact such business as may properly come before such meeting. In the event that any annual meeting of members is delayed, the existing Condominium Board shall continue to serve.

Section 4.2. Special Meetings of Unit Owners. The Condominium Board shall call a special meeting of the Unit Owners whenever so directed by the President of the Board or by a duly adopted resolution of the Condominium Board or upon receipt of a petition calling for such a meeting signed by at least five (5) Unit Owners. It shall be the duty of the Secretary of the Board to notify all Unit Owners of record by mail, personal delivery, fax, or e-mail at least five (5) business days but not more than fifteen (15) days prior to such meeting stating the purpose thereof and the date, time and place of the meeting and no business shall be transacted at such special meeting except business reasonably related to such stated purposes. Only Unit Owners in good standing may vote at such meetings.

Section 4.3. Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place as may be designated by the Condominium Board.

Section 4.4. Notice of Annual Meetings. (A) The Condominium Board shall give notice of each annual meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, telephone, e-mail, or telegram not later than thirty (30) business days prior to the day fixed for the meeting and not earlier than fifteen (15) business days; however, the mailing of such notice to any Unit Owner, addressed to his or her address at the Property, at least ten (10) days prior to the day fixed for the meeting shall be conclusively deemed the giving of notice to such Unit Owner of such meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the

Property by giving written notice thereof to the Condominium Board not less than ten (10) days prior to the giving of notice of the applicable meeting.

Section 4.5. Quorum of the Unit Owners and Adjournment of Meetings. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of a Majority of all Unit Owners shall be required at all meetings of the Unit Owners. If any meeting of the 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.

Section 4.6. Conduct of Meetings. The minutes of all meetings of the Unit Owners shall be faithfully recorded, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat.

Section 4.7. Order of Business. The order of business at all annual meetings of the Unit Owners shall be as follows:

(i) Call to order;

(ii) Roll call;

(iii) Proof of notice of meeting;

(iv) Reading of the minutes of the preceding meeting (unless waived);

(v) Reports of officers of the Condominium;

(vi) Reports of committees;

(vii) Reports of inspectors of election (when so required);

(viii) Election or designation of members of the Condominium Board if there is vacancy);

(ix) Unfinished business;

(x) New business; and

(xi) Adjournment.

Section 4.8. Voting at Meetings of Unit Owners.

(A) Subject to the terms of Sections 2.6 and 4.9 hereof, at meetings of Unit Owners, each Unit Owner (including the Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to cast one (1) vote for each unit owned.

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against

such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to the vote appurtenant to any Unit owned by the Condominium Board or such designee. The vote of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the results of voting.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two (2) or more Persons own a Unit, they shall designate one Person amongst them the vote appurtenant to their Unit in a writing given to the Condominium Board, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually exercise the vote appurtenant to such unit under one ballot without division, and the concurrence of all Persons shall be conclusively presumed if any one of them purports to exercise such vote without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the vote appurtenant to such Unit shall be counted solely for the purpose of determining whether the required attendance is present for such voting.

(D) The owner(s) of any Unit may designate any Person to act as a proxy on his or her behalf. The designation of any such proxy shall be made in a writing both signed and dated by the designator and delivered to the Condominium Board at or before the appointed time for the meeting(s) during which the same is to be effective; provided, however, that no such designation to act as a proxy shall be effective for a period in excess of sic (6) months except a designation of a Permitted Mortgagee to act as the proxy for its mortgagor. Any such designation shall be revocable at any time upon written notice given to the Condominium Board by the Unit Owner so designating; provided, however, that no revocation of such a designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Condominium Board.

Section 4.9. Election of Members of the Condominium Board. At such meeting of the Unit Owners for the purpose of voting for members of the Board of Managers, there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article 2 hereof.

Section 4.10. Action Without a Meeting. Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.10 shall be retained in the records of the Condominium together with a true copy of the resolution to which they relate.

Section 4.11. Title to Units. Title to any Unit may be taken by any Person or by any two (2) or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 4.12. Contractual Liability of Unit Owners. Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officers of the Condominium pursuant to the terms of Section 2.19 and 3.10 hereof, respectively), that the liability of any Unit Owner with respect thereto

shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) such Unit Owner's interest in his or her Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5
OPERATION OF THE PROPERTY

Section 5.1. Determination of Common Expenses and Fixing of Common Charges.

(A) Except as otherwise provided herein, all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and the Limited Common Elements; 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 and/or Limited Common Elements or to make up any deficit in the Common Charges for any prior year(s); the purchase, lease, or sublease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell, lease, transfer, or convey the same, or that is to be sold at a foreclosure or other sale; and (iv) generally, the conduct of the affairs of the Condominium (the "Common Expenses") shall be determined by the Condominium Board as set forth below, and 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. Notwithstanding anything to the contrary in this Section 5.1(A), if a Common Element or Limited Common Element benefits only certain Unit Owners, then the cost of alteration, addition, repair, replacement and restoration thereto (except in connection with casualty or condemnation) shall be borne solely by those Unit Owners who benefit from the Common Element or Limited Common Element in the proportion that the Common Interest of each benefitting Unit Owner bears to the Common Interest of all benefitting Unit Owners. In addition, except as otherwise provided in the By-Laws, such Unit Owners shall be responsible for the normal operation, maintenance and repair, of any such Common Element or Limited Common Element at their sole cost and expense. The Condominium Board shall, from time to time, but at least annually prepare a budget to meet the Common Expenses of the Condominium, determine the amount of the charges payable by each Unit Owner and allocate and assess such common charges and expenses among the Unit Owners, pro-rata in accordance with the aggregate respective Common Interests of the Unit Owners or such different method of allocation as is set forth in the "Projected Budget for First Year of Condominium Operation", Schedule B to the Plan, or as is determined by the Board of Managers to reflect the exclusive use or availability or control of a particular Common Elements, Limited Common Elements or services provided by the Condominium. In addition, until the Units are separately assessed for real estate tax purposes, the Board will pay or cause to be paid all taxes with respect to the Property and allocate the cost thereof among all Units in proportion to each Unit's percentage of Common Interest as shown on Schedule A of the Offering Plan, and each Unit Owner will pay to the Board for his proportionate share thereof. Such payment shall be allocated as if it were a Common Charge.

(B) Copies of the estimated annual budget for each fiscal year shall be furnished by the Board to each Unit Owner not later than thirty (30) days prior to its adoption by the Board, and in no event later than thirty (30) days prior to the beginning of each fiscal year. On or before the first day of the first month and of each succeeding month of the year covered by the annual budget, each Unit Owner shall pay, as his respective monthly Common Charge, one-twelfth (1/12) of his proportionate share of the Common Expenses for such year as shown by the annual budget. In the

event that the Board shall not approve an estimated annual budget or fail to determine new monthly Common Charges for any year, or shall be delayed in doing so, each Unit Owner shall continue to pay each month the amount of his respective monthly Common Charges as last determined. Each Unit Owner shall pay his monthly Common Charge on or before the first day of each month to the managing agent, or as may be otherwise directed by the Board. No Unit Owner shall be relieved of his obligation to pay his Common Charge by abandoning or not using his Unit or the Common Elements.

(C) For the first fiscal year, the annual budget shall be approved by the First Board. If such first fiscal year, or any succeeding fiscal year, shall be less than a full year, then the monthly Common Charge for each Unit Owner shall be proportionate to the number of months and days in such period covered by such budget. Commencing with the date of occupancy of his or her Unit, each Unit Owner shall pay his Common Charge for the following month or fraction of a month, which shall be in proportion to his respective ownership interest in the Common Elements and the number of months and days remaining of the period covered by the current annual budget, and which Common Charge shall be as computed by the Board.

(D) Within ninety (90) days after the end of each fiscal year covered by an annual budget, or as soon thereafter as shall be practicable, but in any event within one hundred twenty (120) days, the Board shall cause to be furnished to each Unit Owner a statement for such year so ended, prepared by an independent public accountant, showing an itemized accounting of the Common Expenses for the preceding year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget or Common Charges and showing the net excess or deficit of income over expenditures plus reserves, and such other information as the Board shall deem desirable.

(E) In the event that during the course of any year, it shall appear to the Board that the monthly Common Charges, determined in accordance with the estimated annual budget for such year, are insufficient or inadequate to cover the estimated Common Expenses for the remainder of such year, or if there shall be any non-recurring Common Expenses or any Common Expenses not set forth in the annual budget as adopted, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, copies of which supplemental budget shall be furnished to each Unit Owner, and thereupon a supplemental Common Charge shall be made to each Unit Owner for his proportionate share of such supplement budget, subject, nevertheless, to the following rules: Any nonrecurring Common Expense, any Common Expense not set forth in the budget as adopted, and any increase over the amount in the annual budget shall be separately charged against all Unit Owners.

(F) 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 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.

Section 5.2. Liability for Common Charges: Liens.

(A) 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 or her (made in

accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then existing with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests to the Condominium Board or its designee(s), corporate or otherwise, and in such event be exempt from Common Charges thereafter accruing. However, in no event shall Sponsor or its designee be permitted to convey any Unsold Unit to the Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing. Except as set forth in Section 339-z of the Condominium Act, a purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition of him or her of such Unit, except that, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage (as hereinafter defined) shall not be liable for, and such Unit shall not be subject to a lien for, the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by law, the Condominium Board, on behalf of all Unit Owners, shall have a lien for Common Charges unpaid to it by Unit Owners, together with interest thereon, on the Unit owned by a non-paying Unit Owner, in proportion to their respective Common Interests.

(B) All liens provided for in Section 5.2(A), to the extent permitted by applicable law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

Section 5.3. 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 thirty (30) days after the due date for payment thereof, including, but not limited to, the institution of such actions for the recovery of interest and expenses as provided in this Article 6.4.

Section 5.4. Default in Payment of Common Charges. In the event any Unit Owner fails to make payment of all or any part of Common Charges when due , such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of on hundred fifty ($150.00) Dollars or one (1%) percent 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 amount are to be paid), and (b) interest at the rate of one and one-half (1.5%) percent per month (but in no event in excess of the maximum rat permitted by law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including without limitation, attorneys' fees paid or incurred by the Board or by any 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", interests and expenses shall be added to, and shall constitute, Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein. In the event the Unit Owner Leases the Unit and fails to pay Common Charges when due, the Board shall be entitled to utilize Real Property Law Section 339-kk and require rental tenant to pay rental payments directly to the Condominium.

