CONDOMINIUM OFFERING PLAN

253 EAST 7TH STREET CONDOMINIUM

253 EAST 7TH STREET
NEW YORK, NEW YORK 10009

Seven (7) Residential Units	$ 15,615,000
Four (4) Bicycle Spaces	40,000
Total Amount of Offering	$ 15,655,000

SPONSOR:

DRK East 7th Street LLC
174 Fifth Avenue, Suite 200
New York, NY 10010

SELLING AGENT:

BSD Realty Worldwide, Inc.
174 Fifth Avenue, Suite 200
New York, NY 10010

Date of first offering under this Plan is _____, 2018
This Plan may not be used after _____, 2019 unless extended by an amendment hereto.

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

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

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

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SPECIAL RISKS

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

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

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

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

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

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

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

Agreements, Sponsor will be required to re-declare the Plan effective notwithstanding the fact that the Declaration may have been recorded. Purchasers should note that, in the current real estate market, banks and other lenders are imposing various restrictions in connection with loans secured by condominium Units. Such restrictions include requiring that a certain percentage of the apartments in a building or a group of buildings be sold before the lender will consider making a loan. The minimum number of sold Units will likely be greater than fifteen (15%) percent for purposes of obtaining a loan.

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

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

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

6. No Assurance, Bond or Other Security of Performance of Sponsor Obligations. The assets and borrowing capacity of Sponsor are sufficient to meet the obligations of Sponsor hereunder. Such obligations include the costs of construction, payment of Common Charges, and real estate taxes on account of the Unsold Units, as well as the costs of obtaining a permanent certificate of occupancy. No bond or other form of security has been posted by Sponsor to guarantee its performance of its obligations hereunder, and therefore, there is no assurance of Sponsor's obligations hereunder. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform the same. No representations may be made that it will be financially able to perform any or all of such obligations. (See the Section entitled "Rights and Obligations of Sponsor" for further details.)

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

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

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

8. Sponsor's Veto Powers. Sponsor may exercise veto power over some actions of the Condominium Board until such time when Sponsor owns Units with an aggregate Common Interest in the Common Elements constituting less than 25 percent of the Common Elements of the Condominium, but in no event later than five (5) years after the First Closing. The Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, unless the same are required to comply with applicable laws or regulations, or (b) assess any Common Charges or Special Assessments for the creation of, addition to, or replacement of, all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees initially employed for the Condominium, or (d) enter into any service or maintenance contract for work or otherwise provide services in excess of those initially contracted for the Condominium, except required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with applicable laws or regulations, remedy any notice of violation or remedy any work order of the Condominium's insurer. (See Section entitled "Control by Sponsor" for further details.)

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

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

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

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

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

11. Contract Deposit Held in Escrow. All Contract Deposits will be held in escrow by Sponsor's counsel, Phillips Nizer LLP, having an office at 485 Lexington Avenue, New York, N.Y. 10017, pursuant to the escrow provisions contained in the Purchase Agreement set forth as Exhibit A in Part II of the Plan. Such Contract Deposits shall be maintained in a separate interest-bearing account at Sterling National Bank ("Sterling"), 489 Fifth Avenue, New York, New York.

10017. Contract Deposits in excess of $250,000 are not insured by the Federal Deposit Insurance Corporation ("FDIC"). Contract Deposits will not earn interest when the same are in the non-interest bearing IOLA account prior to being moved to an individual subaccount. While the Contract Deposit is in the non-interest bearing checking account it may not be federally insured even if the Deposit does not exceed $250,000, because the aggregate deposits in the IOLA Account will likely exceed $250,000. Under present law, notwithstanding the aggregate balance of an IOLA account, the FDIC insurance coverage for IOLA accounts is $250,000 per depositor. Purchasers hold note that FDIC insurance is limited to $250,000 per depositor per institution, meaning in the event that a Purchaser has other funds on deposit at Sterling, the aggregate FDIC insurance proceeds payable to such Purchaser will be $250,000 on all accounts maintained at Sterling. The foregoing limitation will apply whether the Contract Deposit is in the non-interest bearing IOLA account or an interest-bearing sub-account. Accordingly, to the extent that any Contract Deposit exceeds $250,000, the portion of the Contract Deposit in excess of $250,000 will not be insured and to the extent that any Purchaser has other funds on deposit at Sterling, the portion of such Purchaser's deposits, including the Contract Deposit in excess of $250,000, in the aggregate, will not be insured, because the aggregate deposits in the IOLA Account will likely exceed $250,000. Neither Sponsor nor the Escrow Agent shall be liable for the loss of the Contract Deposit in the event that Sterling becomes insolvent. Although Sponsor does not intend to undertake performing custom work or so-called "extras", in the event that Sponsor shall agree to perform any extras, Sponsor may require the additional cost therefor to be paid in advance which payment shall initially be deposited in the Escrow Account. Such payment or contract deposit for extras may be disbursed to Sponsor upon Sponsor's written request provided that Sponsor certifies in such written request that it will use the funds so disbursed to perform the extras. A Purchaser who is entitled to rescission will not be entitled to the refund of any portion of the monies advanced to Sponsor for extras to the extent such funds were expended or advanced for deposits on labor or materials. Within ten (10) days after the return of the Contract Deposit and any advances for "extras," that were not spent by Sponsor, Sponsor shall provide documentation for all amounts for "extras" that were expended. See Section entitled "Escrow and Trust Fund Requirements" for further details. In the event that Sponsor abandons the Plan, a Purchaser who has advanced funds for "extras" will be entitled, in addition to the return of such Purchaser's Contract Deposit, to a refund of all monies advanced by Purchaser for "extras." (See Section entitled "Procedure to Purchase.")

12. First Unit Closing. Based upon the current schedule, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closing of title to the Units to begin on or about July 1, 2018. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Unit Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor. In the event that

the First Unit Closing occurs before July 1, 2018, Sponsor may schedule the closings of title to other units significantly later than such date. Unless a Purchase Agreement contains an outside closing date, Sponsor is not obligated to schedule a closing within any specified time frame or to ensure that closing of title to a Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER THEY PURCHASE A UNIT.

In the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six (6) months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) such amended budget exceeds the projected budget set forth herein by 25 percent or more. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Unit; or (ii) the projected date of closing of title to the first Unit occurs later than July 1, 2019, which is twelve (12) months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, Purchasers will be entitled to rescind their Purchase Agreements for a period of no less than fifteen (15) days of the Presentation Date of any amendment disclosing such delay, if the First Unit Closing is to occur more than twelve (12) months beyond the original date of the projected First Unit Closing. Any Purchasers electing rescission pursuant to such offer will have their Contract Deposit and any interest accrued thereon returned. Purchaser's rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, and statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date", no closing of title to any Unit will take place prior to the Plan being declared effective. See also the Section entitled "Description of Property and Improvements" for further discussion.

13. No Reserve Fund Contributed by Sponsor. The Building will be newly constructed. Accordingly, no reserve for capital work or replacements is being contributed by Sponsor. The budget for the First Year of Operation includes a replacement reserve of $5,950.00, which is intended to be used for capital replacements and repairs. Subject to the rights of Sponsor as provided herein, the Board of Managers may in the future elect to create a separate reserve fund for capital work or replacements through an increase in Common Charges or a special assessment. Amounts deposited in the "replacement reserve" or "reserve fund" may be used solely for capital expenditures. Since the Building is new, Sponsor does not anticipate that any capital expenditures will be required during the first five (5) years of Condominium operation. The "replacement reserve" will be available for use by the Board of Managers as such funds are deposited. For so long as Sponsor controls the Board of Managers, the "replacement reserve" or "reserve fund" may not be used to reduce Common Charges. Neither the Department of Law, nor any other government agency, has passed upon the adequacy of the "replacement reserve" or "reserve fund". Subject to the rights of Sponsor as provided herein, the Board of Managers may in the future elect to increase the replacement reserve or create a reserve fund by increasing the Common Charges or impose a special assessment. Certain of the rights reserved to Sponsor in this Plan may limit the ability of the Board of Managers to increase any replacement reserve or reserve fund. See Section entitled "Reserve Fund" for additional information.

14. Working Capital Fund; Adjustments at Closing. At the initial closing of each Unit, a Purchaser will be required to make a one-time payment to the Condominium in an amount equal

to two (2) months' Common Charges as a contribution to the Condominium's Working Capital Fund. Customary closing adjustments will be made between Sponsor and the Board of Managers as of the date of the First Unit Closing. Customary adjustments shall include prepaid insurance premiums and service contracts, water and sewer charges and payroll expenses. To the extent that such adjustments result in a net credit in favor of Sponsor, such credit shall be paid to Sponsor in twelve (12) consecutive monthly payments with interest at the rate of ten (10%) percent per annum. It is impossible to determine the amount of any net adjustment in favor of Sponsor. Accordingly, no provision for this has been made in the budget set forth in Schedule B for any such payment to Sponsor or credit in favor of Sponsor, because such amount is not anticipated to be substantial. If the net adjustment at closing is in favor of Sponsor, it may be necessary to increase the initial Common Charges payable by the Unit Owners for a limited period of time in order to reimburse Sponsor for any such prepaid adjustable items. In the event that, as of the First Unit Closing, the net adjustments, are in favor of Sponsor, the Plan will be amended to disclose such adjustment and any concomitant increase in Common Charges required to pay the cost of such adjustments. (Please refer to the Sections entitled "Unit Closing Costs and Adjustments" and "Working Capital Fund and Adjustments" for further details.)

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

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

upon the advice of its Real Estate Tax Counsel, that in arriving at the assessed valuation for each Unit, the Building will first be assessed as an entirety. This assessment for the entire Building will then be apportioned among the Units. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE METHOD OF ALLOCATION, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL BE AS SET FORTH ABOVE.

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

16. Limited Warranty. The Housing Merchant Implied Warranty set forth in Section 777 of the New York General Business Law does not apply to this offering. The Building is being constructed by K-Square Developers Inc., having an address at 85 Lansing Street, Staten Island, New York 10305 (the "Contractor"). Sponsor's contract with Contractor provides that Contractor warrants against all construction defects for a period of one (1) year following the issuance of a temporary certificate of occupancy for each Unit. Accordingly, the warranty in favor of an individual Unit Owner may be for less than one (1) year from the date that such Unit Owner acquires his or her Unit and no warranty will be available for Purchasers who close more than one (1) year after the issuance of the TCO for their respective Unit. In addition, Sponsor is purchasing a manufacturer's warranty for the roof materials which provide that such materials are guaranteed to be free of defects for ten (10) years. In addition, certain Building equipment will be subject to manufacturer's warranties. The warranty for the Common Elements of the Condominium, to the extent that the same do not constitute equipment or other materials that are covered by a manufacturer's warranty, will be for a term of one (1) year from the date that a temporary certificate of occupancy is issued for all Units in the Building. Notwithstanding any of the limitations on warranties contained in this Plan, no such limitations shall relieve Sponsor of its obligation to construct the Building in accordance with the plans and specifications filed with the New York City Department of Buildings, as described in the Description of Property contained in Part II of the Plan, and all applicable laws and regulations. At Closing, Sponsor shall assign the aforementioned warranties to the Board of Managers. Each Purchaser will receive, at Closing, the manufacturer's warranties for the appliances located in their Units. (See Section entitled "Rights and Obligations of Sponsor" for further information.)

17. Interim Service Period. Prospective Purchasers are advised that until a date that is six (6) months after the First Unit Closing, some of the services and facilities described in the Plan may not be available including, but not limited to, access to the Common Roof Terrace located on the roof. Such services will all be available on or before a date which is six (6) months following the First Unit Closing and the same will be made available by Sponsor to the Purchasers of Units even if Sponsor elects to rent one or more of the Unsold Units. During such

interim service period when full services and/or facilities are not available, the Common Charges payable by the Unit Owners may be reduced accordingly to reflect the corresponding diminished expenses of the Condominium. (See "Description of Property and Improvements" in Part I of the Plan for further discussion.)

18. Additional Building Work. Renovation and construction of a building is a complex process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption, construction dust, debris and inconvenience. Thus, for a period of time following the First Unit Closing (through, including and beyond the closing of title to any particular Purchaser's Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; and (ii) individual Unit Owners within their Units (to perform custom renovations, etc.). During the First Year of Operation and possibly beyond such period, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing work, making adjustments and performing various other tasks related to the completion of construction, fitting out of, and moving into, the Units and other portions of the Building, which may compromise the security of the Building from time to time. Various systems, including but not limited to, water supply, air-conditioning, heating, cooling, ventilating and elevator, may require more than a year after any particular Unit closing to complete and may be disrupted temporarily from time to time. The elevator may be taken out of service from time to time to facilitate renovation for at least a year following the First Unit Closing, and from time to time thereafter, as needed, in connection with renovation being performed in Units by the Unit Owners thereof. Various other adjustments, to windows and elevator and other systems, may require twelve (12) months or more after the First Unit Closing to complete. Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, or painting, until that particular floor is fully occupied by a Unit Owner or, if additional renovation within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create noisy and otherwise disruptive conditions in the Building during the period such work is being performed. Provided that Sponsor has used all proper safeguards and reasonable care in performing construction to other portions of the Building, Sponsor shall not be liable to repair damage to a Unit Owners' property while completing construction. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Unit Owners may not be available until such other portions of the Building are completed and fully operational, provided however, Sponsor anticipates the delivery of all amenities within one (1) year of the First Unit Closing.

Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued or disrupted. Further, the Condominium Board and/or Sponsor may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and permanent certificate(s) of occupancy have been obtained therefor. Even where such alterations are permitted, the Board of Managers and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance may be given with regard to the accuracy of any projected schedules or completion

dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided being only good faith estimates. In the event that the First Unit Closing is delayed twelve (12) months or more, Purchasers will receive a right of rescission and a reasonable period to exercise such right which period shall be no less than fifteen (15) days.