Section 5.5. 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 or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (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.

Section 5.6. 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. The Board may establish a reasonable charge for issuance of such statement.

Section 5.7. Insurance. (A) The Condominium Board shall be required to obtain and maintain to the extent obtainable, the following insurance:(a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including each Unit, but excluding fixtures, furniture, furnishings, decorations, belongings, or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interest of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof;

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either cancelled or substantially modified except upon at least ten days' prior written notice to all of the insureds, including all Permitted Mortgagees.

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

(vi) The Condominium Board shall also obtain and maintain, to the extent practical:

(a) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his or her own Unit);

(b) rent insurance (if applicable);

(c) workers' compensation and New York State disability benefits insurance;

(d) boiler and machinery insurance;

(e) plate glass insurance to the extent, if any, determined by the Condominium Board;

(f) water damage insurance to the extent, if any determined by the Condominium Board;

(g) elevator liability and collision insurance;

(h) fidelity insurance covering the Board and all officers, directors, managing agents and employees of the Condominium;

(i) the directors and officers liability insurance; and

(j) such other insurance as the Condominium Board shall from time to time determine.

(vii) Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(viii) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(a) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof: the coverage shall be in an amount equal to not less than eighty percent of the full replacement cost of the Building, exclusive of excavation, foundations and footings, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(b) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (A) hereof, such policies shall contain single limits of not less than $500,000.00 in the aggregate until the first regular meeting of the first Condominium Board elected by the Unit Owners; and

(c) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (b) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.7, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-Laws, shall be borne by the Condominium Board as a Common Expense.

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

The Board shall be required to give written notice to each Unit Owner of insurance maintained by the Board against loss or damage by fire and such other hazards as may be required, and of any change therein or termination thereof.

Section 5.8. Maintenance and Repairs. Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary,

(i) in or to any Unit and all portions thereof including, but not limited to, the interior walls, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, windows and their frames, sills and sashes, interior face of all doors (entrance and or balcony, if any) and their frames and saddles, exposed plumbing and heating fixtures, shall be performed by the owner of such Unit at such Unit Owner's cost and expense; and

(ii) in or to the Common Elements shall be performed by the Condominium Board as a Common Expense.

(iii) However, if any work is necessitated by any condition or occurrence in the individual unit such Unit Owner shall be liable for such costs which are not paid by the insurance carrier. Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect which the Condominium Board is responsible pursuant to the terms thereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the

behest of a Unit Owner or the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(iv) Notwithstanding anything to the contrary provided in Section 5.1, however, the exterior glass surfaces of all windows of each Unit are to be washed and cleaned by the owner of such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, repair or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium Board as a Common Expense, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his or her Unit or any portion thereof as required herein.

(v) Each Unit and all portions of the Common Elements shall be kept in first-class condition and order (and free of snow, ice and accumulation of water with respect to any garden, balcony, roof, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior and exterior surfaces of balconies, windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his or her Unit.

Section 5.9. Violations of Maintenance Obligations. If any Unit Owner, within a reasonable time after receipt of written notice from the Board, fails or neglects in any way to perform any obligations of his or her with respect to the painting, decorating, maintenance, repair or replacement of his or her Unit as provided in this Article, or of any Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Board may 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 replacement in such Unit Owner's Unit 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.

Section 5.10. Alterations, Additions, or Improvements in and to Units. Each Unit Owner shall have the right to:

(i) paint and decorate his Unit, install floor coverings, repair or

replace appliances, kitchen fixtures and bathroom fixtures within his Unit, without the prior consent of the Sponsor or the Board of Mangers except that in case of removing or delivering large items in or to the Building, such Unit Owner must give prior notice to the Managing Agent;

(ii) make alterations, additions, or improvements in the interior of his unit provided such conforms to the Property's Certificate of Occupancy;

(iii) make alterations, additions, or improvements in the interior of to any part of the property allocated to his unit;

(iv) change the layout of his unit excluding structural walls or make any change that require a building permit without the consent of the Sponsor and the board of Managers after Sponsor no longer owns any Unsold unit; provided, however, that, with respect to any such alteration, addition, improvement or change in, to, of or upon a Unit;

(v) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(vi) the Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom;

(vii) such alteration, addition, improvement or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property. In the event that any unit is subdivided, the subdivided units shall jointly exercise and share the vote allocated to the original unit. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Unit Owner to procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe and 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 indemnity referred to in paragraph (D) hereof and the days and hours during which any such work may be done;

(viii) other than it pertains to (i) above, a Unit Owners planning any other work to the interior of his unit must first obtain the written approval of the Sponsor as long as Sponsor owns one (l) Unsold Unit. After the Sponsor no longer owns any Unsold Units in the Building, the Unit Owner must first seek approval from the Board of Manager;

(ix) all alterations, additions, and improvements by Unit Owners shall be made in compliance with laws. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit, provided that, with respect to all such work of a structural nature (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof. All professional fees and expenses incurred by the Board of Managers in connection with review and/or approval of all alterations shall be borne exclusively m by the Unit Owner proposing such alteration. The Unit Owner shall

produce and deliver a set of building plans to the Board of managers stamped and perforated by the Buildings Department, a copy of the construction contract and proof of the contractor's license and insurance;

(x) a Unit Owner whose Unit includes a balcony must comply with all local laws and ordinances concerning the type and weight of planters, landscaping features and structures erected or installed in such balcony. No such planter, fixture or structure may be placed on the balcony that which may impair the structural integrity of the waterproofing ability of the balconies, roof membranes and flashing systems of the balconies or which imposes weight exceeding the recommended weight of the roof manufacturer or installer. No balcony may be enclosed nor may any structure, component, antenna be attached to a roof, balcony or parapet. Sponsor or its principals or its designee are not subject to the foregoing requirements;

(xi) neither the Condominium Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s)) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (ix) hereof; (ii) to any contractor, subcontractor, materialman, architect, or engineer on account of any alterations, improvements, additions, or repairs made or asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s) shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium, and the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

Section 5.11. Alterations, Additions, or Improvements to the Common Elements. Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a Common Expense. Notwithstanding the foregoing, however, whenever the cost and expense of any such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $20,000.00 in the aggregate in any calendar year, such proposed alterations, additions, or improvements shall not be made unless first approved by all of the Unit Owners at a duly constituted meeting of the Unit Owners and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing $20,000.00 or less in the aggregate in any calendar year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives.

Section 5.12. Casualty or Condemnation.

(A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss") or (ii) the Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the applicable terms of Section 5.12 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case

may be, shall be payable to the Condominium Board. In either instance, all such monies actually received (hereinafter referred to as the "Trust Funds") shall be held in trust for the benefit of all Unit Owners and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.12. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.12, however, no Unit Owner whose Unit, or any portion thereof, is taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he or she may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph above, the Condominium Board shall arrange for the prompt repair or restoration (hereinafter referred to as the "Work" of): (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss or (ii) in the event of a Taking, the portion(s) of the Common Element affected by such Taking. pursuant to the immediately preceding sentence, work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the work shall be performed, to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. In addition, each Unit Owner whose Unit, or any portion thereof: shall be the subject of all or part of any Work shall have the right, subject to the terms of applications provisions of Section 5.12 hereof, to supervise any redecorating of his or her Unit.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (A) and (B) of this Section, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, and all proceeds of such Special Assessment shall become part of the Trust Funds. However, if the insurance proceeds are not sufficient to discharge the cost and expense of performing any work attributable to any part of the building which is not a "Common Element", such cost and expense must be paid by the owner or owners of the Units or Limited Common Element which were damaged and no special assessment may be levied against the Unit Owners. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to the Unit Owner of the damaged unit, except that no payment shall be made to a Unit Owner until there has first been paid, out of said excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remains unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, free of any claim of any lienor (including, without limitation, any Permitted Mortgagee).

In the event that the damages is caused to both a Unit and Common Elements, the Condominium Board shall retain the services of an insurance adjuster to determine the amount of damages caused separately by the Unit and Common Element and all the underpayment s and overpayments shall be subject to provisions in this paragraph.

(D) If either 75% or more of a Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of the Unit Owners of the Building shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there first has been paid out of such Unit Owner's share of such funds, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

(E) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit after such Taking bears to the total floor area of such Unit prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

(F) As used in this Section, the terms:

(i) "prompt repair or restoration" shall mean that the Work is to be commenced not more than sixty (60) days after the date on which the Condominium Board has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "promptly resolve" shall mean that a resolution shall be duly made not more than sixty days after the date on which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharged the estimated cost and expense of the Work, as the case may be.

(G) Any dispute that may arise under this Section between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 9 hereof.

Section 5.13. Structural Alterations, Additions, Improvements and Repairs of Units and Appurtenant Limited Common Elements.

(A) Except as otherwise provided in the Declaration, no Unit Owner shall make any structural alteration, addition, improvement or repair in or to his Unit or appurtenant Limited Common Elements without the prior written approval of the Board. Under no circumstances, shall any alteration to or penetration of ceilings in a Unit be made without the prior written approval by the Board of Managers. The Board shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural alteration, addition or improvement in or to such Unit Owner's Unit or appurtenant Limited Common Elements within sixty (60) days after such request is received, and the failure to do so within the stipulated time shall constitute the Board's consent to the proposed alteration, addition or improvement. Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition or improvement in or to a Unit or appurtenant Limited Common Elements, 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 or improvement may be made, including, without limitation, the days and hours during which any work may be done.

(B) All structural alterations, additions and improvements 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 or improvement shall agree, and shall be deemed to have agreed, to hold the Board and all other Unit Owners harmless from any liability arising therefrom.

(C) 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 or improvement in or to any Unit or appurtenant Limited Common Elements 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 to any contractor, subcontractor, materialman, architect or engineer on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

(D) The foregoing restrictions of this Section shall not apply to Sponsor-Owned Units or its appurtenant Limited Common Elements. If not prohibited by the New York Condominium Act, the Sponsor or its designee shall have the right, without the consent or approval of the Board, other Unit Owners or the Permitted Mortgagee to (a) make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary, in, to, and upon any Unit or its appurtenant Limited Common Elements owned by it (including, without limitation, the removal of walls, floors, ceilings and other structural portions of the Building), (b) subdivide any Unit and its appurtenant Limited Common Elements owned by it into separate Units along with separate appurtenant Limited Common Elements and combine Units and its appurtenant Limited Common Elements (including those resulting from such subdivision or otherwise) into one or more Units along with its combined appurtenant Limited Common Elements, (c) incorporating into any Unsold Unit any of the Common Elements (whereupon any such Common element shall be deemed to be a Limited Common Element, including, but not limited to, hallway space, provided only that access to any other Unit on the floor is not materially impaired; and (d) alter the boundary walls between Units and its appurtenant Limited Common Elements, provided, however, that in each instance, the Sponsor or its designee (as the case may be) shall comply with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof, and agrees,

and shall be deemed to have agreed, to hold the Board and all other Unit Owners harmless from any liability arising therefrom. Sponsor or its designee shall not be required to enter into the agreement with the Board referred to in the last sentence of Section 5.13A in connection with any said alteration, addition or improvement. Some of Sponsor's alterations, additions or improvements permitted hereunder may result in the interruption of certain building wide services for a period of time. Sponsor shall have the right to perform such work at such times and hours as shall be determined by the Sponsor.

(E) At the request of Sponsor, the Board will execute any application or other document required to be filed with the City of New York or any other governmental authority having or asserting jurisdiction in connection with any such structural addition, alteration or improvement made by the Sponsor to any Unit, provided, however, that the Board and the Unit Owners shall incur no liability, cost or expense in connection with such application or document or to any contractor, subcontractor, materialman, architect or engineer on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. If the Board fails to promptly execute any such documents, the Sponsor may execute such documents on behalf of the Board.

Section 5.14. 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 Elements shall be made by the Board and the cost and expense thereof shall be charged either to all Unit Owners as a Common Expense or to the Unit Owner responsible therefore, as the case may be. Whenever in the judgment of the Board, the cost to the Board of any such alteration, addition or improvement would exceed $50,000 in the aggregate in any calendar year, then such proposed alteration, addition or improvement shall not be made unless first approved by a majority of the Unit Owners who shall be required to bear the cost and expense thereof as aforesaid, if any. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions or improvements costing in the aggregate $50,000 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners.

Section 5.15. Expansion of Certain Common Elements.

(A) If, pursuant to any of the provisions of these By-Laws, any consent by the Board or any Unit Owner is required as a condition precedent to any alternation, addition or improvement to any Common Element (collectively sometime referred to in this Section 5.15 as an "Expansions"), proposed to be made by Sponsor or the Board (collectively sometimes referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by Sponsor or the Board (referred to in this Section 5.15 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Expansion. If the Opposing Party does not give notice of any objection to the Proponent within thirty (30) days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Expansion. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such thirty (30) day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably held consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent may make the proposed Expansion. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions for the costs and expenses of the Expansion to be paid by

it, and stipulates that no costs and expenses for maintaining and repairing such Expansion after its completion will be charged to the Opposing Party; (b) the proposed Expansion would not unreasonably or unnecessarily interfere with the use and enjoyment of the Owners, tenants and occupants of those Units affected by the Expansion; (c) the proposed Expansion would not materially weaken the structure of the Building; and (d) the proposed expansion does not violate any governmental or other restrictions.

(B) Nothing contained in Section 5.15 shall in any way be deemed to limit either (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 Opposing Party or any arbitrator, or (b) any other party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, or make any Expansion to a Common Element without the Opposing Party's approval.

Section 5.16. Use of The Property.

(A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to its residents or occupants or interferes with the peaceful possession or proper use of the Property by its residents or occupants or that interferes with the peaceful possession or proper use of the Property by its residents or any portion thereof. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the full cost and expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Sponsor as long as Sponsor owns one unsold Unit or the Condominium Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.17. Restrictions on Use of Units.

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:

(A) Each Unit shall be used as a residence only, except as otherwise herein expressly provided. A Unit may be owned by an individual, corporation, partnership, fiduciary or any other entity, and may only be occupied by (i) the individual Unit Owner (or members of his family or guests), (ii) an officer, director, stockholder or employee of such corporation (or members of his family or guests), (iii) a partner or employee of such partnership (or members of his family or guests), or (iv) the fiduciary or beneficiary of such fiduciary (or members of his family or guests), or (v) a principal or employee or such other entity (or members of his family or guests), as the case

may be. Unless otherwise consented to by the Board or Sponsor, 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 or 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 fiduciary or beneficiary of a fiduciary lessee (or members of his family or guests). "Members of his family" or words of similar import, whenever used herein, shall be deemed to mean spouse, 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. If permitted by applicable laws and governmental regulations, and not in violation of the then existing Certificate of Occupancy covering a Unit, and with the prior written consent of Sponsor or the Board, which consent shall be in writing and be personal to such Unit Owner, a Unit Owner may use the Unit for professional offices (e.g., accounting or legal practice), real estate brokerage, for a fine arts studio, for the business or private teaching of not more than four (4) persons, provided, however, that if musical instruction is to be given, only one (1) student may be taught at any time, and for any other lawful purpose. In addition, the number of permitted employees is restricted to one (1) secretary or assistant.

(B) No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased and Units may not be rented on a transient basis.

(C) Notwithstanding the provisions of Section 5.16, Sponsor may, without the permission of the Board, use any Unsold Unit as models and sales and/or promotion offices in connection with the sale or rental of the Units, as a professional office or for any other purpose, subject only to compliance with applicable governmental laws and regulations.

Section 5.18. Use of Common Elements. Subject to the terms of these By-Laws and as provided in the Rules and Regulations of the Condominium, the Common Elements (including, without limitation, the electrical, heating, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. The lobbies, vestibules, public halls, stairways and shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesmen to utilize exclusively the entrance designated by the Condominium Board for transporting packages, merchandise, or other objects. No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, or any other part of the Common Elements other than the areas designated as storage areas without the prior consent of the Board. The lobbies, vestibules, public halls, and stairways shall be used only for normal passage through them. The provisions of Section 5.18 shall not apply to Sponsor 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.

Section 5.19. Use of the Limited Common Elements. The cost of maintenance, repair and replacement of Limited Common Elements shall be borne by the Unit Owner having the exclusive or shared use thereto if such Unit Owner or other person for whom he/she is legally responsible for has caused damage thereto. In the event that the damage caused to a limited common element was not brought about by the Unit Owner having exclusive or shared right thereto or such other person for whom s/he is legally responsible for, than the Condominium Board shall be responsible for the cost of such maintenance, repair and replacement, if so necessary. The provisions of Section 5.19 shall not apply to Sponsor 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.

Section 5.20. Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations ("Rules and Regulations") concerning the use of the Units and Common Elements. The Condominium Board shall have the right to amend, modify, add to or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by the vote of 66-2/3% of the Unit Owners. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Unit Owners not less than thirty (30) days prior to the effective date thereof. While the Sponsor owns at least one (1) Unsold Unit, no regulations or amendments thereto or restriction to the tights reserved to the Sponsor in the Declaration or By-Laws or the Rules and Regulations shall be applicable to the Sponsor or its designee unless agreed to by the Sponsor or its designee in writing.

Section 5.21. Real Estate Taxes, Water Charges and Sewer Rents.

(A) Water and sewer services for the Building shall be supplied by the City of New York or other utilities servicing the Property. Unless and until water charges and sewer rents are billed directly to Unit Owners by the proper authority, the Board shall promptly pay such charges, together with all related sewer rents arising therefrom, and allocate such costs as a Common Expense among Unit Owners, as reasonably determined by the Board, based on Common Interests, and the Unit Owners shall be required to reimburse the Board, as a Common Charge, for their share of such charges and rents.

(B) Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Property to the Department of Finance of the City of New York (or directly to Sponsor if Sponsor has paid such taxes) and allocate the cost thereof among all Units. The Board shall then allocate such percentage share among the individual Units in each such class, as applicable, on the basis of percentage interest as set forth in Schedule A. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium 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 Condominium Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense.

(C) In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written 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.

(D) The Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Units on behalf of and as agent for the respective Unit Owners thereof, but only with respect to such Units as to which the respective Unit Owners thereof have, in writing requested and authorized the Board to do so, and indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Unit Owners making such request to the Board will share the costs in connection therewith in proportion to the benefits

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

Section 5.22. Electricity. The Building's electrical usage is measured via a master meter and individual Unit electrical usage is measured via individual submeters for each Unit. Common area electrical usage will be incorporated into the Common Charges.

The 25kW on-site solar energy system provides electricity to the Building of various amounts depending on the season and weather. In order to power common areas and all Units from the on-site solar array, the Building's solar array is connected to the master "net" meter account that faces the local utility. Revenue grade submeters are installed to measure the usage by individual Units.

Electrical generation from the solar array will be applied to common area electrical usage, which will proportionately reduce Common Charges. If solar generation exceeds common area electrical usage, the electrical generation from the solar array will be applied to individual Units. In this situation, each Unit will pay the full cost of their electrical usage, and savings will be credited to the Condominium. If electrical generation from the solar array exceeds the demand for the entire Building, the excess electricity will be sold back to the utility and credited to the Condominium.

The solar array is expected to generate an ample amount of power to allow the Building to be self-sufficient and provide as much energy as the Unit Owners consume, effectively net-zero. This will thereby reduce the cost electrical usage of common areas to zero.

Section 5.23. Utilities Serving the Common Elements. The cost and expense of water and electricity serving or benefiting any Common Element or Limited Common Element, if any, shall be (a) deemed part of the expense of maintaining such Element, (b) determined by the Board; and (c) charged to the Unit Owners as a Common Expense or to the Units or Units benefiting from such service.

Section 5.24. Abatement and Enjoinment of Violations by Unit Owners.

(A) 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, (a) to 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, the Board not thereby to be deemed guilty or liable in any matter of trespass, and (b) to enjoin, abate or remedy by appropriate legal proceedings either at law or in equity, the continuance of any such violation or breach.

(B) 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 Sponsor shall give to Sponsor 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.

Section 5.25. Rights of Access.

(A) Each Unit Owner shall grant a right of access to his Unit 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 by such Unit Owner or correcting any conditions originating in his Unit and threatening another Unit or alt 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 any other Unit in the Building or to correct any condition that 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 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 to entry shall be immediate, without advance notice, whether or not the Unit Owner is present. For purposes of this Section 5.25(A), each Unit Owner shall grant to the Condominium Board a right of access to his or her Unit and the Condominium Board shall grant rights of access to the Common Elements, provided that access thereto shall not be exercised with respect to any Unit in such a manner as will unreasonably interfere with the use of such Unit for its permitted purposes.