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

20. Waiver of Diplomatic or Sovereign Immunity. Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government i.e., diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. In addition, any Foreign Government Purchaser will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Board an amount equal to two (2) years' estimated Common Charges. (See Section entitled "Procedure to Purchase" for further discussion).

21. FinCEN. Pursuant to a Geographic Targeting Order ("GTO"), dated August 22, 2017 and effective September 22, 2017, the Financial Crimes Enforcement Network (FinCEN), a bureau of the United States Department of the Treasury, will require title insurance companies to identify the beneficial owners, *i.e.* the natural persons who own the shares or interest in corporations and limited liability companies, respectively, which purchase luxury residential real properties located in the borough of Manhattan, having a purchase price of more than $3,000,000 in an "all cash transaction", *i.e.* transactions that do not include bank financing (each a "covered transaction"). In the event that a Purchaser acquires title to a Unit purchased pursuant to this Plan in a covered transaction and obtains title insurance in connection therewith, the title insurance company must report said transaction to FinCEN within 30 days of the closing. The title insurance company must identify (1) the Purchaser; (2) the Purchaser's representative, if any; and (3) the beneficial owner, which is defined as each natural person who, directly or indirectly, owns 25 percent or more of the equity interests of the Purchaser. The title insurance company must obtain and copy the driver's license, passport or other similar identification for each beneficial owner. The title insurance company must retain all records relating to the GTO for at least five (5) years and make such records available to FinCEN or any other law enforcement or regulatory agency upon request. In the event that a Purchaser elects to acquire title in a Unit offered for sale pursuant to this Plan in the name of a corporation or a limited liability company, such transaction

may be a covered transaction pursuant to the GTO. Please see section entitled "Procedure to Purchase".

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

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

24. Window Guard Requirements. It is the responsibility of each Unit Owner to notify the Board of Managers in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. It is the responsibility of each Unit Owner to ensure that all operable windows opening into the Unit comply with all applicable laws relating to window guards and, if necessary, install, operate and maintain, at the Unit Owner's expense, any additional equipment required by applicable law in effect from time to time. Sponsor makes no representation, warranty or assurance whether Unit Owners will comply with the foregoing obligations. Please refer to Sections of the Plan entitled "Rights and Obligations of Unit Owners" and the "Board of Managers" in Part I of the Plan for further details.

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

Purchasers are advised that in New York City, newly constructed and recently renovated buildings are sometimes offered as condominium projects without a PCO covering the entire building but with only a TCO, and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both a TCO and a PCO are issued by the DOB. A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date which is generally 90 to 180 days after the date of issuance thereof. When a TCO expires and is not renewed, it may be difficult or impossible to purchase insurance, refinance, or sell units. In New York City, it is customary for sponsors to commence unit closings when a TCO is issued. Sponsor herein anticipates that closing will commence after the issuance of a TCO, but prior to the issuance of a PCO.

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

Purchasers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a PCO. A "Factsheet" on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/ pdf/co factsheet.pdf. (See Section entitled "Rights and Obligations of Sponsor").

26. Title. The Plan provides that Sponsor will convey marketable title to the Units to Purchasers. The Plan contains certain limitations, which provide that, subsequent to the date on which the Plan is declared effective, in the event there exists an exception to title that prevents Sponsor from conveying marketable title to the Units, Sponsor may abandon the Plan if such exception to title cannot be cured by payment of a liquidated sum, which shall not exceed 0.5 percent of the total purchase price payable for all Units offered for sale hereunder and Sponsor

shall not be required to commence litigation to resolve any such title objections that may prevent Sponsor from conveying marketable title to Units to Purchasers. (See Section entitled "Terms of Sale").

27. Certification of Sponsor's Principals Executed Solely for Martin Act Purposes. As required by the applicable regulations, Sponsor and principals of Sponsor have executed a certification of this Plan, which appears in Part II hereof. Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual Unit Owners (or the Condominium on their behalf) in connection with or arising solely by reason of such principals' execution of the Certification of Sponsor and Principals, absent liability pursuant to another statute or the successful assertion of a claim to "pierce the corporate veil." See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, *et al.*, 106 A.D. 3rd 542 (1st Dept. May 16, 2013). See the Section entitled "Rights and Obligations of Sponsor."

28. Special Rights of Sponsor. (a) Sponsor shall have an exclusive easement (i) to erect, use, lease, maintain, repair, replace and operate (A) antennae, satellite dishes and other communications equipment, and (B) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding Limited Common Elements appurtenant to Units) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit. Sponsor reserves the right to install additional mechanical equipment (including fireplace flues) on the roof of the Building. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

(b) Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Unit Owner, any non-material portion of the Common Elements for the exclusive use of such Unit Owner provided that such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan, and the Declaration and Tax Lot Drawings will be amended, if required. (See the Sections of the Plan entitled "Changes in Prices and Units" for details.)

(c) During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to delay or waive Unit Owner obligations to pay Common Charges, in whole or in part, from and after the First Closing for a period to be determined by the Condominium Board. During such delay, Sponsor will timely pay all expenses of the Condominium. If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges (the "Waiver Period") in the post-closing amendment to the Plan. In the event the Condominium Board elects to extend the Waiver Period, Sponsor will amend the Plan to disclose the extended Waiver Period. In the event that the term of the Waiver Period has

not already been disclosed, Sponsor shall additionally file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget contained in the Plan for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan. Sponsor will obtain certifications by unrelated budget experts for any budgets adopted by the Condominium Board for so long as Sponsor controls the Board. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Common Charges: Determination and Assessment" for details.)

(d) Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to applicable law and regulations or to expedite the sale of Units, or due to structural, architectural or mechanical considerations provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser, increase any obligation of a Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or materials shall be of Equal or Better Quality. Equal or Better Quality shall mean comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable. Any such material and adverse modification, addition or change will be reflected in a duly filed amendment to the Plan. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by five percent (5%) or less is not a material and/or adverse change. (See the Sections of the Plan entitled "Changes in Prices and Units" for details.)

(e) No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or any Rules and Regulations (other than those required by Law) shall be effective (a) against Sponsor unless Sponsor has given its prior written consent, which consent shall not be unreasonably withheld or delayed. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

29. Marketing Materials. In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like (collectively, the "Furnishings") in any portion of the Building or Units 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 any such Furnishings will be located within any portion of the Building or Units. The presence of Furnishings in any photograph or likeness contained in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Units that differ from the designations utilized on the Floor Plans of the Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. In no event, however, shall any designations, labels or nomenclature used in marketing materials conflict with the legally permitted uses of such areas or rooms. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver

such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials. See the "Description of Property" contained in Part II of the Plan.

30. Terraces and Balconies. Unit TH and Unit PH will each have a terrace appurtenant to such Units as a Limited Common Element (each a "Terrace" and collectively, "Terraces"). Unit TH will have exclusive access to the Terrace located in the rear yard adjacent to such Unit and Unit PH will have exclusive use of the Terrace located on a portion of the roof of the Building. The Unit Owners owning Units with outdoor space will each be responsible for all maintenance and non-structural alterations of the outdoor space appurtenant to their respective Units, subject to applicable laws, the Condominium Documents, including Rules and Regulations imposed by the Condominium Board from time to time regarding installations, plantings, furnishings, etc. Such Unit Owners are each responsible for keeping the Terrace appurtenant to their respective Unit free of snow, ice, and water accumulations to the extent that failure to so do will damage the Building or injure others. Repairs and replacements to the structural elements of the Terraces will be performed by the Condominium Board with all costs and expenses thereof charged to all Unit Owners as a Common Expense. Alterations to the Terraces are subject to review and approval of the Condominium Board and compliance with any applicable law and code. Prospective purchasers are advised that there may not be sufficient floor area available to the Property so as to permit the enclosure of the Terraces. In any case, the Terraces may not be enclosed without the permission of the Condominium Board. (See the Section of the Plan entitled "Introduction" subsection "Features of Condominium Ownership" for details.)

31. Mortgage Recording Tax Credit. If Purchaser obtains a mortgage loan, Purchaser will pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any then-existing mortgage(s). Alternatively, Sponsor may require that such Purchaser cause its lender to accept from Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to such mortgage loan as determined by Sponsor. Upon such assignment, the portion of the mortgage loan assigned by Sponsor will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor alone will be entitled to the benefits of such exemption and Purchaser shall pay the amount equal to the mortgage recording tax saved as a result of such exemption directly to Sponsor. Purchaser shall also be obligated to pay any and all costs or fees in connection with such assignment, including legal fees for preparation of the assignment, recording and filing fees. (See the Section of the Plan entitled "Closing Costs and Adjustments" for details.)

32. Natural Finishes: Wood and Stone. Purchasers should note that wood finishes are natural products (including, without limitation, wood flooring, furniture, cabinetry, and molding) and are subject to certain risks, which include, but are not limited to: cracks or openings between the floor boards, squeaks, cupping, knots, mineral streaks, warping, splitting, denting, and/or delamination. Additionally, wood finishes are subject to variations (i) in color (including possibly white, red, black, or even green shades), (ii) in the pattern and/or texture of wood grain, and (iii) in the appearance of finishes (including wood staining, gloss, and/or matte finishes). These variations may occur between wood products located in the same area of the Unit. Wood products can also be affected by exposure to light and may darken, lighten, fade, and otherwise

change with use and age. Protective felt pads and protective sheeting (such as plywood or masonite) should always be used on wood flooring when placing furniture or appliances avoid denting. As recommended by the National Wood Flooring Association, Unit Owners are advised to be very cautious about washing wood products with a wet mop or otherwise with water, since contact with standing water can cause cupping, swelling, and subsequent gapping. For more information about the effect of water on wood flooring, Purchasers should make reference to the National Wood Flooring Association, available at http://www.nwfa.org. All wood finishes should be maintained in accordance with the manufacturer's recommendations. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified. (See the Section of the Plan entitled "Rights and Obligations Unit Owners" and "Description of Property" for further details.)

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

33. Flood Insurance. The Property is located in an area identified by the Federal Emergency Management Agency and the Secretary of Housing and Urban Development as an area having special flood hazards (including, without limitation, those areas designated as Zone A or Zone V) (a "Flood Hazard Area"). By reason of the location of the Property in such area, flood insurance is currently made available by the National Flood Insurance Act of 1968 and/or the Flood Disaster Protection Act of 1973, as the same may have been or may hereafter be amended, modified or supplemented. The Property is located in flood zone "AE." Zone "AE". Flood Zone AE are areas that have a one (1%) percent probability of flooding every year (also known as the 100 year flood plain). By reason of the fact that the Building is located in a Flood Hazard Area, the Budget for the First Year of Condominium Operation, Scheduled B includes flood insurance under the National Flood Insurance Program administered by the Federal Emergency Management Agency. Purchasers should note that the flood insurance coverage to be obtained by the Condominium will not cover losses to removable items located in the individual Units, inclusive of furniture, appliances and personal belongings or finished and upgrades, which become part of Unit. The By-Laws of the Condominium require Unit Owners to carry their own coverage for the improvements to the Units and their personal belongings. Sponsor makes no representations as to whether flood insurance will remain available pursuant to the National Flood Insurance Program. (See Schedule B in Part I of the Plan and the Description of Property and By-Laws set forth in Part II of the Plan.)

34. Lot Line Windows. There will be lot line windows located on the northerly and southerly lot lines of the Property. The northern walls on the on the 2nd, 3rd and 4th Floors, Units 2B, 3C, 3D, 4E, 5E and 6E, will have fixed windows located on the lot line of the Property. Such windows are not counted toward the requirement to satisfy the "light and air requirements" under the NYC Building Code. Such Residential Units each contain other windows which satisfy the light and air requirements under the Building Code. In the event that buildings are constructed on the adjacent parcels, the Board of Managers of the Condominium will be responsible to seal the

window openings in the facade with construction in compliance with the Building Code and all other applicable laws, ordinances, codes, rules and regulations of governmental or other authorities having jurisdiction. The Condominium shall also insulate and seal the openings inside any affected Residential Units. As of the date hereof, the cost of sealing an opening is estimated to be approximately $4,750 per window. In the event that this occurs, the cost of sealing a window will be the responsibility of the Condominium. However, it will be the responsibility of any affected Residential Unit Owners to refinish the interiors of their Residential Units. It is possible that, after construction, the Building shall prove to be too close to any buildings currently located on any adjacent parcel and certain lot line windows anticipated to be included in Residential Units shall not be able to be built. In such event, Sponsor shall promptly amend the Plan and shall inform any affected Purchasers. Sponsor shall have no liability for the inability to include lot line windows and Purchasers shall not have the right to rescind any Purchase Agreement based on the failure of Sponsor to include a lot line window. Please refer to the Section entitled "Description of Property and Improvements" and the report set forth in Description of Property and Specification set forth in Part II of the Plan.

INTRODUCTION

Nature of the Transaction

DRK East 7th Street LLC (the "Sponsor"), hereby presents this offering plan (the "Plan") for the establishment of condominium ownership of the land (the "Land") together with the building being erected thereon known as and having a street address of 253 East 7th Street, New York, New York (the "Building", the "Land", and the appurtenances thereto are being referred to herein collectively as the "Property") pursuant to the terms of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"). The Property will be submitted to the provisions of the Condominium Act by recording of the Declaration by Sponsor in the City Register's Office. From and after the date of recording the Declaration, Sponsor will be the owner of the Units until each is sold or conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

The property is designated as Block 377, Lot 61, on the Tax Map of the City of New York. Sponsor acquired title to the Property in August 3, 2016.