(B) Except in cases of emergency (that is, a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(C) A right of access is hereby granted to the unit owners, their successors, heirs and assigns, for the purpose of gaining access to the following areas: common areas; mechanical areas of the building, including but not limited to the boiler room, storage room, meter room or any other facility to which each such unit owner has a right of use; or to any area of the property that such Unit Owner has a right to use as part of his Unit or as a Common Element. However, the right shall only be exercised in a reasonable manner.

(D) A Unit Owner shall grant a right of access to his Unit, and the Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees, for the purposes of fulfilling Sponsor'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 Unit for its permitted purposes. To the extent that the

Board or any Unit Owner fails to permit the Sponsor and its agents, employees, servants and contractors access to any Unit or the Common Elements then Sponsor shall no longer have any obligation to complete any work in and to any Unit or the Common Elements, as the case may be. In addition, if the Sponsor elects to enforce any rights it may have pursuant to the terms of these By-Laws, the Declaration or under the Plan then, Sponsor shall be entitled to recover the costs incurred by it (including legal fees) in enforcing Sponsor's rights from the Unit Owner or the Condominium whose conduct gave rise to the proceeding.

Section 5.26. 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 Condominium Board as a Common Expense.

Section 5.27. Records and Audits.

(A) The Condominium Board, or the Managing Agent, shall keep full, detailed and accurate records with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation: (i) financial records and books of account with respect to the activities of the Board, including a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent; (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid; (iii) minutes of the meetings of the Board and (iv) minutes of the meetings of the Unit Owners.

(B) Within (4) four months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared by an independent accountant. The cost of preparing and distributing each such report shall be borne by the Unit Owners as a Common Expense.

(C) 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 6
COMMON CHARGES

Section 6.1. Determination of Common Expenses and Fixing of Common Charges. In addition to the provisions set forth in Section 5.1 above: generally, Common Charges are projected based on estimated usage and benefit derived from the units and allocated to Units based on Percent Common Interest. If in the future, the Board assesses additional expenses, other than the expenses set forth in the initial Budget of the condominium, each Unit shall bear the proportionate share of such expense(s).

(A) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new

determination of the Common Expenses shall be made.

(B) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 hereof: to levy Special Assessments to meet the Common Expenses. All Special Assessments shall be levied against all Unit Owners in proportion to their respective Common Interests and may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however that the Condominium Board shall give each Unit Owner not less than fifteen (15) days' notice prior to the date upon which such Special Assessment, or the first installment thereof: shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.4 hereof).

(C) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners, and shall be collected on behalf of the Unit Owners by the Condominium Board and applied against the Common Expenses for the year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the Common Expenses for the next succeeding year(s) of operation, and no Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, however, in no event shall any rent, profit, or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings, or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

Section 6.2. Payment of Common Charges.

(A) All Unit Owners shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit.

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against his or her Unit subsequent to a sale, transfer, or other conveyance by him or her of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments

accrued and unpaid against such Unit prior to his or her acquisition thereof, except that, to the extent permitted by Law, a Permitted First Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted First Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted First Mortgage and prior to the acquisition of title to such Unit by the Permitted First Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted First Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure. Any unpaid Common Charges and Special Assessments that are not collected from such defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his or her Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefore, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid ; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted First Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit. (iii) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his or her Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof. Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit Owner's Unit) pursuant to the terms of Sections 5.1, 5.2 or 5.3 hereof; or any action taken by the Condominium Board to comply with Law.

Section 6.3. Statement of Common Charges. The Condominium Board shall promptly provide a written statement of all unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefore from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 6.4. Default In Payment of Common Charges.

(A) In the event that any party defaults in performing any act or making any payment which is that party's responsibility hereunder and said default is not cured within fifteen (15) days of written notice of said default, then the Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remains unpaid for more than thirty days after the due date for the payment thereof. In connection therewith, the Condominium Board shall at its discretion or upon instruction by Sponsor if Sponsor is in control of the Board have the right and obligation to cause liens for all sums due and owing to the Condominium Board

to be filed in the Register's Office pursuant to the terms of Section 399-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 399-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectable by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay a penalty charge equal to 10% of the outstanding charge, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner shall be required to pay a reasonable rental for the use of his or her Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure sale shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) Failure by Non-Occupying Owner to Make Payments on its Unit: Section 339-kk of the Real Property Law of the State of New York (the Condominium Act applies to all condominium plans in existence after July 22, 1998. It is intended to provide financial protection for a condominium association if a non-occupying owner fails to make monthly payments for its units. The terms of Section 339-kk are as follows:

(E) For purposes of this section, a non-occupying owner means a condominium unit owner who does not occupy the dwelling unit. If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within 60 days of the expiration of any grace period after they are due, the Condominium Board shall provide written notice to the tenant and the non-occupying owner that rental payments from the tenant shall be paid directly to the Condominium Board. Such notice shall provide that commencing immediately and until such time as all such payments are made current, all rental payments due subsequent to the issuance of such notice are to be made to the Condominium Association at the address listed on the notice. However, where a majority of the Board of Managers has been elected by Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Condominium Board. When such payments from the non-occupying owner are once again current, written notice of this fact shall be given within 3 business days to the rental tenant and non-occupying owner; thereafter, all rental

payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Board's claim to rental payments pursuant to Section 339-kk shall be entitled to present facts supporting such position at the next scheduled meeting of the Board of Managers, which must be held within 30 days of the date that such Board receives notice that such owner seeks to dispute such claim. Nothing in Section 339-kk shall limit any rights of Unit Owners or of the Condominium Board existing under any other law or agreement. Payment by a rental tenant to the Condominium Board made in connection with Section 339-kk shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

ARTICLE 7
SELLING, LEASING AND MORTGAGING OF UNITS

Section 7.1. General. No Unit Owner may sell or lease his or her Unit except in compliance with, the applicable provisions of this Article 7. Any purported sale or lease consummated in default of the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized leasing) in the name of the said Unit Owner as the owner or landlord, as the case may be. The said Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

Section 7.2. Payment of Common Charges and Assessments. No Unit Owner shall be permitted to convey or lease his or her Unit unless he or she shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments, if any, heretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit.

Section 7.3. Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of his or her title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office, the Unit Owner's Power of Attorney required in Article 15 of the Declaration, in the form set forth as **Exhibit D** to the Declaration.

Section 7.4. No Restrictions on Sponsor. The Sponsor may freely rent, sell, assign or mortgage its Unsold Units without the consent of the Board of Managers, Unit Owners, the Managing Agent or any agent of the Condominium. This right shall not be subject to any amendment to the Condominium Documents for this Condominium as long as Sponsor and its designee owns at least one (1) Unsold Unit.

Section 7.5. Procedure to Sell or Lease.

(A) 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 an "Outside Offer", the party making any such Outside Offer is called "Outside Offeror" and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he intends to accept, shall give notice, together

with a copy of a signed agreement between the Outside Offeror and the Offeree Unit Owner, by certified or registered mail to the Board, of the receipt of such Outside Offer. Said notice shall also state the name and address of the Outside Offeror, the terms of the proposed transaction and such other information as the Board may reasonably require. The giving of such notice of 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 Outside Offer and shall also constitute a representation and warranty by the Unit Owner who has received such Outside Offer, to the Board on behalf of all Unit Owners, that such Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may reasonably request. Not later than thirty 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 thirty-day period, by certified or registered mail, to purchase such Unit together with its Appurtenant Interest in the Common Elements or to lease such Unit, as the 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 Outside Offer and as stated in the notice from the Offeree Unit Owner.

(B) If 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 Outside Offer, within forty-five days after the giving of notice by the Board of its election to accept such offer. If, pursuant to such Outside Offer to purchase said Unit, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board may purchase the Unit 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 whether or not separately assessed), 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. If such Unit is to be leased, the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, shall execute a lease covering such Unit for the rental and term contained in such Outside Offer.

(C) If the Board or its designee shall fail to accept such offer within thirty (30) days after receipt of notice, as aforesaid, the Board shall be deemed to a have waived its right of first refusal, but such waiver shall only be effective if Common Charges through and including the date of closing of title to such Unit have been paid, and such Offeree Unit Owner may consummate the sale or lease to the Outside Offeror. In the event that the Offeree Unit Owner does not, within ninety days following the expiration of said thirty (30) day period consummate the sale or lease of such Unit to the Outside Offeror, then, should such Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interest in the Common Elements or to 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 7.5.

(D) Any deed to an Outside Offeror shall be deemed to provide that the

acceptance thereof by the grantee shall constitute an affirmative acceptance and 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.

(E) Any lease executed in connection with the acceptance of any Outside 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 power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of his obligations under such lease or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

(F) Except as hereinbefore set forth or as may be approved by Sponsor, the form of any such lease executed by the Board or an Outside Offeror shall be the then current form of apartment lease recommended by the Managing Agent and shall contain such modifications as shall be approved in writing by the Board or Sponsor. 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. No Unit Owner shall lease his Unit on a transient basis. In addition, any such lease shall provide that the tenant under the lease shall, at the request of the Board, pay to the Board any amounts due under the lease on account of any sums that the Board claims are due and owing to the Condominium. No lease shall be for a period of which is less than six (6) months in order to avoid transient tenancies.

(G) Any purported sale or lease of a Unit in violation of this Section 7.5 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. Such Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings

(H) The foregoing restrictions of this Section 7.5 shall not apply to Unsold Units. Sponsor and its designees shall have the right freely to sell such Units or freely to lease all or any part thereof without first having to offer the same for sale or lease to the Board.

Section 7.6. Consent of Unit Owners to Purchase or Lease of Units by Condominium Board. The Board shall neither exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a Majority of Unit Owners.

Section 7.7. No Severance of Ownership. No Unit Owner shall executed 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.

Section 7.8. Release by Condominium Board of Right of First Refusal. The right of first refusal contained in Section 7.5 may be released or waived by the Board only in the manner provided in 8.1.3 and 8.5. In the event the Board shall release or waive its right of first refusal as to any Unit, such Unit together with its Appurtenant Interests in the Common Elements may be sold, conveyed or leased, free and clear of the provisions of 7.5, except that such release or waiver shall only be effective if Common Charges through and including the date of closing of title to such Unit have been paid.

Section 7.9. Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary or Assistant Secretary of the Condominium stating either that the provisions of 7.5 have been met by a Unit Owner or that the right of first refusal contained therein has been duly released or waived by the Board subject to the provisions of Section 7.8, 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 such certificate upon request to any Unit Owner in respect to whom the provisions of Section 7.5 have, in fact, terminated. The Board may establish a reasonable fee for such certificate from time to time.

Section 7.10. Financing of Purchase of Units by Condominium Board. The purchase of any Unit by the Board of 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.

Section 7.11. Exceptions. The provisions of 8.1 shall not apply with respect to any lease, sale or conveyance of any Unit together with its Appurtenant Interests in the Common Elements by (a) the Unit Owner thereof to his spouse, 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) Sponsor, (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.

Section 7.12. 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 and to all the provisions of this Declaration and By-Laws.

Section 7.13. Waiver of Right of Partition With Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. If 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.

Section 7.14. Mortgage of Units. Subject to Article 7 and Section 7.2, 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. Other than Sponsor or its designee, any Unit Owner who mortgages his or her Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of his or her mortgagee and shall file a confirmed copy of the note and mortgage with the Condominium Board. Other than Sponsor its designee, any Unit Owner who satisfies a mortgage covering his or her Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units". No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to his or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

Section 7.15. Notice of Unpaid Common Charges and Default. Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by his or her mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his or her Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his or her mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 7.16. Performance by Permitted Mortgagees. Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his or her Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 7.17. Examination of Books. Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 7.18. Additional Rights of Mortgagee: 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 of any Unit Owner, provided, however, that nothing

contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor.

(A) If the Declaration and the By-Laws of the Condominium are to be amended and such amendment would materially interfere with any right or interest of any mortgagee such amendment may only be filed upon approval of 51% of all mortgagees.

(B) In addition to any other notices provided for in the Declaration and By-Laws, Notices will be sent to any mortgagee by certified or registered mail return receipt requested, upon the happening of any of the following circumstances to either the building or to a mortgaged unit:

(i) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss"); or

(ii) the Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking") in accordance with Section 5.5 of the By-Laws;

(iii) In addition to notice in the event of any happening in this subsection, when applicable no termination of condominium shall occur without 51% mortgagee approval;

(iv) In the event that any party whose unit or interest is mortgaged to a mortgagee defaults in performing any act or making any payment which is that party's responsibility hereunder, including common charges and or special assessments, for a period of sixty days after the obligation to pay, and said default is not cured within fifteen (15) days of written notice of said default.

C. If any insurance policies insuring the Building and all service machinery contained therein covering the interest of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear may not be either cancelled, or be allowed to lapse, or substantially modified except upon at least ten days' prior written notice to all of the insureds, including all Permitted Mortgagees.

D. Notwithstanding the foregoing provisions in the event a mortgagee fails to respond to written notice within 60 days of said written notice, provided notice was delivered by certified or registered mail return receipt requested said silence shall be construed as an implied approval by an mortgagee.

ARTICLE 8
CERTAIN REMEDIES

Section 8.1. Self Help. Other than Sponsor or its designee in regard to its Unsold Units, if any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, including, without limitation, any breach of his or her obligation to paint, decorate, maintain, repair, or replace his or her Unit pursuant to the terms of

Article 5 hereof, and shall fail to cure such violation or breach within ten (10) days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 8.2. Abatement and Enjoinment. In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, the Condominium Board shall have the right to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 8.3. Remedies Cumulative. The remedies specifically granted to the Condominium Board in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 8.4. Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 8.2 or Section 8.3 hereof or shall be immediately payable by such Unit Owner to the Condominium Board, which amount shall be paid within ten (10) days of receiving notice. In the event it is not paid within ten (10) days of receiving notice, a penalty charge equal to ten (10%) percent of the outstanding charge shall be payable. All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 8.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 9
ARBITRATION

Section 9.1. General Procedure. Any matter or issue that may be resolved by arbitration pursuant to New York State law, or if there is a deadlock in any matter, must be submitted to arbitration. No party may commence a proceeding in any other forum other than to enforce these arbitration provisions. Any arbitration provided for in these By-Laws shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decisions rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. Notwithstanding the foregoing, any arbitration held pursuant to the Declaration or these By-Laws with respect to a dispute which arose prior to the first annual meeting of Unit Owners shall be non-binding. If the American Arbitration Association shall not then be in existence and has no

successor, any arbitration hereunder shall be conducted in New York City before one 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 one 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 it least five members. Notwithstanding anything contained herein to the contrary, arbitration shall not be used for resolution for disputes concerning the disposition of escrow funds, but rather such dispute shall be resolved by litigation and determined pursuant to a final, non-appealable order or judgment of a court of competent jurisdiction.

Section 9.2. Variation by Agreement. The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 9.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 9.3. Binding Effect. The decision in any arbitration conducted pursuant to the terms of Sections 9.1 and 9.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction. Notwithstanding the foregoing, however, any arbitration held pursuant to the terms of the Condominium Documents with respect to a matter that arose prior to the first annual meeting of all Unit Owners held pursuant to the terms of Section 4.1 hereof shall be non-binding.

Section 9.4. Costs and Expenses.

(A) The fees, costs and expenses of the arbitrators shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses shall constitute Common Expenses.

ARTICLE 10
NOTICES

Section 10.1. General. All notices required or desired to be given hereunder to the Condominium Board shall be personally delivered or sent by registered or certified mail, return receipt requested, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, or such other address as the Condominium Board may designate from time to time, by notice in writing to all Unit Owners, with a duplicate sent to the Managing Agent (if any) in a like manner. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified 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 Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time

to time, in writing to the Condominium Board.

All notices shall be deemed to have been given when personally delivered or deposited in a United States Postal Service depository located in the State of New York enclosed in a postage prepaid sealed wrapper, except notices of change of address and notices deposited in a United State Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 10.2. 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 11
AMENDMENTS TO BY-LAWS

Section 11.1. General. Subject to the provisions contained herein or in the Declaration with respect to amendments affecting Sponsor or any Unsold Unit, any provision of these By-Laws may be amended, modified, added to, or deleted by the affirmative vote of at least 66 2/3% in Common Interest of all Unit Owners either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or any Unsold Units, any such amendment, modification, addition or deletion shall be shall be effectuated in an instrument 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, and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duty recorded in the Register's Office. And no such Amendment to the Condominium Declaration, the By-Laws and/or the Condominium Rules and Regulation shall restrict the rights herein reserved to Sponsor or its designee.

Section 11.2. Amendments Affecting Sponsor or Unsold Unit. 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 either (a) Sponsor or the Holder of any Unsold Unit, unless Sponsor has given its prior written consent thereto, or (b) the holder of any present or future mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

Section 11.3. Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or

to Article 7 or 6.2.1, 6.7 or 8.7(d) or (e) shall be effective as against the holder of any Permitted Mortgage heretofore made unless such holder has given its prior written consent thereto.

ARTICLE 12
FURTHER ASSURANCES

Section 12.1. Covenants of Further Assurances. Any Person, other than Sponsor or its designee, that is subject to the terms of these By-laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for therein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 12.2. Failure to Deliver or Act. Other than Sponsor or its designee, if any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefore, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board or its Managing Agent, is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person. 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 therefore, to take any action which the Board, such Unit Owner or other party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of the Sponsor, then Sponsor 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, o 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 the Board, such Unit Owner or other party.

ARTICLE 13
MISCELLANEOUS

Section 13.1. Inspection of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

Section 13.2. Waiver. No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 13.3. Conflicts. In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control. All provisions of the Declaration and By-Laws are subject to any written agreement among

the owners of the Units.

Section 13.4. Severability. If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 13.5. Insurance Trustee. If the Board shall appoint an Insurance Trustee; the Insurance Trustee shall be a bank or trust company in the City of New York designated by the Board and having a capital surplus and undivided profits of $100,000,000 or more. If 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 an office located in the City of New York and having a capital surplus and undivided profits of $100,000,000 or more. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense.

Section 13.6. Successors and Assigns. The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or, with the consent of Sponsor, upon any transferee or designee of all then Unsold Units.

Section 13.7. Gender. A reference in these By-Laws to any one gender, masculine, feminine, or neuter, includes the other two, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 13.8. Captions. The index hereof and the captions herein inserted arc included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision hereof.

HOUSTON HOUSE
RESIDENTIAL RULES AND REGULATIONS

1. The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used in any manner to impede the ingress and egress to the units.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases without the consent of the Board of Managers, or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

3. Nothing shall be hung or shaken from any doors, window, or open balconies, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

4. There shall be no playing or lounging in the entrances, passages, public halls, vestibules, corridors, stairways, or fire towers of the Building, except in recreational areas or other areas designated as such in the Declaration or by the Condominium Board.

5. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage, recreation, or service purposes in the Building.

6. Nothing shall be done or be kept in any Unit or Limited Common Elements, or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of his or her Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his or her Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance.

7. There shall be no barbecuing in the Units, or in the Limited Common Elements such as balconies or Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board such as the Limited Common Elements. Balconies and gardens are designated for barbecuing provided it conforms to code and the proper and safe barbecuing equipment are in conformity with the Condominium's rules.

8. No Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises (except for noises made by children under the age of ten (10) years) or odors to be produced upon or to emanate from his or her Unit or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Unit Owner practice or suffer to be practiced upon by either vocal or instrumental music between the hours

of 8:00 AM and 10:00 P.M. No construction, repair work, or other installation involving noise shall be conducted in any Unit except on weekdays and Saturdays (not including legal holidays) and only between the hours of 8:00 A.M. and 6:00 P.M., unless such construction or repair work is necessitated by an emergency. Sponsor or its designee may continue to perform construction work in order to complete its obligations under the offering plan or comply with the building code or the certificate of occupancy during week-days and Saturdays.

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 the public authorities having jurisdiction. No radio or television aerial, satellite dish or other similar devise shall be erected on the roof, balconies, or exterior walls of the Building without obtaining in each instance the prior consent of the Board of Managers. Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

10. Nothing shall be done in any Unit or in, on or to the Common Elements which would involve, or impair the weather tightness, moisture proofing or the structural integrity of the Building without the prior written consent of the Board of Managers.