The Condominium will be known as the "253 East 7th Street Condominium" and is being referred to herein as the "Condominium." Sponsor has filed plans for the construction of a new building. After the completion of construction, the Building will be six (6) floors above grade. The Condominium will contain seven (7) Units (the "Units"). Sponsor is offering the Units in accordance herein. All of the Units are presently vacant and it is Sponsor's intention to offer the same for sale vacant and not subject to any leases, tenancies or rights of occupancy. Prior to the acceptance date of the Plan, Sponsor has not entered into Purchase Agreements or accepted any deposits or advances of funds for the Units hereof offered for sale herein.

The construction of the Building has been financed by acquisition, building and project loans made by Esquire Bank, having an address at 320 Old Country Road, Suite 101, Garden City, New York ("Sponsor's Lender"). The aggregate amount of the loans extended to Sponsor from Sponsor's Lender for the acquisition, construction and project loans is $6,500,000.

The Condominium Offering Plan

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the Units in the Condominium. The Plan contains all of the detailed terms of the transaction. Sponsor may from time to time amend the Plan by filing an amendment with the New York State Department of Law (the "Department of Law") and serving such amendment on Purchasers and Unit Owners.

The Plan is presented in two (2) parts (contained in one volume), which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed description of the Property and the floor plans for the Units, discussed in the Plan, certifications of Sponsor and certain experts. Copies of the Plan, including all documents referred to herein and all Exhibits submitted to the Department of

Law in connection with the filing of the Plan will be available for inspection by prospective purchasers and their attorneys without charge and for copying at a reasonable charge at the office of Sponsor. All of these documents are important and should be carefully read by prospective purchasers. Prospective purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase a Unit. The Plan may be borrowed upon payment of a $300.00 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition, ordinary wear and tear excepted, or (ii) the execution by the prospective purchaser of a Purchase Agreement subsequently accepted by Sponsor.

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

Offering of Units for Sale

Sponsor hereby offers seven (7) Units for sale under the Plan. There are also four (4) Bicycle Spaces to be sold by Sponsor to persons who purchase Units, to be licensed by the Board of Managers to such Unit Owners. The form of License Agreement for such Bicycle Spaces is set forth in Part II of the Plan. The prices for each of the Units and the Bicycle Spaces offered pursuant to the Plan are listed in the Section entitled Schedule A - Offering Prices and Related Information (Schedule A).

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

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

Features of Condominium Ownership

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

Primary responsibility for operating the Condominium rests with the Board of Managers which is elected by the Unit Owners. (See Sections entitled "Board of Managers" and "Rights and Obligations of Condominium Board.") Each Unit Owner is obligated to comply with the Declaration, By-Laws and other requirements of the Board of Managers promulgated pursuant thereto.

Each Unit Owner will be solely responsible for the cost of maintenance and interior repairs of his or her Unit, and for maintaining casualty insurance with respect to the personal property within his or her Unit and liability insurance with respect to occurrences in or about his or her Unit. A Unit Owner is required to pay monthly Common Charges, in accordance with

Section 339(i) of the Condominium Act, which Common Charges are assessed by the Board of Managers for the operation and maintenance of the Condominium. Each Unit Owner is obligated to comply with the Declaration, the By-Laws and the Rules and Regulations of the Condominium and other policies implemented by the Board of Managers, as may be permitted by the Declaration and the By-Laws.

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

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

A Unit Owner may decorate the interior of his or her Unit in any way he or she desires, subject to compliance with the By-laws, the Rules and Regulations and applicable law, and will be solely responsible for the cost of maintenance and interior repairs to his or her Unit after Closing.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and a Unit Owner will not be responsible for the payment of, nor will his or her Unit be subjected to any lien arising from the non-payment of real estate taxes assessed against other Units. In the opinion of counsel to Sponsor, which opinion is set forth in full in Part II of the Plan, a Unit Owner who itemizes deductions may be eligible, under present law, to deduct from his or her income for income tax purposes, his or her real estate taxes and the interest paid on his or her mortgage, subject to certain exceptions and limitations discussed in the "Attorney's Income Tax Opinion" set forth in the Section entitled, "Opinion of Counsel regarding Deductibility of Taxes". (See also the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium.") Also, each Unit Owner will pay for all electricity which he or she utilizes within his or her own Unit for lighting, heating, hot water, air-conditioning and appliances, the charges for which will be billed directly to the Unit Owner by Con Edison.

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

Generally, the cost of operating the Building will be borne entirely by the Unit Owners in proportion to their respective Common Interests. As more particularly set forth in the By-laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses. Typically, Common Charges will increase as cash requirements rise due to inflation and other factors. Such charges will be assessed against Unit Owners in proportion to their respective Common Interests in accordance with Section 339-I of the Condominium Act. The estimated Common Charges for each Unit offered hereunder for the first year of condominium operation are set forth in Schedule A.

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

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

In the event that Sponsor elects to withhold certain Units from sale, Sponsor will amend the Offering Plan to disclose the same. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Condominium Board, any Unit Owner or mortgagee, to refuse to approve and execute (a) a Purchase Agreement for any Unit, and (b) a Purchase Agreement or Purchase Agreements, as the case may be, for more than one Unit to any one person or entity; provided, however, that, in either event, Sponsor shall not discriminate against any person because of his or her race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required contract deposit thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or who is incompetent under law.

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

DEFINITIONS

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

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

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

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

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

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

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

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

"Common Elements" shall mean the Property, other than the Units themselves, being comprised of the General Common Elements and the Limited Common Elements.

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

Common Elements, or to make up any deficit in the Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium.

"Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appurtenant to each Unit, as determined in accordance with the Declaration. The total of the Common Interest percentages appurtenant to all Units equals 100 percent. The Common Interest attributable to each Unit is set forth on Exhibit B annexed to the Declaration.

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

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

"Condominium" shall mean the "253 East 7th Street Condominium" which will be established pursuant to the terms of the Declaration and which will be governed pursuant to the terms of the By-laws.

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

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

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

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

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

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

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety or the Property.

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

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

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

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

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

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

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

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of The City of New York as Block 377, Lot 61, and more particularly described on Exhibit A to the Declaration.

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

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

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

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

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

"Purchase Agreement" shall mean the agreement to purchase a Unit pursuant to the Plan.

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

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

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

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

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

"Schedule B-1" shall mean the section of the Plan entitled "Schedule B-1 - Estimated Cost of Unit Operation for the First Year of Condominium Operation".

"Selling Agent" shall mean BSD Realty Worldwide, Inc., a real estate broker licensed in the State of New York, retained by Sponsor to procure sales of the Units.

"Sponsor" shall mean DRK East 7th Street LLC.

"Sponsor's Lender" shall mean Esquire Bank, having an address at 320 Country Road, Suite 101, Garden City, New York.

"Terrace" shall mean a terrace appurtenant to Unit 101, located in the rear yard adjacent thereto and the terrace located on a portion of the roof of the Building adjacent to Unit which will be designated in the Declaration as a Limited Common Element appurtenant to each of such Units.

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

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

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Location

The Condominium is located at 253 East 7th Street, the north side of East 7th Street between Avenue C and Avenue D in the Borough of Manhattan, City of New York. The Building

is located on the tax lot presently known as Block 377, Lot 61. The site has an area of approximately 2,413 square feet.

Property and Improvements - General Description

The Condominium will be housed in a new building being constructed on the Land. It will contain six (6) stories above ground. The Building will contain seven (7) Units.

There will be a Common Roof Terrace located on the roof of the Building that will be a Common Element for the use of all of the Unit Owners, their guests and invitees on a non-exclusive basis, subject to the Rules and Regulations annexed to the By-Laws as the same may be amended or modified from time to time. The cost of maintaining the Common Roof Terrace will be a Common Expense paid for by all Unit Owners.

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

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

The construction of the Building, including the Units, will be completed substantially in accordance with the Plans and Specifications and otherwise in accordance with the Zoning Resolution, the Building Code of The City of New York and all other applicable Legal Requirements. However, Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, equipment and fixtures set forth in the Description of Property in Part II of the Plan, items of substantially equal or better quality. Moreover, Sponsor shall not be obligated to correct and shall have no liability or responsibility to any Purchaser for, and no Purchaser shall be entitled to any

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

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

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

The Building incorporates sophisticated mechanical equipment designed to provide for the physical comfort and convenience of the Building's occupants. During normal operation of this equipment, some occupants of Units adjacent to or in the vicinity of the equipment floors and equipment areas of the Building may perceive noise and/or vibration from the equipment. The sole obligation of Sponsor and the Board with respect to such noise and/or vibration shall be to

install and operate such equipment in a manner consistent with commercially reasonable practices in typical luxury residential buildings and in compliance with applicable Legal Requirements, including the New York City Building Code.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closings of title to Units to begin on or about July 1, 2018. Prospective Purchasers should note, however, that the Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Purchase Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six (6) months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25 percent or more; or (ii) the First Closing does not occur within twelve (12) months after July 1, 2018, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Purchase Agreements, if the Plan has been declared effective) the right to rescind their Purchaser Agreements within not less than fifteen (15) days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Contract Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, and statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. Notwithstanding the forgoing, in no event shall any Purchaser be deemed to have waived any rights available to a Purchaser pursuant to Article 23-A of the General Business Law. As set forth in the Section of this Plan entitled "Effective Date" no closing of title to any Unit will take place prior to the Plan being declared effective.

Common Elements

As is set forth in more detail in the Declaration, the Common Elements consist of the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration) and all parts of the Building other than the Units themselves, including, generally, the foundations, roofs and supports of the Building and all other parts of the Building and all apparatus, installations, systems, equipment and facilities therein for the common use of the Units and Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The windows of the Building are common elements of the Condominium and will be maintained by the Board of Managers, provided however, any maintenance or replacements required due to the negligence of the Unit Owners will

be the responsibility of such Unit Owners. The Common Elements are divided into the following separate categories: (i) the General Common Elements, which are, generally, those Common Elements which serve or benefit all of the Units or Unit Owners; and (ii) the Limited Common Elements, which are, generally, those Common Elements which serve or benefit exclusively certain Units or Unit Owners. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it is appurtenant. For a detailed description of the Common Elements, see Exhibit D in Part II of the Plan and Article 6 of the Declaration (Exhibit H in Part II of the Plan).

General Common Elements

The General Common Elements consist of all Common Elements other than the Limited Common Elements, and include, among other things, the following: (i) the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration); (ii) all foundations, foundation walls, roofs (except as otherwise expressly provided in the Declaration), footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs and ceilings; (iii) all passages and corridors, mechanical and other utility rooms, all fire staircases, landings and stairs, areas and spaces located in the Building, which are not Limited Common Elements or included in any Unit; (iv) any ventilation supply system consisting of motors, ductwork, fans and controls and return piping, serving or benefiting any combination of the Units; (v) all mechanical equipment and associated piping and controls and all utilities and mechanical and electrical transfers and equipment serving or benefiting any combination of the Units; (vi) all electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panel boards, conduits, wires, meters, transformers and panel boards serving or benefiting any combination of the Units, excluding, however, all such items located within a Unit and serving only that Unit; (vii) all storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), excluding, however, all such items located within a Unit and serving only that Unit; (viii) all electric service rooms, gas and water meter rooms, Building storage rooms, telephone rooms and other service, mechanical and utility rooms serving or benefiting any combination of the Units; (ix) all other facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of any combination of the Units; (x) all security monitors and equipment and other security facilities serving or benefiting any combination of the Units; (xi) the elevator servicing the Building, including the shaft, elevator equipment, elevator pit and entrances and appurtenant facilities; (xii) all security monitors and equipment and other security facilities serving or benefiting any combination of the Units; and (xiii) all other parts of the Property either existing for the common use of any combination of the Units, or their respective Unit Owners or that are necessary or convenient for the existence, maintenance, operation or safety of the Property. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it appertains. For a detailed description of the Common Elements, see Article 6 of the Declaration (Exhibit H in Part II of the Plan).

The Common Elements shall include the following: (i) the lobby and entrance area located on the ground floor and entered from East 7th Street; (ii) all passages, corridors, storage rooms, housekeeping areas, mechanical and other rooms, areas and spaces (including their respective floors, ceilings and enclosing walls) located in the Building; (iii) smoke detection alarm system, telephone system and cable television system; (iv) all Building storage rooms, telephone rooms and other service, mechanical and utility rooms; (v) all security monitors and equipment and other security facilities; (vi) all other systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines); (vii) the condenser water system and related support structure including the cooling tower; (viii) hot water and condensed water systems; (ix) all plumbing fixtures, equipment for distribution of cold water and equipment for distribution of hot water, including pumps, valves, pressure reducers, meters and water heaters, excluding, however, all such items located within a Unit and serving only that Unit; and (x) the Common Roof Terrace.

There will be a bicycle storage room on the first floor that will contain the Bicycle Spaces that will be available to be licensed to persons who purchase Units in the Condominium. The bicycle storage room and the Common Roof Terrace may not be available as of the First Unit Closing, but the same will be available no later than six (6) months after the First Unit Closing.

Limited Common Elements

The Unit Owners that own Units TH and PH will have the exclusive use of the Terraces, for Unit TH located in the rear yard and for Unit PH, a portion of the roof appurtenant to such Units, respectively, as a Limited Common Element. Each of the Unit Owners shall have the right to the exclusive use of the outdoor space appurtenant to their respective Units, subject to the rights of the Condominium Board to regulate the use thereof. Such Unit Owners shall be responsible for the maintenance of such Terraces, as set forth in the By-laws and the Rules and Regulations annexed thereto.