11. Water-closets and other water apparatuses in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

12. Each Unit Owner shall keep his or her Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

13. No Unit Owner, other than Sponsor or its designee, may display "For Sale", "For Rent", or "For Lease", or other window displays or advertisements on any part of the Property or in any Unit therein, nor shall any Unit be used for transient, hotel or motel purposes.

14. The agents of the Condominium Board or the Managing Agent and any contractor or workman authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

15. The Condominium Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry there is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium Board or Managing Agent or their agents (but,

except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may 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).

16. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his or her agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as otherwise provided herein) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

17. Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever enter upon, or attempt to enter upon, the roof of the Building other than as permitted by the Board of Managers which shall have the sole right to determine any restrictions to access and use of the roof. No furniture or plants shall be brought to and/or left on the roof except as permitted by the Board of Managers.

18. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

19. Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

20. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition), shall be permitted, kept or harbored in any Unit without the expressed written consent of the Board of Managers or Managing Agent, which consent, if given, shall be revocable by the Board or Managing Agent in their sole discretion, at any time. In no event, no more than two (2) pets in a Unit shall be permitted without the prior written consent of the Board. No animal shall be permitted in any part of the any limited or public portion of the Building unless carried or on a leash. No birds or animals may be fed from the Building's windows, terraces or the Building's sidewalk. Violations are subject to fees set by the Board. Any Unit Owner keeping pets in the premises shall indemnify and hold the Condominium Board, Unit Owners and Managing Agent harmless from all claims and expenses resulting from the acts of such pets.

21. Unit Owners will faithfully observe the procedures established from time to time by the Board of Managers or the managing agent with respect to the services provided and in managing the Building.

22. Unit Owners shall, at their sole cost and expense, comply with all present and future laws, orders and regulations of all state, federal, municipal and local governments, departments, commissions and boards, regarding the collection, sorting, separation, recycling and disposal of waste products, garbage, refuse and trash.

23. Any consent or approval given under these Residential Rules and Regulations may be added to, amended or repealed at any time by resolution of the Board of Managers except that such will not be applicable to Unsold Units without the express consent of the Sponsor or its designee.

24. Complaints shall be made in writing to the Condominium Board or the Managing Agent.

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INTERIM USE AND OCCUPANCY AGREEMENT

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INTERIM USE AND OCCUPANCY AGREEMENT

AGREEMENT ("Agreement") made this ___ day of _____, 201_, between 298 EAST VILLAGE OWNER LLC, as Sponsor ("Sponsor"), and _____, as purchaser ("Purchaser").

WHEREAS, Sponsor and Purchaser have heretofore executed a contract of sale dated as of _____, 201_, ("Purchase Agreement") for the sale of the condominium unit #___ in Houston House (the "Condominium") located at 298 East 2nd Street, New York, New York (the "Unit"); and

WHEREAS, the closing of the sale of the Unit from Sponsor to Purchaser pursuant to such Purchase Agreement has not yet occurred; and

WHEREAS, Purchaser has requested that Sponsor permit use and occupancy of the Unit prior to such closing until the earlier to occur of (i) the closing of the purchase of the Unit by Purchaser (the "Closing Date") or (ii) _____, 201_ ("Vacate Date") and Sponsor is willing to allow such occupancy upon compliance with and conditional upon the provisions hereinafter provided; and

WHEREAS, Purchaser acknowledges that Sponsor will suffer irreparable and substantial damages if Purchaser fails to either close on the purchase of the Unit or vacate the Unit in the condition as set forth in the Purchase Agreement on or before the Vacate Date.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Sponsor and Purchaser agree as follows:

1. Each capitalized term appearing but not defined herein shall have the meaning, if any, ascribed to such term in the Purchase Agreement.

2. Sponsor consents that Purchaser may use and occupy the Unit until 11:59 P.M. on the Vacate Date, unless the closing has occurred pursuant to the Purchase Agreement. Notwithstanding the above, this Agreement shall not be deemed to have created a landlord and tenant relationship between Purchaser and Sponsor, and that Purchaser's occupancy of the Unit is solely as a licensee under a terminable license. In the event that Purchaser defaults in its obligations under this License Agreement and Sponsor is obliged to commence appropriate proceedings to compel Purchaser's compliance with this Agreement, Purchaser shall be liable to Sponsor for the costs, disbursements and reasonable attorneys' fees incurred by Sponsor in respect of such proceeding (collectively "Costs"), as well as the liquidated damages herein provided.

3. Purchaser agrees to vacate and surrender the Unit in accordance with the terms and conditions of this Agreement and the Purchase Agreement on or before the Vacate Date. Purchaser and Sponsor agree that Purchaser may vacate and surrender the subject Unit at any time prior to Vacate Date.

4. Purchaser acknowledges that Sponsor shall be damaged if the Unit is not vacated on the Vacate Date, in an amount that might be impossible to ascertain and, accordingly the parties agree that in the event Purchaser fails to surrender and vacate the subject premises, for any reason, on or before 11:59 P.M. of the Vacate Date, that Purchaser shall be liable to Sponsor for liquidated damages in the sum of $1,000.00 for each day from and after the Vacate Date that Purchaser shall have failed to vacate the Unit in accordance with this Agreement and Purchaser agrees to pay to Sponsor at the rate of $1,000.00 per day for so long as Purchaser occupies the Unit after the Vacate Date.

5. On the date Purchaser vacates the subject Unit, Purchaser shall surrender the Unit to Sponsor by delivery to Bleckner P.C. located at 350 Fifth Avenue, Suite 6440, New York, New York 10118 of the keys to the Unit and a written acknowledgement executed by Sponsor that Sponsor has vacated the Unit.

6. Sponsor shall not be required to furnish the Purchaser with any utilities. Purchaser shall be responsible for and pay directly to the utility companies the charges for electricity, cable TV, telephone and any and all other utilities during the period of Purchaser's use and occupancy of the Unit.

7. Sponsor shall not be required to make any alterations or repairs to the Unit or any part thereof. During the period of Purchaser's use and occupancy of the Unit Purchaser agrees to maintain the Unit in the same condition and repair as on the date hereof, less normal wear and tear. Purchaser agrees to accept the Unit in its then "as is" condition, which "as is" condition shall supersede the provisions of the Purchase Agreement with regard to the condition that Sponsor is required to deliver the Unit to Purchaser as of the Closing. The Unit shall be delivered to Sponsor vacant and in broom clean condition. Sponsor shall have a period of three (3) days from the Vacate Date to determine whether there are any defects or whether there is any damage to the Unit due to Purchaser vacating the Unit.

8. Simultaneously with the execution of this Agreement, Purchaser shall pay to Purchaser's attorney, Bleckner P.C. ("Escrowee"), the sum of Twenty-Five Thousand and 00/100 ($25,000.00) Dollars of which (i) $2,000.00 shall be disbursed to Escrowee as and for attorney's fees for the preparation of this Agreement, (ii)_____.00 shall be disbursed to Sponsor as and for use and occupancy for the Unit for the month of _____ 201_ and (iii) the remaining $_____.00 (the "Escrow Deposit) shall be to be held by Escrowee in escrow to secure performance by Purchaser of the provisions set forth above. The Escrow Deposit shall be held in escrow and not released to Purchaser until the earlier of (i) receipt by Escrowee from Purchaser of written acknowledgment that Purchaser has vacated the Unit and of Purchaser's compliance with this Agreement, or (ii) five (5) days after the date Purchaser vacates the Unit and complies with the provisions of paragraph 5 above or (iii) the Closing Date. The provisions of the Purchase Agreement between the parties relating to protection for an Escrowee are incorporated herein and shall be applicable to the Escrowee of this Agreement.

9. Purchaser, at their own cost and expense shall maintain existing homeowner's insurance policy covering the Unit and shall name the Sponsor as an additional insured thereunder and loss payee as his/her interest may appear in limits of $1,000,000 for liability and $500,000 for property damage and provide for ten (10) days prior notice of cancellation to Purchaser. A copy of such certificate is attached hereto.

10. This Agreement shall be binding upon the respective parties, their heirs, executors, administrators and successors in interest.

11. Sponsor and Purchaser mutually represent as follows:

(i) that they have each read, and understand, the provisions of this Agreement, and that they have carefully considered the legal and practical effect of this Agreement and its impact upon the rights, obligations and financial status of the parties in each and every respect, and that the signatories to this Agreement are fully authorized to bind the respective parties hereto;

(ii) that each had the opportunity to consult with counsel or counsels of his/its/their choosing;

(iii) that this Agreement is <u>not</u> the result of any fraud, duress, coercion, pressure or undue influence exercised by either party, or by any other person or party;

(iv) that having had such legal advice and having weighed all circumstances likely to influence his/its/their judgment, and with

such knowledge, each clearly understand and assent to all the provisions hereof; and

(v) that each is signing this Agreement freely and voluntarily, without reliance upon any representation, warranty or Agreement not expressly set forth herein.

12. This Agreement is subject and subordinate to the Declaration, the By-Laws (including the Rules and Regulations) and the Floor Plans, all as may be amended from time to time (the "Condominium Documents") and that in the event of any inconsistency between this Agreement and the Condominium Documents, the inconsistency shall be resolved in accordance with the Condominium Documents, which are paramount and shall govern. In the event of any inconsistency between the offering plan for the Condominium and this Agreement, the terms of the offering plan shall prevail.

13. The Sponsor and/or the Condominium Board shall have the right, power and authority to terminate or cancel this Agreement and to bring summary proceedings to evict or remove the Purchaser hereunder in the name of the Sponsor in the event of a violation by Purchaser of any of the provisions of the Declaration or the By-Laws (including the Rules and Regulations), as each may be amended from time to time, unless remedied within the applicable grace period.

14. All capitalized terms shall have the meanings given to them in that certain Declaration of condominium establishing the Houston House condominium pursuant to which the building in which the demised premises is located has been submitted to the condominium ownership under Article 9-B of the New York Real Property Law.

15. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same instrument. Facsimile and/or .pdf signatures and photocopies shall be deemed to be originals and shall have the same force and effect as originals and shall be binding upon all parties.

IN WITNESS WHEREOF, Sponsor and Purchaser have executed this Agreement this ___ day of _____, 201__.