The Unit Owners owning Units with appurtenant Terraces shall be responsible for all normal maintenance, repairs and replacements to the Terraces adjacent to their respective Units. The Unit Owner that owns Unit PH shall be responsible for the repair and maintenance of the portion of the roof surface on which the Terrace appurtenant to Unit PH is located (the "Terrace Area"), the repair of leaks on the Terrace Area, and the replacement of the roof surface on the Terrace Area when necessary. However, the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to the Terrace Area or to the Terraces shall be charged to the Unit Owners as a Common Expense.

The Condominium Board shall have the right to require the Unit Owners to remove plantings and other installations which have been placed on the Terraces and/or the Balconies appurtenant to their respective Units, if the Condominium Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the roof, the Terraces or other portion of the Building or is otherwise unsafe. In addition, the Condominium Board shall have the right, in connection with any repair or maintenance work in the Building, to erect scaffolding temporarily on any Terrace. In no event shall the Unit Owners be permitted to enclose or erect any structure on such Terrace or such Balcony. The Condominium Board may

establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health of the occupants.

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

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

The Terraces which are Limited Common Elements appurtenant to Units may be used solely for passive recreational purposes. Applicable law and regulations currently prohibit barbecuing on the Terraces.

Services and Facilities

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

Standard Facilities

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

(i) Elevator Service. One (1) elevator that will be automatically operated and will be in service, 24 hours per day, seven (7) days per week.

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

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

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

(v) Refuse Disposal. There will be a refuse and recycling storage area. Building staff will transfer the compressed refuse to the sidewalk as needed pending collection by the City of New York Department of Sanitation. Refuse and recycling rooms in each Unit will be emptied as necessary by the residents of the Building.

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

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

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

In all likelihood, the nature of the services listed above, the hours during which they are provided and the rates charged for same will change from time to time, in the discretion of the Condominium Board, the Managing Agent or other party providing the service. However, all services required by law will be provided at all times.

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

described herein will not be modified, provided however, neither Sponsor, the Managing Agent, the Selling Agent, nor the Condominium Board will in any event be liable for the availability, interruption, discontinuance or quality of any of such services, including, but not limited to, any services provided by any outside company, government agency or any person, other than Building personnel, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury or damage occurs as a result of the gross negligence or willful misconduct of Sponsor, the Managing Agent, the Selling Agent, or the Board, as the case may be.

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

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

Sponsor and its successors-in-interest shall have the right, until the tenth anniversary of the First Unit Closing or the date that Sponsor no longer owns any Unit in the Condominium, whichever is first to occur, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (*e.g.*, with respect to any sales programs for Unsold Units) or otherwise.

LOCATION AND AREA INFORMATION

Location

The Property is situated at 253 East 7th Street, in the Borough of Manhattan, City of New York, which is located on the north side of East 7th Street between Avenue C and Avenue D. The Property is located in an area zoned R8B. The zoning resolution of the City of New York permits a residential use in such zones as of right. The Building will comply with Chapter 8 of the Zoning Resolution for the Quality Housing Program for transient occupancy, together with a wide range of retail, office, amusement, service, custom manufacturing, and related uses normally found in a central business district or regional commercial centers, but excludes non-retail uses which generate a large volume of trucking. Sponsor has no other development projects, in the immediate vicinity of the Condominium that would impact the views from the Units in the Condominium. Sponsor is also not aware of any development of the adjacent parcels, which are not owned by Sponsor that is currently planned.

Surrounding Area; Shopping, Commercial and Recreational Facilities

The Condominium is located in Alphabet City, adjacent to and surrounded by some of Manhattan's most distinctive and lively neighborhoods. To the west are NoHo and Greenwich

Village, home to New York University, and some of New York's most desirable residential enclaves and several parks. Immediately south is the Lower East Side, a historic, fabled neighborhood comprised mainly of walk-up apartment houses from the 19th century. Tompkins Square Park is located in the vicinity between East 7th and East 10th Streets, between Avenues A and B. It is also close to the Sixth Avenue Subway. It is also located immediately south of Gramercy Park.

Shopping, Commercial and Recreational Facilities

There is a wide variety of commercial establishments located near the premises including pharmacies, groceries, banks, restaurants and other stores.

The Angelika Film Center which screens independent films is located at 18 West Houston Street. The Screening Room is located at 54 Varick Street and The Film Forum is located at 209 West Houston Street. Sunshine Landmark Cinema is located at East Houston and Eldridge Streets. Various off-Broadway theaters and cinemas are also common in the neighborhood. Cultural amenities abound throughout the vicinity of the Building. The Storefront for Art and Architecture, the Lower East Side Tenement Museum, the Anthology Film Archives and the Children's Museum of Arts are all within walking distance of the Condominium. The new Museum of Contemporary Art is also located within walking distance of the Condominium.

Schools

Numerous private schools, public schools and parochial schools are easily accessible from the Premises. The public schools in the area include P.S. 130 (Hester and Baxter Streets), The DeSoto School at 143 Baxter Street, P.S. 124, Yong Wing School at 40 Division Street, I.S. 131 (Hester and Forsythe Streets), Tompkins Square Middle School, Dr. Sun Yet Sen Intermediate School at 100 Hester Street, Lower East Side I.S. and Seward Park High School at 350 Grand Street, New York, NY. Certain public school programs require that parents apply for admission for their children. Sponsor makes no representation as to which public school the children who live in the Building will attend. The private schools in the area include St. Patrick School at 233 Mott Street and Transfiguration School at 29 Mott Street.

Transportation

New York City is served by three major airports – LaGuardia Airport, Kennedy International Airport and Newark International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and West 33rd Street and Grand Central Station, located at Lexington Avenue and 42nd Street. Transportation to and from the Building, and throughout New York City is available by taxi, limousine, and private automobile. Public transportation via subways and buses is also readily available. The Building is within walking distance of the Astor Place Station, at East 8th Street and Astor Place, on the "4" and "6" train, on the "N" and "R" trains, the Second Avenue Station on the "F" train located at East Broadway and Canal Streets, the Bowery Station on the "F", "J", "M" and "Z" trains, located at Bowery and Delancey Streets, and the First Avenue Station on the "L" train located at the intersection of 14th Street and First Avenue. Bus service is also convenient to the Building. The M14, the 14th Street

Cross Town bus, is located within walking distance of the Building, and M21, M15, M9 and M1 bus lines all pass within several blocks of the Building.

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

These services are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Unit Owners to The City of New York. The Premises are located in the Ninth Police Precinct with the station located at 19 Elizabeth Street. Fire protection is provided from Fire Station No. 20 is located at 253 Lafayette Street, approximately 0.3 miles from the Building. Water is provided by the City of New York and charges for the Units will be metered and paid by Unit Owners as a Common Expense of the Condominium.

Medical and Religious Facilities

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

Other Developments

Sponsor is not involved in any other developments in the vicinity of the Premises.

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

SCHEDULE A

253 EAST 7TH STREET CONDOMINIUM
253 East 7th Street
New York, NY

SCHEDULE OF OFFERING PRICES AND OTHER RELATED INFORMATION
(Projected Financial Information for the First Year of Condominium Operation Based on Projectede Commencement on July 1, 2018)

	(1)	(1)	(2)	(2)	(3)	(4)	(5)	(6)	(6)	(7)
Unit	**No. of Bedrooms**	**No. of Bathrooms**	**Approximate Unit Sq Ft**	**Approximate Exterior Sq Ft**	**Residential Common Interest**	**Offering Price**	**Projected Monthly Common Charges**	**Projected Monthly Real Estate Tax**	**Projected Annual Real Estate Tax**	**Projected Total Monthly Carrying Charges**
TH					19.42%	$ 2,995,000.00	$1,374.42	$2,472.24	$29,666.86	$3,846.66
Lower Level (1st Fl.)	1	1	905.22	543.31						
Upper Level (2nd Fl.)	2	2	727.09							
Total	3	3	1,632.31							
2	1	1	709.52		7.68%	$ 1,250,000.00	$543.18	$977.05	$11,724.61	$1,520.23
3A	1	1	709.52		7.68%	$ 1,275,000.00	$543.18	$977.05	$11,724.61	$1,520.23
3B	1	1	727.09	84.00	8.14%	$ 1,300,000.00	$575.93	$1,035.95	$12,431.37	$1,611.87
4	3	2	1,653.75	84.00	18.16%	$ 2,700,000.00	$1,285.34	$2,312.01	$27,744.16	$3,597.36
5	3	2	1,653.75	84.00	18.16%	$ 2,795,000.00	$1,285.34	$2,312.01	$27,744.16	$3,597.36
PH										
6th Fl.	3	2	1,653.75	84.00	20.76%	$ 3,300,000.00	$1,469.27	$2,642.85	$31,714.22	$4,112.12
Roof			72.10	560.50						
Total	18	15	1,725.85	644.50						
TOTALS:			**8,811.79**	**1,541.00**	**100.00%**	**$ 15,615,000.00**	**$7,076.67**	**$12,729.17**	**$84,920.00**	**$97,649.17**

Bicycle Storage Spaces

Space	Price	Monthly Fee	Annual Fee (8)
Space 1	$ 10,000.00	$ 25.00	$ 300.00
Space 2	$ 10,000.00	$ 25.00	$ 300.00
Space 3	$ 10,000.00	$ 25.00	$ 300.00
Space 4	$ 10,000.00	$ 25.00	$ 300.00
Total	**$ 40,000.00**	**$ 100.00**	**$ 1,200.00**

NOTES TO SCHEDULE A

FIRST YEAR OF CONDOMINUM OPERATION
JULY 1, 2018 THROUGH JUNE 30, 2019

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

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

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

4. The purchase prices and other terms of sale of Units may be negotiated by Sponsor and therefore may be changed. Accordingly, Purchasers may pay different purchase prices for similar Units. The effect of this, as well as the right of Sponsor to change purchase prices, is more particularly discussed in the Section entitled "Changes in Prices and Units." In addition to the payment of the purchase price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section entitled "Unit Closing Costs and Adjustments." If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Unit at the time of the Closing of title. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW

OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

5. The estimates contained in this Schedule A were computed by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be the year from July 1, 2018 through June 30, 2019, and are based on such Condominium Budget Experts estimate of the receipts and expenses of the Building for the projected year. The actual first year of Condominium operation may commence before or after July 1, 2018.

The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert. In addition to these estimated payments for Common Charges, each Unit Owner will be responsible for real estate taxes on his or her Unit, mortgage payments due with respect to a loan or loans, if any, obtained to finance the purchase of his or her Unit, the cost of electricity and natural gas supplied to his or her Unit, the cost of any insurance which he may wish to obtain for his or her Unit (and which Sponsor strongly urges each Unit Owner to obtain) and the cost of interior repairs and decorations to his or her Unit.

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

No representation is made or warranty given as to whether or not there will be (i) a further increase in the assessed valuation of the Property during the five (5) year phase-in period, (ii) an increase in the tax rate, or (iii) a change in the method of determining the assessed fiscal year valuation, *i.e.*, for 2018/2019 and 2019/2020. Based upon the opinion of Tuchman Korngold Weiss Lippman and Gelles, LLP, the estimated assessed valuation for 2018/2019 for the entire property will be $850,000 and the assessed valuation for 2019/2020 is projected to be $1,175,000. The estimated post-construction taxes for the Units, in the aggregate, are $152,750. There is no assurance that the New York City Department of Finance will allocate taxes among the Units in proportion to their respective Common Interest. Upon determination of individual tax lots and individual Unit assessments, the New York City Department of Finance authorities may allocate taxes between the Units in proportion to each Unit's purchase price rather than its Common Interest, and, if so, Units having the same Common Interest may pay different real estate taxes. However, in the event that at time of closing the Units have not been separately assessed, the Condominium will be authorized to make payment of all real estate taxes on the Property and will

assess and collect the amount thereof from all Unit Owners in proportion to the Common Interest allocated to each Unit.

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

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

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

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

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

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

8. Sponsor is offering for sale licenses for four (4) spaces to be used solely for the parking and storage of bicycles, which will be located in a storage room to be located on the First Floor (the "Bicycle Spaces"). The Bicycle Spaces may be purchased only by Purchasers of Units in the Condominium and may be used solely for the storage of bicycles by persons who are residents of the Condominium. The Bicycle Spaces shall be offered in a manner to be determined by Sponsor in its sole discretion. Purchasers who purchase Bicycles Spaces pursuant to the Plan, will, at Closing, enter into a License Agreement in the form set forth in Part II of the Plan. For so long as Sponsor controls the Board, there will be no monthly license fees associated with the Bicycle Spaces.

SCHEDULE B
253 EAST 7TH STREET CONDOMINIUM
BUDGET FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

July 1, 2018 – June 30, 2019

INCOME:

Common Charges	$ 84,920.00

EXPENSES:

Labor (Note 1)	$	15,000.00
Electricity (Note 2)	$	12,000.00
Water and Sewer Charges (Note 3)	$	6,500.00
Repairs, Maintenance and Supplies (Note 4)	$	16,420.00
Insurance (Note 5)	$	8,410.00
Management Fees (Note 6)	$	12,000.00
Accounting and Legal (Note 7)	$	7,000.00
Contingencies (Note 8)	$	2,000.00
Replacement Reserve (Note 9)	$	5,590.00
Total Expenses	$	84,920.00

NOTES TO SCHEDULE B

Estimated Budget for the First Year of the Condominium projected to begin on or about July 1, 2018.

Common Charges **$84,920.**

The owner of each Unit is responsible for their proportionate share of the net operating expenses of the condominium. The amount set forth above represents the total Common Charges to be levied against and collected from the Unit Owners during the first year of Condominium Operation. The Common Charges will be utilized by the Board of Managers to finance the operating expenses of the Condominium. The operation is based on the assumption that the first year of operation will be July 1, 2018 – June 30, 2019. The actual first year of operation may commence earlier or later than the date projected herein.

EXPENSES

1. **Labor $15,000.00**

The Condominium staff will consist of the following: One (1) self-employed person, always on call, responsible for removing the garbage and cleaning the Building, every day.

Wages:		
Self-employed contractor	(1099)	$ 15,000
TOTAL		$15,000

2. **Electricity $12,000.**

Electrical service will be individually metered to all Units with common metering for public areas. Service will be provided by Con Edison and is rated 120/208 Volt, 3 Phase, 4 Wire and distributed to residential and base building distribution systems via power and lighting panels. Main electrical room consolidating residential and common area electrical equipment is located at the 1st floor of the building.

The cost of providing electricity to provide lighting to the lobby, stairs and corridors, exterior lighting, HVAC (lobby), heating (vestibule, stairs, mechanical room), AC (elevator), ERV, Duplex water booster pump, sump pump, receptacles and roof fans (kitchen, toilets, refuse room) will be a common expense and paid for by the Unit Owners as a portion of the Common Charges. The projected cost of providing electricity based on the estimates contained in a report dated April 27, 2017, prepared by A&D Engineering, PLLC, having an address at 2606 East 15th Street, Suite 304, Brooklyn, NY 11235 (the "A&D Report"). Such report estimated a total usage

load of 53,985.20 KW kilowatt hours per annum. The present cost per kilowatt hour is approximately $0.2348 for a total of $11,281 per year and includes taxes and adjustments but no inflation factor.

3. **Water and Sewer Charges $6,500.**

There will be (1) DEP approved 4-inch combined domestic and fire protection water service for the property. Domestic water supply to the building from street water main will be metered. After the water meter assembly and DEP code required back flow preventer device, water is pumped from a duplex constant pressure booster pump to all plumbing fixtures and equipment in the building from the 1st floor to the 6th floor. The booster pumps system will be a lead/lag duplex pump system sized at 50GPM, 105 ft. head, 3 hp. for each pump. Pumps will be manufactured by Federal Pumps Co. or an alternate acceptable manufacturer.

Water and sewer charges are billed by the City of New York Department of Environmental Protection. Consumption of water is metered and measured by one hundred cubic feet (cu. ft.). The anticipated cost of water for the first year of the Condominium is based upon the estimated usage projected in the A&D Report. Such report computes annual water and sewer costs at $9.87 per 644 HCF usage at $6,357 per year. The cost may vary based on occupancy and use.

4. **Repairs, Maintenance and Supplies $16,420.**

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

Elevator Maintenance $6,600.

The Condominium will enter into an elevator service contract with Kone Inc., as per their proposal dated on April 13, 2017. The contract includes scheduled examinations, call back service during regular business hours, repair service, safety tests included in contract, and mandated inspections. The contract does not include repairs or renewals of the following equipment: car enclosure, door pull straps, door frames, sills, flooring, power feeders, switches, and their wiring and fusing, car light diffusers, ceiling assemblies, and attachments, smoke or heat sensors, fans, fireman's phone devices, intercoms, telephones automatic door and gate, hatchway enclosure, hatchway door panels, pump, motor, hinges or knobs, hatchway door frames or bucks, push-button face plates, cleaning of elevator hatchway, traveling cable, guide rails or brackets and pit, casting, replacement of cylinder or cylinder supports, cylinder casting or any portion of piping embedded in a floor, partition and/or otherwise permanently affixed in place,

obsolete components. The cost for services for the first year will be $6,600 to be paid in advance, if a different payment option is chosen, there will be a surcharge added to the fee. The annual inspection fees and NYC Department of Building fees for filing, testing plus third party witness is not included.

Elevator Phone Line $500.

As per NYC Guidelines, a telephone land line must be supplied in elevator for emergency calls. The estimated annual cost for the telephone line is $500.00.

Sprinkler Inspections - Annual Costs $2,000.

The Condominium will enter into a contract with Rael Sprinkler, having an address at 1750 Plaza Avenue New Hyde Park, NY 11040. The contract provides for the testing and monitoring of building sprinkler system, monthly inspections, maintenance and annual inspections are at a separate cost. The annual cost will be $2,000.

Central Station Monitoring $1,200.

The Condominium will enter into a contract with Alpha Fire and Security, Inc., to provide the monitoring, monthly inspection, of the interior fire alarm system for an annual fee of $1,200.00. Service of the system is not included; a standard hourly rate will be paid separately.

Door Entry and Automation $420.

Software Service and support plan for the ButterflyMX, The Condominium will enter into an agreement with ButterflyMX having an address at 373 Park Avenue South, 6th Floor New York, NY 10016 for an annual contract for $420. Service includes 16 hr daily tech support for residents and 24-hour monitoring of platform and panels. The Units will be provided with touch screen panels (surface mount). 12 months of data for property management is included

Extermination Services $700.

For pest extermination services, the Condominium will enter into an agreement with NuBorn Pest Control having an address at 154 East Boston Post Rd Mamaroneck, NY 10543, LLC. Assuming twelve (12) visits per year, the annual estimated cost is $700.00

HVAC Heating and Cooling Maintenance $3,000.

The Condominium will enter into a contract with ENVIRO AIR, 2841 Bragg Street, Brooklyn, NY 11235; to provide Preventive Maintenance for (1) HVAC twice a year for unit provided by Daikin VRV 3S for an annual fee of $3,000. This contract includes labor for preventive maintenance, lubrication of motors, fans, and other moving parts, supply and replace disposable filters, brush cleaning of condenser oils, inspection of wiring

connections, inspection and cleaning of drier exhaust lint traps, exclusions: chemical cleaning, leak detection, or addition of refrigerant. The cost of material is in addition to this contract. This contract is affective for a year. The renewal of the contract is required.

Misc. Supplies $2,000.

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

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

5. **Insurance $8,410.**

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

Package Policy

Coverage	**Amount**	**Annual Premium**
Commercial Package: Property, (equipment breakdown, replacement cost) & General Liability	$3,134,400 $1,000,000	$3,710
Crime	$100,000	$1,200
Directors & Officers	$1,000,000	$1,500
Umbrella	$25,000.00	$2,000
Total of all Premiums:		**$8,410**

The policy is written on an agreed amount basis, which includes a waiver of co-insurance. The Condominium is also required to maintain other types of insurance coverage, notably Fidelity (Crime) insurance and Directors & Officer's insurance, which has been included. Since the Land is located in a Flood Plain, the premium includes flood insurance under the National Flood Insurance Program Federal Emergency Management Agency. In the event that the Board hires any employees, Worker's Compensation will be required. Unit Owners are strongly encouraged to obtain coverage, at their own cost, to cover such risks as fire and casualty losses to unit contents,

replacements, addition, upgraded fixtures and improvements, and liability coverage for occurrences within the unit.

6. **Management Fees** **$12,000**

As of the date of the First Unit Closing, the Condominium will enter into a management agreement with BSD Realty Management Services Corp., located at 174 Fifth Avenue, Suite 200, New York, NY 10010. The annual fee for management services will be $12,000. This does not include filing fees, annual inspections or other fees for discretionary services rendered. For a full discussion of the terms and conditions of the Management Agreement, see the section of this Plan entitled "Management Agreement and Other Contractual Arrangements" provided by BSD Realty Management Services Corp., 174 Fifth Avenue, Suite 200, New York, NY 10010. The management fee is at the prevailing rate for similar properties located in Manhattan.

7. **Legal and Audit Fees** **$7,000**

All Unit Owners are entitled to receive annually from the Condominium, at the Condominium's expense, an annual financial statement, prepared by Joram Rados, 20 Winter St. Forest Hills, NY 11375 an independent certified public accountant, within four months after the end of each calendar year. The budget figure is based upon a fee of $2,500 for financial statements. This fee is also budgeted for the preparation of tax returns. Miscellaneous legal expenses of $4,500 are also included, but such allowance will not cover the cost of litigation or any significant legal work.

8. **Contingency 3.5%** **$2,000.**

The contingency provides for possible Expenses not included in the projected budget or possible increases in one or more categories of operating expense beyond the projected amounts. This contingency shall be approximately 3.5% of the Expenses, but not including the Reserve Fund and the Working Capital Fund for projection purposes. If additional funds are required over and above these funds, it may be necessary to increase Common Charges or separately assess all Unit Owners. Sponsor has attempted to make accurate estimates. However, due to inflation, changes in the economy and unforeseen factors, it is likely that actual expenditures will differ from estimates set forth herein.

9. **Replacement Reserve Contingency** **$10,000.**

This reserve is separate from the contingency and will be about 7% Fannie Mae "Reserve".

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

In the opinion of BSD Realty Management Services Corp., 174 Fifth Avenue, Suite 200, New York, NY 10010, the projected income is adequate to meet the estimated expenses for the

first year of Condominium operation, assuming the first year will commence on or about July 1, 2018.

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

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

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

SPONSOR EXPECTS THE FIRST UNIT CLOSING TO OCCUR ON OR ABOUT JULY 1, 2018. IF THE COMMENCEMENT OF CONDOMINIUM OPERATION IS DELAYED SIX (6) MONTHS OR MORE FROM SUCH DATE, THE PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET CONTAINING CURRENT PROJECTIONS. IF SUCH PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY 25 PERCENT OR MORE, PURCHASERS WILL BE OFFERED THE RIGHT OF RESCISSION. IN THE EVENT THAT A RIGHT OF RECISSION IS OFFERED, THE SAME MUST BE EXERCISED THE SAME AS SET FORTH IN SUCH AMENDMENT, WHICH, IN NO EVENT, WILL BE LESS THAN WITHIN FIFTEEN (15) DAYS OF THE PRESENTATION DATE OF SUCH AMENDMENT. IN THE EVENT THAT ANY PURCHASER EXERCISES A RIGHT TO RESCIND, SPONSOR MUST CAUSE ESCROW AGENT TO PROMPTLY RETURN ANY DEPOSIT TO PURCHASERS WHO RESCIND WITHIN THE PERIOD SET FORTH IN THE AMENDMENT.

SCHEDULE B-1

The following are estimated energy and public utilities consumption costs to be paid for directly by the Unit Owners. The estimates set forth below were based upon a report dated April 27, 2017 prepared by A&D Engineering, PLLC, having an address at 2613 East 65th Street, Brooklyn, New York 11234.

ESTIMATED COST OF HEAT AND ELECTRICITY FOR INDIVIDUAL UNITS

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

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

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

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

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

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

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

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

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

4. Apartment cooking based on two meals a day.

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

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

Electric Usage

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

Estimated Annual Electric Charges: $ 6,867 month

Estimated Monthly Electric Charges: $ 572/ month

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March 23, 2018

Board of Managers
253 East 7th Street Condominium
c/o BSD Realty Management Corp.
200 Fifth Avenue, Suite 200
New York, NY 10010

Re: 253 East 7th Street Condominium
253 East 7th Street, New York, NY

Ladies and Gentlemen:

We have acted as special counsel for DRK East 7th Street LLC, a New York limited liability company ("Sponsor"), in connection with the preparation of the condominium offering plan, declaration of condominium and the by-laws for the referenced condominium. We have been asked to opine as to whether the allocation of the percentages of common interest allocated to the respective Units as set forth in Schedule A of the condominium plan is in conformance with the provisions of the Real Property Law, Article 9-B, Section 339-i(1)(iv). In such capacity, we have reviewed the provisions of Section 339-i(1)(iv) and the opinion of BSD Realty Worldwide, Inc.

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

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

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

Very truly yours,

PHILLIPS NIZER LLP

BSD
Realty Worldwide

March 1, 2018

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

Re: 253 East 7th Street Condominium
253 East 7th Street, New York, New York

Ladies and Gentlemen:

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

The allocation of Common is based upon floor space, subject to the relative value to other space in the Condominium, the uniqueness of the unit, the availability of the common elements for exclusive or shared use, and the overall dimension of the particular unit pursuant to Section 339-i(1)(iv) of the New York Real Property Law. In our opinion, the allocation of Common Interest among the Condominium Units is in compliance with the subsection set forth in the immediately preceding sentence.

This undersigned principal of this firm is a licensed real estate broker in the State of New York. We have prepared projected budgets for proposed and existing condominium and cooperative properties in New York City for more than ten (10) years. We have acted as consultant, selling agent and/or managing agent for more than 40 buildings.

We have no financial interest in the Sponsor, the condominium or any other party interested in this transaction or in the land building covered by the Plan. All capitalized terms contained in this letter will have the same meaning as set forth in the Plan. You have advised us of your intent to reproduce this letter in the Plan and we hereby consent to such use.

Very truly yours,

Charles Glatter

CHANGES IN PRICES AND UNITS

Purchase Prices for the Units offered hereby are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the Condominium Board, any Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, except that no such change with respect to any Unit for which a Purchase Agreement is then in effect may be made without the written consent of the Purchaser. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that notwithstanding the fact that such terms may not be offered to all Purchasers, Sponsor reserves the right to decrease purchase prices or modify other terms of sale including, without limitation, the closing date, the finishes in the Unit and to provide for an outside closing date, without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general offering or an advertised price, but is rather the result of an individually negotiated transaction. Sponsor shall have no obligation to make such terms available to other Purchasers. If any such change is made, a Purchaser of a Unit affected thereby may pay more or less than other Purchasers under the Plan for similar Units, but this will not affect any prior or subsequent sale of Units which are not the subject of such change. No material adverse change will be made in the size of the Units or in the quality of the Common Elements, unless Purchasers affected by any such modifications consent to the same and in any event, the Plan will be amended to disclose such change. No change will be made in the size or number of Units and/or the respective percentages of Common Interest allocated thereto, except pursuant to a duly filed amendment to the Plan. Subsequent to the execution of a Purchase Agreement for a Unit, unless a Purchaser consents, no material change will be made in Unit size, layout or percentage Common Interest. Unless all Purchasers consent, no material change will be made in the size of the area and no material adverse change in the quality of the amenities to be designated as the Common Elements of the Condominium, and in any event, the Plan will be amended to disclose any such change.