SPONSOR:

298 EAST VILLAGE OWNER LLC
By: 298 East Village Mezzanine LLC,
its Sole Member
By: 298 East Village Property LLC,
its Sole Member

By: _____
Name: Matthew Lee
Title: Managing Member

PURCHASER:

By:_____
Name:
Title:

By:_____
Name:
Title:

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UNIT OWNER'S SPECIMEN TITLE POLICY

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First American Title™	Owner's Policy of Title Insurance
	ISSUED BY **First American Title Insurance Company**
Owner's Policy	POLICY NUMBER **PRO FORMA**

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, **FIRST AMERICAN TITLE INSURANCE COMPANY**, a Nebraska corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
   (a) A defect in the Title caused by
      (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
      (ii) failure of any person or Entity to have authorized a transfer or conveyance;
      (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
      (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
      (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
      (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
      (vii) a defective judicial or administrative proceeding.
   (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
   (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.

(Covered Risks Continued on Page 2)

In Witness Whereof, First American Title Insurance Company has caused its corporate name to be hereunto affixed by its authorized officers as of Date of Policy shown in Schedule A.

First American Title Insurance Company

Dennis J. Gilmore
President

Jeffrey S. Robinson
Secretary

(This Policy is valid only when Schedules A and B are attached)

For Reference:

File #: 832096
Loan #: 0000

Issued By:

Kensington Vanguard National Land Services of NY, LLC
39 West 37th Street, 3rd Floor
New York, NY 10018

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COVERED RISKS (Continued)

5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (a) the occupancy, use, or enjoyment of the Land;
   (b) the character, dimensions, or location of any improvement erected on the Land;
   (c) the subdivision of land; or
   (d) environmental protection
   if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
   (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
   (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
      (i) to be timely, or
      (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
      (i) the occupancy, use, or enjoyment of the Land;
      (ii) the character, dimensions, or location of any improvement erected on the Land;
      (iii) the subdivision of land; or
      (iv) environmental protection;
      or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered 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.

SCHEDULE A

Title Number 832096(F-NY-CC-BS) Policy Number PRO FORMA

Policy Date Policy Amount

1. Name of Insured:
   TBD
2. The estate or interest in the land which is covered by this policy is:
   Fee Simple
3. Title to the estate or interest in the land is vested in:
   TBD who acquired title by deed made by 298 East Village Owner LLC, dated _____, 2017 and to be recorded in the Office of the City Register of the City of New York.
4. The land referred to in this policy is described as follows:
   SEE SCHEDULE A DESCRIPTION ATTACHED HERETO

First American Title Insurance Company
By: Kensington Vanguard National Land Services of N

By: _____
Authorized Officer or Agent

Schedule A Description

Title Number: 832096(F-NY-CC-BS) Policy Number PRO FORMA

The Condominium Unit (hereinafter called the "Unit") in the building (hereinafter called the "Building") known as _____ Condominium and by the Street Address 298 East 2nd Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit No. _____ in the certain Declaration, dated _____, made pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter called the "Condominium Act") establishing condominium ownership of the Building and the land (hereinafter called the "Land") upon which the building is situate (which Land is more particularly described below and by this reference made a part hereof), which declaration was recorded in the New York County Office of the Register of the City of New York (the "City Register's Office") on _____ as CRFN _____ (which declaration, and any amendments thereto, are hereinafter collectively called the "Declaration"). The Unit is also designated as Tax Lot _____ in Block 372 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of the City of New York and on the Floor Plans of the Building filed with the Real Property Assessment Bureau of the City of New York as Condominium Plan No. _____ and also filed in the City Register's Office on _____, as Map No. CRFN _____.

TOGETHER with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration).

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, and distinguished upon a map of property of land of Augusta Wydheep and filed in the Register's Office of New York County as Map No. 139, Lot 50, being bounded and described as follows:

BEGINNING at a point on the northerly side of East Second Street, 193 feet 0 inches survey (193 feet 1 inch deed) West of the corner formed by the intersection of the westerly side of Avenue D with the northerly side of East Second Street;

RUNNING THENCE northerly at right angles to East Second Street, 105 feet 11-1/2 inches survey (106 feet 0 inches, deed);

THENCE westerly at right angles to the last mentioned course, 25 feet 0 inches;

THENCE southerly again at right angles to East Second Street, 105 feet 11-1/2 inches survey (106 feet 0 inches, deed) to the northerly side of East Second Street;

THENCE easterly along East Second Street, 25 feet 0 inches to the point or place of BEGINNING.

Schedule B

Title Number: 832096(F-NY-CC-BS) Policy Number PRO FORMA

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Terms and conditions set forth in the Declaration of Condominium and By-Laws dated _____ and recorded _____ as CRFN _____; but policy insures against damage occasioned by the premises not being a part of a condominium validly created pursuant to Article 9-B of the real property law as amended.
2. Any state of facts which an accurate survey may show including possible encroachment upon the unit being insured by adjoining units and/or common elements and possible encroachments of the insured unit upon adjoining units and/or common elements. Policy, however, will insure that any encroachments by the insured unit may remain undisturbed.

FIRST AMERICAN TITLE INSURANCE COMPANY

STANDARD NEW YORK ENDORSEMENT

(OWNER'S POLICY)

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

FIRST AMERICAN TITLE INSURANCE COMPANY

By: _____
KENSINGTON VANGUARD NATIONAL LAND SERVICES OF NY

STANDARD NEW YORK ENDORSEMENT (11/1/08)
FOR USE WITH ALTA OWNER'S POLICY (6-17-06)
Amended (July 1, 2012)

FIRST AMERICAN TITLE INSURANCE COMPANY

CONDOMINIUM ENDORSEMENT

- NEW YORK -

Attached to and made a part of Policy Number PRO FORMA

The Company insures the insured against loss or damage sustained by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the State of New York.

2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the title to the unit and its common elements.

3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are created by the condominium documents, except violations relating to environmental protection unless a notice of a violation thereof has been recorded or filed in the Public Records and is not excepted in Schedule B. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.

4. The priority of any lien for charges and assessments at Date of Policy provided for in the condominium statutes and condominium documents over the lien of any insured first mortgage identified in Schedule A.

5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.

6. Any obligation to remove any improvements which exist at Date of Policy because of any present encroachments or because of any future unintentional encroachments of the common elements upon any unit or of any unit upon the common elements or another unit.

7. The failure of title by reason of a right of first refusal to purchase the unit and its common elements which was exercised or could have been exercised at Date of Policy.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the amount of insurance.

FIRST AMERICAN TITLE INSURANCE COMPANY

By: _____
KENSINGTON VANGUARD NATIONAL LAND SERVICES OF NY

FIRST AMERICAN TITLE INSURANCE COMPANY

WAIVER OF ARBITRATION ENDORSEMENT

OWNER'S POLICY

Attached to and made part of Policy Number PRO FORMA

The policy is amended by deleting therefrom:

(D) If this endorsement is attached to an ALTA Loan Policy: Condition 13.

(E) If this endorsement is attached to an ALTA Owner's Policy: Condition 14.

(F) If this endorsement is attached to a TIRSA Owner's Extended Protection Policy: Condition 12.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any other endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any other endorsements, nor does it extend the effective date of the Policy and any other endorsements, nor does it increase the face amount thereof.

FIRST AMERICAN TITLE INSURANCE COMPANY

By: _____

KENSINGTON VANGUARD NATIONAL LAND SERVICES OF NY

ENDORSEMENT

Attached to Policy No.: PROFORMA

Issued by

FIRST AMERICAN TITLE INSURANCE COMPANY

POLICY AUTHENTICATION ENDORSEMENT

Attached to Policy Number

When the policy is issued by the Company with a policy number and Date of Policy, the Company will not deny liability under the policy or any endorsements issued with the policy solely on the grounds that the policy or endorsements were issued electronically or lack signatures in accordance with the Conditions.

Endorsement is issued as part of the Coinsurance Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated:

By: _____
Kensington Vanguard National Land Services of NY

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.

(b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.

(c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.

(d) "Insured": The Insured named in Schedule A.

(i) The term "Insured" also includes

(A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;

(B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;

(C) successors to an Insured by its conversion to another kind of Entity;

(D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title

(1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,

(2) if the grantee wholly owns the named Insured,

(3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or

(4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.

(ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.

(e) "Insured Claimant": An Insured claiming loss or damage.

(f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.

(g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

(h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

(i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(j) "Title": The estate or interest described in Schedule A.

(k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of

(i) the Amount of Insurance; or

(ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. **LIMITATION OF LIABILITY**
   (a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
   (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
   (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.
10. **REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY**
    All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.
11. **LIABILITY NONCUMULATIVE**
    The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.
12. **PAYMENT OF LOSS**
    When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.
13. **RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT**
    (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.
    If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.
    (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.
14. **ARBITRATION**
    Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.
15. **LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT**
    (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
    (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
    (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
    (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.
16. **SEVERABILITY**
    In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.
17. **CHOICE OF LAW; FORUM**
    (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.
    Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
    (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.
18. **NOTICES, WHERE SENT**
    Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at **First American Title Insurance Company, Attn: Claims National Intake Center, 1 First American Way, Santa Ana, California 92707.**
    Phone: 888-632-1642.

REAL ESTATE TAX PROJECTION OPINION

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Real Estate Tax Estimate
for
298 East 2nd Street
New York, New York

Prepared for:
298 East Village Property LLC
331 E. Houston Street
New York, N.Y. 10002

September 7, 2016

The Mazursky Group, inc.
Real Estate Tax Consultants and Appraisers

September 7, 2016

298 East Village Property LLC
331 E. Houston Street
New York, N.Y. 10002

Re: 298 East 2nd Street, Manhattan

I, JEROME MAZURSKY, CERTIFY:

THAT I am a real estate appraiser and have many years of experience in the assessment of real estate for tax purposes both as an Assessor in the Borough of Manhattan and as the Department of Finance's Assistant Commissioner of the Real Property Assessment Division;

THAT I have been retained by the sponsor to estimate for inclusion in an Offering Plan to be submitted to the Attorney General, the assessed valuation of the above-captioned property after completion of construction of a new 8-story residential condominium;

THAT in estimating the assessed valuation of the property, I am aware of the construction costs, rental values and offering prices of the units;

THAT I have consulted with personnel in the Property Division of the Department of Finance regarding the current practice in assessing newly-constructed residential condominium properties. Specifically, discussions centered around appropriate land and building factors and income projections for properties similar to the subject in type and location.