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

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

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

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

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

PROCEDURE TO PURCHASE

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

Prospective Purchasers shall be given not less than three (3) business days to review the Plan and all amendments thereto prior to executing a Purchase Agreement. If a Purchaser has not received and read the Plan at least three (3) full days prior to executing a Purchase Agreement, a

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

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

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

The Purchase Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law of the State of New York. At the time of execution of a Purchase Agreement, a Purchaser is required to make a Contract Deposit in an amount equal to ten (10%) percent of the purchase price (the "Initial Contract Deposit"). Thereafter within fifteen (15) days of the Presentation Date of the amendment declaring the Plan effective, Time Being of the Essence as to such Date, Purchaser shall remit an additional deposit in an amount equal to five (5%) percent of the Purchase Price to Escrow Agent (the "Additional Contract Deposit") and together with the Initial Contract Deposit collectively, the "Contract Deposit". All Contract Deposits must be made payable to the direct order of "Phillips Nizer LLP, Escrow Agent." All checks delivered in payment of the Contract Deposit shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be cancelled and of no further force or effect. Within fifteen (15) days of the date of the fully executed Purchase Agreement is returned to Purchaser, Escrow Agent shall notify Purchaser that such funds have been deposited in the escrow account at the bank indicated in the Plan, which notice shall indicate the account number and the interest rate then in effect. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after the tender of the deposit which shall be deemed the date of Purchaser's receipt of a fully-executed Purchase Agreement, he or she may cancel the purchase and rescind within 90 days thereafter, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the

Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the Purchaser.

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

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

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

It is anticipated that the First Unit Closing will occur on or about July 1, 2018. In the event that the date of the First Unit Closing is delayed twelve (12) months or more, the Plan will be amended and the Purchasers will be granted the right to rescind their Purchase Agreements for no less than fifteen (15) days from the Presentation Date of such amendment.

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

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

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing apportionments described in the Section entitled "Unit Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally

scheduled Closing Date, regardless of when the actual Closing occurs, and (b) a Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to 0.04 percent of the purchase price of his or her Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

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

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

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

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit, at which time the risk of loss, to the extent not covered by Sponsor's insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of a casualty, Sponsor will notify Purchasers within 60 days of the occurrence of the same, as to whether or not it will restore the Building and/or Unit, as may be applicable to the condition required pursuant to the Plan. In the event of damage or destruction of a Unit due to a fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive credit against, or abatement in, the purchase price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-laws, or the Declaration, specifically the Section entitled "Rights and Obligations of the Condominium Board/Summary of By-laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return Purchaser's Contract Deposit to Purchaser, whereupon the parties to the Purchase Agreement shall be released and discharged from all obligations and liability thereunder and

under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

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

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

ESCROW AND TRUST FUND REQUIREMENTS

The Escrow Agent

Phillips Nizer LLP, 485 Lexington Avenue, New York, NY 10017 ("Escrow Agent") shall serve as escrow agent for Sponsor and purchasers. Escrow Agent has designated the following attorneys to serve as signatories: Marc A. Landis, Andrew J. Tunick, Michael Galligan, Martin B. Wasser, Alan Behr, Brian R. Brodrick, and Mark M. Elliott. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are principals of Sponsor or have any beneficial interest therein.

The Escrow Account

For the purpose of holding Deposits or payments made by purchasers, the Escrow Agent has established an escrow account at Sterling National Bank, at its branch located at 489 Fifth Avenue, New York, New York, 10017 ("Bank"), a bank authorized to do business in the State of New York. The escrow account (the "Escrow Account") is entitled Phillips Nizer LLP Attorney Trust Account.

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

The Bank is covered by federal bank deposit insurance to a maximum of $250,000 per individual. If an individual makes a Contract Deposit in excess of $250,000 for the purchase of a unit, such Contract Deposit will not be federally insured in excess of $250,000; and (ii) while the Contract Deposit is in the non-interest bearing checking account it may not be federally insured even if the Contract Deposit does not exceed $250,000, although under present law, there are no

limits on the FDIC insurance on the aggregate balance of IOLA accounts, provided, however, the limit on the insurance awarded to any individual remains subject to the $250,000 limit. Pursuant to regulations currently in effect, other amounts that a Purchaser may have on deposit at the Bank will be aggregated with the Contract Deposit for the purpose of the maximum insurance proceeds payable to a Purchaser by the FDIC.

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

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

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

Notification to Purchaser

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

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

Release of Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Waiver Void:

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

INTERIM LEASES

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

declare a default under such Purchase Agreement and to seek to terminate the same and to exercise any remedies therein provided. In the event that any such Interim Lease is terminated, such Purchaser will have 30 days to vacate the Unit.

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

Purchasers or any other persons entering into a Use and Occupancy Agreement for a Unit shall be required to pay the sum of $1,500 (subject to increase) to Sponsor's attorney for legal fees in connection therewith upon execution of the Use and Occupancy Agreement. All other charges or other fees due under a Use and Occupancy Agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Use and Occupancy Agreement.

Sponsor or its successors-in-interest further reserves the right to use or occupy itself or to rent or lease to a tenant who is not a Purchaser (for such rent and term and on such other conditions as may be agreed to between such parties) any Unit not conveyed or with respect to which a Purchase Agreement is not then outstanding. Accordingly, a Purchaser may be acquiring a Unit that has been previously occupied, but such Unit will be delivered at Closing free and clear of all leases, tenancies and rights of occupancy other than interim leases with such Purchaser or other leases or rights of occupancy of such Unit which Sponsor agreed to enter into at the request of the Purchaser of such Unit.

ASSIGNMENT OF PURCHASE AGREEMENTS

A Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, which may be withheld in Seller's sole and absolute discretion. Any purported assignment by a Purchaser in violation of the Purchase Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle a Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, then the Purchaser shall be required to pay Sponsor's attorneys a fee of $1,500, in advance, for preparation of an assignment agreement.

EFFECTIVE DATE

The offering by Sponsor under the Plan is contingent upon the Plan being declared effective and the First Closing shall not occur until the Plan has been declared effective. The Plan may be declared effective, at Sponsor's option, at any time when *bona fide* purchasers, including

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

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

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

Once the Plan has been declared effective, it may not thereafter be abandoned or withdrawn, except that, prior to the First Closing, the Plan may, at the option of Sponsor, be abandoned in the event of: (l) the existence of one or more title defects (including violations of record or work orders of a mortgagee or insurance carrier) affecting any one or more Units or the Property that cannot be removed, cured or complied with prior to the date set for the First Closing, without litigation, or for less than 0.5 percent of the total offering amount in the aggregate, and which are not waived by the Purchasers thereof; a substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than 0.5 percent of the total offering amount; or (2) a taking of a material portion of the Property in condemnation proceedings or by eminent domain. Excluded from the dollar amounts set forth in (1) and (2) above are attorneys' fees and title defects or determinations of any authority or regulatory association which exist on the Filing Date of the Plan and are either known to Sponsor or are a matter of public record.

In the event that all of the Purchasers who were used to declare the Plan effective rescind or terminate their Purchase Agreements prior to the date of the First Unit Closing, Sponsor must

again declare the Plan effective even in the event that the Condominium Declaration has already been recorded.

Sponsor expects to obtain a temporary Certificate of Occupancy for the Units on or about July 1, 2018. Accordingly, Sponsor hopes to begin closing units on or about July 1, 2018. In the event that such date is delayed twelve (12) months or more, Sponsor will offer to Purchasers a right to rescind their Purchase Agreements of no less than fifteen (15) days from the Presentation Date of the amendment disclosing such delay.

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

TERMS OF SALE

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

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

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

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

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

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

(f) the execution and delivery by Sponsor of a bargain and sale deed with covenants against grantor's acts (which deed shall be substantially in the form set forth in Part II of the Plan)

conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances;

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

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

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

Prior to or at Closing, Sponsor shall cause the Unit to be released from the lien of the acquisition and construction loan mortgages, satisfy or bond any claims for mechanic's liens and satisfy or bond any judgments against Sponsor and Sponsor shall convey marketable title to the Units to Purchasers. Notwithstanding the foregoing, subsequent to the Plan being declared effective, Sponsor may abandon the Plan in the event that there is a defect in title, which may be cured only by payment of a liquidated sum in excess of 0.5 percent of the aggregate purchase price payable for all Units offered for sale hereunder (as the same may be changed from time to time, the "Total Amount of Offering"), which is currently $160,931, based upon the prices set forth herein (said amount shall be used solely to determine the maximum sum that Sponsor may be required to expend before Sponsor may abandon the Plan after it has been declared effective), or if Sponsor is required to commence litigation to resolve any claim which would prevent the conveyance of marketable title to Purchaser. The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments.

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

UNIT CLOSING COSTS AND ADJUSTMENTS

Closing Costs

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

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

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

Fee Title Insurance

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

Mortgage Title Insurance:

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

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

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

(d) A fee for recording the Deed and Power of Attorney, being $32.00 for each instrument plus $5.00 per page and a service charge to the title company of approximately $10.00 and a fee of $100.00 for filing the New York City Real Property Transfer Tax return.

(e) New York State Real Estate Transfer Tax ("State Transfer Tax") currently equal to $2 per $500 of purchase price plus, if applicable, a Special Additional Tax of one (1%) percent where the purchase price equals $l million or more.

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

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

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

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

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

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

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

Example:

Purchase Price = $2,000,000.00

(1) $2,000,000.00 x 1.425 percent = $28,500.00

(2) $2,000,000.00 x 0.4 percent = $8,000.00

(3) Grossed-up Purchase Price is $2,000,000.00 + $28,500.00 + $8,000.00 = $2,036,000.00

(4) RPT Tax: = $2,036,000.00 x 1.425 percent = $29,013.00

(5) NYS Tax = $2,036,000.00 x 0.4 percent = $8,144.00

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

Thus, the effective RPT tax rate is approximately 1.014 percent of the purchase price where the purchase price is $500,000 or less and 1.451 percent where the purchase price is $500,000 or more. A similar position has been taken by the New York State Department of Taxation and Finance and as a result the effective tax rate for the State Transfer Tax is $4.06 per

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

Thus, the effective RPT tax rate is approximately 1.014 percent of the purchase price where the purchase price is $500,000 or less and 1.451 percent where the purchase price is $500,000 or more. A similar position has been taken by the New York State Department of Taxation and Finance and as a result the effective tax rate for the State Transfer Tax is $4.06 per thousand dollars of the purchase price for the Unit where the consideration is less than $500,000 and $4.076 per thousand dollars of the purchase price of the Unit where the consideration is $500,000 or more. However, payment by the Purchaser of the Special Additional Tax is not considered additional consideration to Sponsor for purposes of the calculation of the State Transfer Tax.

(g) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of the mortgage recording tax, mortgage recording fees, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages under $500,000 is 2.05 percent of the face amount of the mortgage and 2.175 percent of the face amount of the mortgage if the mortgage is $500,000 or more. Of the total tax due, the mortgagee pays an amount equal to 0.25 percent of the face amount of the mortgage. In addition, there is a $30 exemption for residential real property. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources. As indicated above, a discounted rate may apply where fee and mortgage title insurance policies are issued simultaneously. In the event that Sponsor is entitled to a credit for the Mortgage Recording Tax paid by Sponsor in connection with its construction financing, at Closing, Sponsor will execute and deliver the requisite affidavit as required under Section 339(e)2 of the New York Real Property Law and Section 252 of the New York State Tax Law. In such instances, Purchaser shall reimburse Sponsor to the extent of the mortgage tax credit received by reason of the delivery of such affidavit. Purchaser will be liable to pay the tax authorities any Mortgage Recording Tax payable in excess of the credit available. In no event shall the total amount paid to Sponsor and the tax authorities be in excess of the mortgage recording tax that would otherwise be payable by Purchaser.

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

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

For each Unit, the sum of $3,000, plus the sum of $250 for the preparation of ACRIS Documents payable to Sponsor's Counsel to reimburse Sponsor for a portion of its legal fees incurred in connection with the closing of title of the Purchaser's Unit. In addition, if a Purchaser is also entering into a License Agreement for a Bicycle Space, there will be an additional fee of $450 and if a Purchaser obtains mortgage financing there will be an additional fee of $450 for services rendered in connection with such loan financing, inclusive of the cost to prepare a Section 339(ee)(2) affidavit. The fees due from Purchasers to Sponsor's attorneys are cumulative and Purchasers may be responsible to pay multiple fees, as described herein.

If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement; and (iii) if Purchaser obtains mortgage financing, then Purchaser shall pay Sponsor's Counsel an additional fee of $750 to defray the additional costs associated therewith. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's Counsel, or if the Purchaser otherwise requests the Closing to occur other than at the office of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice), the closing may be held elsewhere in New York City, provided that an additional travel fee is paid to Sponsor's Counsel equal to: (a) $750 if the closing is held elsewhere in Manhattan; and (b) $1,200 if the closing is held in a borough other than Manhattan. In addition: (i) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay to Sponsor's Counsel an additional fee of $750 for each adjournment to help defray the cost of preparing for and coordinating the new closing. Purchaser may pay more than one fee pursuant to (h) above with respect to a Unit. In addition to an attendance fee in connection with a completed Unit transfer, Sponsor's attorneys shall also be entitled to an attendance fee in the amount set forth above if they attend a scheduled Closing, but the Closing is adjourned due to Purchaser's failure to comply with Purchaser's closing obligations. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one request.

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

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

A numerical example for the costs set forth in this section of the Offering Plan for a typical Unit with a purchase price of $2,000,000 and a mortgage of $1,000,000 are estimated as set forth below. Tax, insurance and recording rates are subject to change.