42 Broadway, Suite 1744, New York, NY 10004 (212) 344-8586

I have discovered the following:

1) The subject property is located at 298 East 2nd Street in the East Village section of the borough of Manhattan. The sponsor plans to demolish the existing 1-story warehouse and construct a new 8-story, seven (7) unit residential condominium on the site.

The property has 25' frontage on the southerly side of East 2nd Street and extends 105.92' in depth. It is rectangularly-shaped and contains approximately 2,649 square feet of ground area. The property is identified as Block 372 Lot 52.

2) After completion of the construction, the building will contain the following approximate square foot areas and uses:

FLOOR	AREA	USE
1	1,854	1-3BR Duplex Apartment, Storage, Mechanical & Meter Rooms
2	1,854	Upper-Level of Duplex Apartment
3-8	11,124	6-2BR Apartments

3) The property is currently assessed in Tax Class 4. After completion of construction and the establishment of a condominium, all of the units will be assessed in Tax Class 2C under the classification system adopted by the State Legislature in its revision of the Real Property Tax Law (Section 305, Article 1802, and Section 581, applicable to the assessment of cooperative apartments and condominiums).

Tax Class 4 includes most properties used for other than residential purposes. Tax Class 2C consists of primarily residential cooperatives or condominiums with no more than ten units. The City's assessment ratio policy for Tax Class 2C is to assess at 45% of market value based upon the value as an income-producing property. Increased values for Tax Class 2C properties, other than for physical reasons, are limited to 8% per year or 30% over a five year period.

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3) continued

The 2015/16 Class 2C tax rate is $12.883 per $100. I estimate the Class 2C tax rate after completion of construction at $13.00 per $100.

4) The recent history of assessed valuation for 298 East 2nd Street is as follows:

2015/16	Land	Total
Actual:	$ 76,950	$ 171,900
Transitional:	$ 76,950	$ 142,730

2016/17	Land	Total
Actual:	$ 76,950	$ 186,750
Transitional:	$ 76,950	$ 154,429

5) It is my judgment that after completion of construction, the assessed valuation of the property will be as follows:

	Land	Total
Actual:	$ 200,000	$ 1,850,000
Market Value:		$ 6,000,000

6) The tax liability after completion of construction, is estimated at $240,500. The calculation is as follows:

$ 1,850,000 [1] x .13 [2] = $240,500

Each unit will be given a separate tax lot number. Individual tax liability may be estimated by apportioning the total tax among the unit owners in proportion to the unit's percentage of common interest as indicated in Schedule A of the Offering Plan.

1. Estimated Taxable Assessed Value after completion.
2. Estimated Class 2C Tax Rate

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7) The co-op/condominium real estate tax abatement law, that has had a favorable effect on the real estate tax burden of residential co-op and condominium unit owners will expire on June 30, 2019. The Legislature indicated its intention in passing this law was to address the disparity between the tax burden of one to three family homeowners and that of residential co- op and condominium unit owners. If the abatement is granted to this condominium, the law will allow up to a 17.5% abatement of the real estate tax bill of a unit owner who will own fewer than four units on the city's taxable status date of January 5, 2018. Excluded from receiving the abatement benefits are co-ops and condominiums that receive tax exemption benefits.

8) This estimate of the assessed valuation has been prepared for inclusion in the Offering Plan, and I consent to its use for this purpose. Although the aforesaid estimate of the Actual Assessed Valuation is a good-faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on our interpretation of the administrative code and the applicable rules and regulations of the City of New York. Although I believe my opinions are well-founded, they are not intended, and should not be construed as warranties as to future assessed valuations of the property under discussion.

In no event will this firm, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater than that estimated above, or if the administrative code and the applicable rules and regulations of the City of New York are changed in the future, or if the facts as represented prove to be untrue.

Jerome Mazursky, MAI, CAE

The Mazursky Group, Inc., 42 Broadway, Suite 1744, New York, NY 10004 (212) 344-8586

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CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS

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CERTIFICATION BY SPONSOR
Pursuant to Part 20

New York State Department of Law
Real Estate Financing Bureau
120 Broadway
New York, New York 10271

Re: 298 East 2nd Street, New York, New York 10009

We are the Sponsor and the principals of Sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire proposed offering plan. We have investigated the facts set forth therein 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 statements 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;

298 EAST VILLAGE OWNER LLC,
a New York limited liability company
By: 298 East Village Mezzanine LLC,
its Sole Member
By: 298 East Village Property LLC,
its Sole Member

By: Matthew Lee
Name: Matthew Lee
Title: Managing Member

Sworn to before me this
3 day of April, 2017

Notary

YONG YI HE
Notary Public, State of New York
No. 02HE6332301
Qualified in New York County
Commission Expires October 26, 2019

Principal:

Matthew Lee

CERTIFICATION OF SPONSOR'S ARCHITECT

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Zakrzewski + Hyde Architects

CERTIFICATION BY ARCHITECT

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

Re: 298 East 2nd Street, New York, New York 10009

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We visually inspected the property located at 298 East 2nd Street, New York, New York on 3/7/2016, and examined the building plans and specifications that were prepared by ZH Architects dated 6/20/2017 and prepared the Report dated July 21, 2017, a copy of which is intended to be incorporated into offering plan so that prospective Purchasers may rely on the Report.

We are a registered architect in New York State, the state in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in

515 Canal Street, Suite 1C | NY, NY 10013
info@zh-architects.com | 212.366.0425
zh-architects.com

accordance with the plans and specification that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

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SIGNATURE PAGE TO FOLLOW

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info@zh-architects.com | 212.366.0425
zh-architects.com

Zakrzewski + Hyde Architects

ZAKRZEWSKI & HYDE ARCHITECTS

By: _____

Name: STAS ZAKRZEWSKI

Title: PRINCIPAL

Sworn to before this

21 day of July, 2017

_____

Notary

GRACE KAU NOTARY PUBLIC NEW YORK COUNTY, STATE OF NEW YORK Comm. Exp. 10/27/2018 Comm. No. 01KA6313648

515 Canal Street, Suite 1C | NY, NY 10013
info@zh-architects.com | 212.366.0425
zh-architects.com

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CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET

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WayFinderPM

CERTIFICATION OF ADEQUACY OF BUDGET
PURSUANT TO PART 20

Re: 298 East 2nd Street, New York, New York 10009

The sponsor of the condominium offering plan for the captioned property retained our firm to review and prepare Schedule B (the "Schedule") containing projections of income and expenses for the first year of condominium operations.

Our firm has been engaged in the management of real estate for the past nine (9) years. Currently we manage approximately twenty-five (25) buildings and our principal is licensed as a 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 the Schedule.

We have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying them with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule appear reasonable and adequate under existing circumstances, and the projected income appears sufficient to meet the anticipated operating expenses for the projected first year of condominium operation given our knowledge of the development.

We certify that Schedule:

(i) sets forth in detail the projected income and expenses for the first year of

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condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

WayFinderPM

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Wayfinder PM LLC

By: _____

Name: Adam Jarnow

Title: Principal

Sworn to before me this
5th day of ~~March~~ April, 2017

REBECCA N. CANNATA
Notary Public, State of New York
Registration #01CA6194240
Qualified In New York County
Commission Expires Nov. 20, 2020

Notary Public

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SPONSOR AFFIDAVIT OF NO CONTRACTS WITH PROSPECTIVE PURCHASERS, NON-OCCUPANCY OF UNITS AND NO RENTING PRIOR TO CONSUMMATION OF THE OFFERING PLAN

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HOUSTON HOUSE
298 East 2nd Street
New York, New York 10009

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

The undersigned, Matthew Lee, being duly sworn, deposes and says:

1. That I am the managing member of 298 East Village Property LLC, which is the sole member of 298 East Village Mezzanine LLC, which is the sole member of 298 East Village Owner LLC, the Sponsor of the Houston House condominium (the "Sponsor").

2. That the Sponsor has submitted a proposed offering plan (the "Plan") to the New York State Department of Law for the conversion of the property located at 298 East 2nd Street, New York, New York 10009 (the "Property") to condominium ownership.

3. That neither Sponsor nor any principal of Sponsor has entered into any contracts or agreements, written or oral, for the sale of transfer of any units offered for sale in the Plan and has not taken any deposits or advances of funds in connection with the reservation, sale, transfer of such units prior to submission of the Plan to the Department of Law.

4. That currently no units exist at the Property and, as such, no units are occupied by residential tenants as of the date of submission of the Plan to the Department of Law.

5. No units are rented to any residential tenants as of the date of submission of the Plan to the Department of Law.

Sponsor:
298 EAST VILLAGE OWNER LLC
By: 298 East Village Mezzanine LLC,
its Sole Member
By: 298 East Village Property LLC,
its Sole Member

By: _____
Name: Matthew Lee
Title: Managing Member

Sworn to before me this
7 day of April, 2017

_____
Notary

YONG YI HE
Notary Public, State of New York
No. 02HE6332301
Qualified in New York County
Commission Expires October 26, 2019

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AFFIDAVIT OF SPONSOR AND PRINCIPALS OF SPONSOR REGARDING PRIOR PUBLIC OFFERING OR NO PUBLIC OFFERING

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AFFIDAVIT BY SPONSOR AND PRINCIPALS OF SPONSOR REGARDING PRIOR PUBLIC OFFERING OR NO PRIOR PUBLIC OFFERING

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

The undersigned, Matthew Lee, being duly sworn, deposes and says:

That I am the Managing Member of 298 East Village Property LLC, which is the Sole Member of 298 East Village Mezzanine LLC, which is the Sole Member of 298 East Village Owner LLC ("Sponsor"), Sponsor of the offering plan for the condominium project located at 298 East 2nd Street, New York, New York 10009.

That Sponsor and Sponsor's principal have not taken part in real estate syndications of securities consisting of participation interests or investments in real estate, including limited partnership interests or public offerings of cooperative interests in realty, including condominiums, in or from New York, which were initially offered during the preceding five (5) years.

Matthew Lee

Sworn to before me this
3 day of ~~March~~ April, 2017

Notary

YONG YI HE
Notary Public, State of New York
No. 02HE6332301
Qualified in New York County
Commission Expires October 26, 2019