1. Title insurance for fee and mortgage, including the simultaneous fee discount: approximately $9,298.00 plus the cost of searches and fees of approximately $600.00. Total projected Title Bill: $9,898.00;

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

3. Mortgage Recording Tax: $31,618;

4. New York City Real Property Transfer Tax: $29,013.00;

5. New York State Real Estate Transfer Taxes (deed stamps): $8,144.00;

6. New York State Mansion Tax: $20,000.00;

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

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

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

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

The total closing costs for a unit with a purchase price of $2,000,000.00 and a mortgage of $1,000,000.00 are estimated to be approximately $104,783.00.

Closing Adjustments

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Common Charges for the month in which title closes, and (c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering Purchaser's Unit. In the event the Units have not been separately assessed for real estate tax purposes prior to the First Closing, Sponsor shall place in a special escrow account with Sponsor's attorney an amount equal to the unpaid real estate taxes which will be payable with respect to the Property for the six (6) month period following the First Closing or until the Units are separately assessed, whichever is shorter, or Sponsor will pay the real estate taxes with respect to the Property from the special escrow account as and when such taxes become due and payable, and Sponsor will be reimbursed for such payments by the Condominium Board. In the event that Sponsor sets up an escrow for the real estate taxes as described above, the amount of such tax escrow will be disclosed in the post-closing amendment to the Plan. Section 6.1.1 of the By-Laws

grants the Board the authority to assess each Unit Owner for its portion of the real estate taxes until the New York City Department of Finance issues individual tax bills for each of the Units. Until the Units are separately assessed and billed, each Unit Owner will pay his or her *pro rata* share (in the proportion that his or her Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board. The Condominium Board will pay such taxes either to the Department of Finance of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay his or her *pro rata* share as set forth above, the Condominium Board will have a lien on such Unit for non-payment thereof, as if such charges were Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners-Common Charges: Collection and Lien for Non-Payment" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority.

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

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

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations with Respect to the Building

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

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

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

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

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

(e) Sponsor shall have the obligation to defend any suit or proceeding arising out of Sponsor's acts or omissions and to indemnify the Condominium Board or Unit Owner(s) in any such action or proceeding.

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

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

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

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

(j) Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection, by prospective purchasers and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six (6) years from the date of the recording of the Declaration. In addition, a set of Floor Plans showing the layout, location and approximate

dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of the City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

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

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

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

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

(ii) change the size, location of the units or common elements if such changes affect the percentage of common interests or adversely affect the value of any unit to which title has closed or for which a purchase agreement has been executed and is in force and effect unless all affected unit owners and contract vendees consent in writing to such change.

(n) Sponsor has obtained an acquisition and construction loan from Esquire Bank, having an address at 320 Old Country Road, Suite 101, Garden City, New York.

(o) If Sponsor fails to obtain a permanent Certificate of Occupancy for the Building prior to the First Closing, Sponsor will be obligated to hold and maintain all monies received pursuant to all Purchase Agreements (See "Procedure to Purchase" in Part I) in the special trust account required by the General Business Law of the State of New York, Sections 352-e(2)(b) and 352(h), originally established for the purpose of holding such deposits, provided, however, that if an architect or engineer chosen by Sponsor certifies that a lesser amount than the amount held in the special trust account is reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy, then the amount exceeding the sum so certified by Sponsor's architect or engineer shall be released from the special escrow account. Sponsor expects to obtain a permanent Certificate of Occupancy for the entire project within two (2) years subsequent to the First Closing or at such sooner time as the Temporary Certificate of Occupancy, as same may be renewed, replaced or extended, expires.

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

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

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

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

The foregoing sets forth the entire obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Purchase Agreements. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures other than as set forth in the Plan.

Sponsor is obligated to defend any lawsuits or proceedings which arise from Sponsor's acts or omissions. Sponsor hereby agrees to indemnify, defend and hold harmless the Condominium Board and the Unit Owners who purchased their Units pursuant to this Plan from any loss, costs or damages sustained by the Condominium Board or the Unit Owners in connection therewith.

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

Except as set forth above or as required by law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under

the Plan. The ability of Sponsor to perform its obligations set forth herein will partly depend upon its financial condition at the time it is called upon to perform the same. No representations may be made that it will be financially able to perform any or all of such obligations. See Special Risk no. 7.

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

Housing Merchant Implied Warranty

The Housing Merchant Implied Warranty does not apply to this offering. Sponsor has entered into a construction contract for the renovation and construction of the Building with K-Square Developers Inc. ("the Contractor"), having an address at 85 Lansing Street, Staten Island, New York 10305 (the "Construction Contract"). The Contractor is not affiliated with Sponsor. The Construction Contract provides that the Contractor warrants the construction of the Building for a period of one-year following the issuance of a temporary Certificate of Occupancy. Certain building equipment shall be subject to manufacturer's warranties. In addition, there will be a manufacturer's warranty for the roof for a ten (10) year period following the date of completion. As of the date of the First Unit Closing, Sponsor shall assign the aforementioned warranties to the Board of Managers of the Condominium. Each Purchaser will receive, at Closing, the manufacturer's warranties for the appliances located in their Units.

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

Use of Unsold Units

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

CONTROL BY SPONSOR

Sponsor shall have the right to vote all of the Common Interests attributable to Unsold Units when voting for members of the Condominium Board. At all elections held after the expiration of the period ending on the earlier of: (i) the Closing of Title with purchasers under the

Plan to Units having more than 75 percent of the aggregate Common Interests pertaining to all Units, or (ii) five (5) years after the First Closing (the "Sponsor Control Period"), not more than one (1) of the members of the Condominium Board may be elected or designated by Sponsor or the then owner of the Unsold Units. After the end of Sponsor Control Period, a majority of the Condominium Board must be Unit Owners who are not affiliated with Sponsor.

Within approximately 30 days after the expiration of the Initial Control Period, the applicable number of members of the Condominium Board representing the Unit Owners which were designated by Sponsor shall resign and their replacement shall be filled by a majority vote of the members of the Condominium Board representing the Unit Owners (excluding members designated by Sponsor) at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Until the first annual meeting of the Unit Owners (the "First Annual Meeting"), the Board shall consist of two (2) persons designated by Sponsor. Sponsor anticipates designating the following persons as the initial Board Members (all of whom are experienced in real estate matters and familiar with the property): Rony Nortman and Adriana Salazar. Mr. Nortman is employed by Sponsor and Ms. Salazar is employed by BSD Realty Management Services Corp., which is the project manager retained by Sponsor in connection with the development of the Building. Sponsor will amend the Plan prior to the First Closing in the event such persons no longer are serving as the initial Board members.

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

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

In addition, at elections of members to the Board held after the expiration of the Initial Control Period but while Sponsor and/or its successor-in-interest still owns at least one Unit, Sponsor and/or its successor-in-interest shall have the right to designate one (1) of the Board Members. Accordingly, from and after the expiration of the Initial Control Period, Sponsor shall have the right to designate not more than one (1) member of the Board and shall no longer exercise voting control over the Board, *i.e.*, following the expiration of the Initial Control Period, at least two (2) of the three (3) members of the Condominium Board shall not be designated by Sponsor or its successor-in-interest or other owner of Unsold Units but shall be elected by the Unit Owners. There is no restriction on the right of Sponsor and its successor-in-interest(s) or any Unsold Unit Owner to vote for members of the Board who are not related to or affiliated with Sponsor or such successor-in-interest or Unsold Unit Owner; however, after the expiration of the Initial Control Period, neither Sponsor nor its successor-in-interest will designate a majority of the Members.

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

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

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

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

Until Sponsor no longer elects a majority of the members of the Condominium Board, Sponsor will through its control of the Condominium Board have control of the maintenance and

operation of, and the services to be provided by the Condominium and will determine the Common Charges to be paid by all Unit Owners.

The Condominium Board may not, for as long as Sponsor has title to the Units having more than 25 percent of the aggregate Common Interests pertaining to all Units, but in no event later than five (5) years after the First Unit Closing, whichever shall first occur, take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit unless the same are required to comply with applicable laws or regulations, (b) assess any Common Charges or Special Assessments for the creation of, addition to or replacement of or addition to all or part of a reserve, contingency or surplus fund, (c) increase or decrease the number, or change the kind of, employees from that described in the First Year's Budget, (d) enter into any service or maintenance contract for work or otherwise contract for work or services not covered in the First Year's Budget, except as is required to reflect normal annual increases in operating services, (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board to comply with applicable laws or regulations or to remedy any notice of violation or work order of the Condominium's insurer.

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

BOARD OF MANAGERS

From and after the First Annual Meeting, the Board shall consist of three (3) persons elected by the Unit Owners (including Sponsor) (subject, however, to Sponsor's right to designate certain Board members during the Initial Control Period, as hereinafter set forth). At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests appertaining to the Units owned by Sponsor as it sees fit. However, in addition, at elections of the Condominium Board held before the expiration of the Initial Control Period, Sponsor and/or its successor-in-interest shall have the right to designate two (2) members of the Condominium Board, in the aggregate, who are related to or affiliated with Sponsor, such successor-in-interest or other Unsold Unit Owner(s), and Sponsor, such successor-in-interest and all other Unit Owners shall have the right to elect the remaining member of the Board, who shall not be related to or affiliated with Sponsor, such successor-in-interest or other Unsold Unit Owners. Except for the Condominium Board members designated by Sponsor, all members of the Condominium Board must be either Unit Owners or certain interested parties as described in the By-laws. No member of the Condominium Board shall continue to serve on the Condominium Board if, during his or

her term of office, said member shall cease to be a Unit Owner or an interested party. All Board members shall serve without compensation. Each Unit Owner shall be entitled to one (1) vote for each 0.0001 percent of Common Interest assigned to such Unit Owner's Unit. For so long as Sponsor or its successors own at least fifteen (15%) percent of the Units, but in no event later than the fifth anniversary of the First Unit Closing, Sponsor may designate up to two (2) of the three (3) Members of the Condominium Board.

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

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

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

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

The Condominium Declaration and By-Laws each provide that the same may be amended by the vote of 66 2/3 percent in Common Interest and in the number of Units, being of the Unit Owners.

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

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

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Units

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

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

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

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

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

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

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

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

Use of Units

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

The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and capable and which are incident to the use and occupancy of Units.

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

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

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

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

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

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his or her Unit, provided that such Unit Owner first complies with the conditions with respect thereto set forth in the By-laws. As more fully set forth in the By-laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage, and (c) the owner making such mortgage first satisfies all unpaid liens against his or her Unit, other than Permitted Mortgages. Sponsor shall have the right to mortgage any Unsold Unit without any restriction or limitation.

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

Common Charges: Determination and Assessment

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

At least annually the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess among all Unit Owners, Common Charges to meet Common Expenses.

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

Common Charges: Collection and Lien or Nonpayment

Under the provisions of the By-laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit in proportion to the respective Common Interests of the Units. All such liens, however, to the extent permitted by applicable law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six (6) year period), whichever shall occur sooner. The By-laws provide that such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing such lien.

No Unit Owner may exempt himself from liability for his or her Common Charges by waiving use of any of the Common Elements or by abandonment of his or her Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Unit. In addition, as more specifically set forth in the By-laws, a Unit Owner may, by conveying his or her Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, exempt himself or herself from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to his or her Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing, unless: (i) the aggregate Common Interests appurtenant to the Unsold Units constitutes fifteen (15%) percent or less of the total Common Interests then appurtenant to all Units; (ii) at least five (5) years have elapsed from the date of the First Closing; and (ii) at the time of conveyance, Sponsor shall pay the Condominium Board a sum equal to the product of the then current monthly Common Charges for the Unsold Units being conveyed multiplied by 24.

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

Repairs to and Maintenance of Units and Common Elements

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

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

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

The By-laws provide that each Unit and all portions of the Limited Common Elements that are used exclusively by a certain Unit Owner (*e.g.* Terraces) shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner. In the event any Unit Owner fails to keep his or her Unit or the Limited Common Element appurtenant to such Unit in such condition, the Board may, at the expense of such Unit Owner, enter such Unit and/or the Limited Common Element and perform such acts as are necessary to cure such default. (See the Section entitled "Rights of Access").

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

Alterations and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to his or her Unit or the Limited Common Element without the prior written approval of the Condominium Board but, as more fully set forth in the By-laws this provision does not apply to an Unsold Unit. Except as otherwise permitted in the By-laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Limited Common Elements without the prior written approval of the Condominium Board.

No construction may be performed on the roof or any Terrace or Balcony without having approved plans and a building permit from the Department of Buildings and the approval of the Condominium Board. Sponsor represents that it believes that as of the date hereof, no additional structures may be constructed on the roof, any Terrace or the Balcony. Any prospective purchaser who is interested in constructing improvements on a Terrace should consult with its own advisors, but should also be aware that any such improvements will be subject to securing the approval of the Condominium Board.

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

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

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

Insurance

The Condominium Board is required to obtain and maintain the forms of insurance described in the Section entitled "Rights and Obligations of the Condominium Board/Summary of By-laws." The Condominium Board is not required to obtain or maintain any insurance with respect to any property contained in a Unit. Consequently, Unit Owners are also required to obtain casualty insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units, and liability insurance with respect to occurrences in or about their respective Units, as more particularly set forth herein.

Rights of Access

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

In accordance with the provisions of the multiple dwelling laws, each Unit Owner must deliver a complete set of keys for his or her Unit to the Board of Managers of the Condominium to facilitate any necessary entry. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry.

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

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

Examination of Books and Records

Each Unit Owner and each mortgagee of a Unit shall be permitted twice during any calendar year, upon prior request, to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium.

Self-Help

In the event that any Unit Owner fails to maintain or repair his or her Unit or any Limited Common Elements appurtenant to such Unit, if any, or in the event of any breach of the Condominium Documents, then, as set forth in Article 9 of the By-laws, the Condominium Board shall have certain rights to perform such maintenance or repairs, or to cure such breach, at such Unit owner's expense.

Units Held by Non-Occupying Unit Owners

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

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

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

Condominium Board

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

Powers and Duties of and Determinations by the Condominium Board

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. Generally, all determinations with respect

to the administration of the affairs of the Condominium shall be made by the Condominium Board.

As more fully set forth in the By-laws, all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present.

Notwithstanding anything to the contrary contained herein, so long as Sponsor shall continue to own units with an aggregate common interest of more than 25 percent of the Common Elements, but in no event later than five (5) years from the First Closing, the Condominium Board may not without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration, or improvement to the Common Elements or to any Unit unless the same are required to comply with applicable laws or regulations; (b) assess any Common Charges for the creation or replacement of, or addition to, all or part of a reserve, contingency, or surplus fund; (c) increase or decrease the number or change the kind of employees from that described in the First Year's Budget; (d) enter into any service or maintenance contract for work or otherwise provide services in excess of those set forth in the First Year's Budget, except as is required to reflect normal annual increases in operating services; or (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary (and no alternatives are available) to enable the Condominium Board to: (i) comply with applicable laws or regulations; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer.

Meetings and Votes of Unit Owners

Annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the first annual meeting. At such meetings, the Unit Owners shall elect the three (3) members of the Condominium Board, provided however, that for so long as Sponsor owns at least one (1) Unit, Sponsor shall appoint one (1) member of the Condominium Board, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-laws. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice, which will be given not less than ten (10) nor more than 30 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than 40 percent of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its successors-in-interest with respect to Unsold Units) shall be entitled to cast one

vote for each 0.0001 percent of interest in the Common Elements attributable to his or her Unit or Units.

Officers

The principal officers of the Condominium shall be a President, a Vice President and a Secretary-Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint additional officers. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Condominium Board members until the first organizational meeting of the Condominium Board following the first annual meeting. Thereafter, the President, a Vice President and a Secretary-Treasurer must be members of the Condominium Board. Except as otherwise specifically provided in the By-Laws, no officer shall receive any compensation for acting in such capacity. The By-laws provide that all instruments of the Condominium are to be executed by any two (2) officers thereof or by such other person or persons as may be designated by the Condominium Board. However, any significant expenditure by the Condominium Board in excess of $10,000 must be countersigned by two (2) members of the Condominium Board. If, for any reason whatsoever, one member refuses to countersign such an expenditure which has been authorized, the Condominium Board shall designate and authorize another Board member to countersign the expenditure.

Repair or Reconstruction after Fire or Other Casualty

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

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

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

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

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, improvements or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to Common Charges for one (1) year; (c) worker's compensation and New York State disability benefits insurance; (d) plate glass insurance to the extent, if any, determined by the Condominium Board; (e) water damage insurance to the extent, if any, determined by the Condominium Board; (f) elevator liability and collision insurance; (g) directors and officers liability coverage; and (h) such other insurance as the Condominium Board may determine.

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

The amount of fire insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the First Annual Meeting of the Unit Owners shall be in an amount no less than the coverage set forth in the First Year's Budget in Schedule B hereof.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subornation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) *pro rata* reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least ten (10) days prior to the expiration of the then current policies.

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

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

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

Liability of the Condominium Board and Unit Owners

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

Reports to Unit Owners

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

Amendments to Condominium Documents

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

No amendment, modification, addition or deletion of the Declaration, By-laws or Rules and Regulations (other than those required by law) shall be effective (a) against Sponsor or any Unsold Unit unless Sponsor has given its written consent thereto, or (b) against the holder of any mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

Action for Partition of Condominium

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

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

Units Acquired by Condominium Board

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

The purchase of any Unit by the Condominium Board on behalf of the Unit Owners may be made from the funds deposited in the capital and/or operating accounts of the Condominium Board. If the funds in such account is insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to his or her respective Common Interest, as a Common Charge and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-laws and that no such financing may be secured by an

encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interests in the Common Elements.

Procedure to Review Real Estate Tax Assessments

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

Borrower by Board of Managers

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

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

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

PHILLIPS NIZER LLP IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THE PLAN.

Income Tax Deductions to Unit Owners

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

It is the opinion of Phillips Nizer LLP that, effective January 1, 2018, Unit Owners who acquire their Unit for use as his or her personal residence will, under present law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest in the year paid in the case of cash basis taxpayers or accrued in the case of accrual basis taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire, construct or substantially improve a principal or second residence (or which constitutes a refinancing of such debt up to the then

outstanding balance of the acquisition or improvement debt) ***up to*** a total indebtedness of $750,000 ($375,000 for married couples filing separately). Any interest paid with respect to any "home equity" debt will be deductible, subject to the limitation in the immediately preceding sentence, provided that such "home equity" debt was incurred to either acquire or to substantially improve the Unit. In addition, Unit Owners should note that special limitations may apply to the deductibility of points and prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions. In any event, Purchasers and Unit Owners are advised to consult with their personal tax advisors to determine the deductibility of interest in their individual circumstances.

In addition, under present law, for Federal, New York State and New York City income tax purposes, a Unit Owner who uses his or her Unit as a personal residence will also be entitled to a deduction for the real estate taxes paid with respect to their Unit in the year paid in the case of cash basis taxpayers or in the year accrued in the case of other taxpayers, provided however, as of January 1, 2018, any real estate taxes paid by a Unit Owner will be aggregated with other State and Local income taxes paid by such Unit Owner and the aggregate deduction for State and Local Taxes, inclusive of real estate taxes, will be capped at $10,000 per individual or married couple, or $5,000 for married individuals filing separately.

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

Tax Status of the Condominium

Pursuant to Section 528 of the Internal Revenue Code, in certain instances, condominiums may be eligible to be treated as a "homeowners association" within the meaning of the Internal Revenue Code exempt from taxation on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as income in connection with the provision of laundry facilities or interest earned on any bank accounts (in each case, less expenses directly connected with the production of such income).

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

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

In this instance, as there are no commercial units in the Condominium, based upon the regulations presently in effect, Sponsor has been preliminarily advised that the Condominium will qualify as a homeowners association. Assuming that, for any reason, the Condominium does not qualify as a homeowners association, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the tax opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the non-membership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. In any event, Schedule B, Budget for the First Year of Condominium Operation, does not contemplate the receipt of substantial income in excess of expenses which might be taxable and, accordingly, does not specifically budget any amounts for taxes for non-membership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. Finally, the qualification of an organization as a homeowners association is determined annually at the close of the taxable year and it is therefore possible that if the condominium does not qualify in one year, it may, nonetheless, qualify for such treatment in one or more future years.

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

IRS Circular 230 Disclosure:

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

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COUNSEL'S INCOME TAX OPINION LETTER

March 26, 2018

Board of Managers of
253 East 7th Street Condominium
c/o BSD Realty Group
174 Fifth Avenue, Suite 200 Floor
New York, NY

Re: Condominium Offering Plan (the "Plan") for the
253 East 7th Street Condominium, located at
Premises known as 253 East 7th Street, New York, NY

Gentlemen/Mesdames:

You have requested our opinion concerning: (i) the deductibility, for Federal, New York State and New York City income tax purposes of mortgage interest and state and local real property taxes paid by individual residents of New York City who purchase "Units" (defined below) pursuant to the Plan (each such individual, as related to such Unit, a "Unit Owner" and, collectively, "Unit Owners"), and (ii) the proper treatment by the Condominium Board of the Common Charges (defined below) paid or borne by all Unit Owners (as defined below) for such income tax purposes. This opinion does not address, in any respect, any tax implications with regard to ownership of a Unit (as defined below), acquired for investment purposes or the use of a Unit in connection with the operation of any business that is permissible pursuant to the applicable zoning laws, including whether any tax deductions are available to the owner of any such Unit. Except where otherwise indicated herein, the capitalized terms in this opinion have the same meanings as in the Plan.

The "253 East 7th Street Condominium" (the "Condominium") will be organized pursuant to Article 9B of the Real Property Law of the State of New York for the purpose of providing for the management, maintenance and care of the six story residential building located at 253 East 7th Street, New York, New York (the "Building"). We are advised that the Building will contain (A) seven (7)

Units that will be designated as residences on the certificate of occupancy for the Building (each a "Unit" and collectively, the "Units"); and (B) four (4) spaces for the storage of bicycles (each a "Bicycle Space") located on the first floor of the Building, which may be licensed by the Board of Managers only to those individuals who also own a Unit in the Condominium. The By-Laws of the Condominium provide that, in addition to the status conferred upon the Condominium Board pursuant to the provisions of the New York Condominium Act, to the extent permitted by applicable law, the Condominium Board is deemed to constitute an unincorporated association for all purposes pursuant to the provisions of the General Association Law of the State of New York.

In connection with the preparation of this letter, we have reviewed the Plan, relevant sections of the Internal Revenue Code, as amended by the Tax Cuts and Jobs Act (the "2017 Tax Act", and together as amended, the "Code"), the New York State Tax Law, the New York City Administrative Code, the Regulations promulgated thereunder, provided however, the Internal Revenue Service has not yet promulgated regulations subsequent to the passage of the 2017 Tax Act and such other materials as we deemed relevant, and we have assumed that the first closing of a Unit pursuant to the Plan will occur on or about January 1, 2019, and that the Plan will not be amended in any material respect that is relevant to opinions expressed herein.

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

A Unit Owner will own his or her Unit and its appurtenant interest in the "Common Elements", as such term is defined in the Declaration of Condominium (the "Declaration") in fee simple absolute. Accordingly, each Unit will be taxed as a separate tax lot for real estate tax purposes and each Unit Owner will be individually liable for the payment of such real estate taxes due and owing with respect to his or her respective Unit. A Unit Owner, pursuant to the terms of the Declaration and By-Laws, may also obtain a loan, which may be secured by a mortgage lien on his or her Unit. If a Unit Owner borrows money and such loan is secured by a mortgage lien on his or her Unit, such Unit Owner will be individually liable for the repayment of such loan, including the principal balance, the interest thereon and any charges to be paid pursuant to the terms of said loan. Under these circumstances, the Internal Revenue Service has ruled that the owner of a residential condominium unit who itemizes deductions in filing his or her Federal income tax returns may deduct interest paid on his or her mortgage indebtedness and the state and local real property taxes assessed and paid on his or her interest in the property (see Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300).

Based on the foregoing, and subject to the limitations expressed herein, in our opinion, a Unit Owner who is a natural person and itemizes his or her deductions will be entitled to a deduction in computing his or her taxable income for Federal Income tax purposes for *bona fide* mortgage interest

paid by such Unit Owner with respect to his or her Unit in the year paid **provided that** (a) the indebtedness is incurred in acquiring, constructing or improving the Unit, (b) the indebtedness is secured by such Unit, (c) the indebtedness *does not exceed* $750,000 ($375,000 for married couples filing separately), when aggregated with indebtedness from a second "qualified residence," and (d) the Unit is a "qualified residence." Unit Owners will also be permitted to deduct interest paid on outstanding indebtedness evidenced by so called "home equity loans", subject to the limitations described above, provided that the proceeds of such "home equity" loans were used to either acquire or substantially improve the Unit acquired by such Unit Owner.

A Unit will be a "qualified residence" if it is either (i) the Unit Owner's "principal residence" within the meaning of Code Section 121 or (ii) a residence as defined by Code Section 280A(d)(1) that the Unit Owner selects as a qualified residence. Thus, a single taxpayer or a married couple filing a joint return is limited to two (2) qualified residences. In the case of a married couple filing separate returns, each taxpayer may take a deduction for mortgage interest paid with respect to a single "qualified residence", unless by written agreement both parties consent to one of them taking the deduction for both residences. Section 461(g) of the Code provides that no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (other than, in certain instances, loan origination fees, commonly referred to as "origination fees" or "points" paid).

In addition, a Unit Owner who is a natural person and itemizes his or her deductions and whose Unit is used by such Unit Owner as a "qualified residence," as described above, will be, for Federal income tax purposes, entitled to a deduction for real property taxes incurred with respect to his or her Unit in the year paid or accrued pursuant to Section 164 of the Code, provided however, pursuant to the 2017 Tax Act, the right to deduct the real property taxes paid with respect to a Unit will be subject to a limitation, which limits the deduction for State and Local Taxes, inclusive of income taxes paid to local tax authorities, *e.g.* New York State and New York City, and real property taxes to $10,000 per individual or married couple, or $5,000 for married individuals who file separately, in each case in the aggregate.

It is also our opinion that each Unit Owner who is a natural person and itemizes his or her deductions and whose Unit is used by such Unit Owner as a "qualified residence," as described above, will generally be entitled to the same deduction for mortgage interest and real property taxes paid or accrued with respect to his or her Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as mortgage interest and real property tax deductions, are subject to reduction by as much as 100% in the case of individuals having income exceeding certain prescribed levels.

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

The use of the Units, other than as residences, is subject to the provisions of the Declaration, applicable zoning laws and the regulations promulgated thereunder. Other rules are applicable to a Unit Owner if the Unit Owner is not a natural person, or if the Unit is used in a trade or business, or is to be held for rental. Except as explicitly provided herein, this opinion does not address the tax consequences to a Unit Owner who is not an individual resident of New York City for income tax purposes who is purchasing a Unit for any purpose other than solely as a residence, including corporations and other entities, and foreign individuals or foreign entities.

Since the rules and limitations regarding the deductibility of home mortgage interest and real property taxes are complex, purchasers are advised to consult their own financial advisors regarding the applicability of the rules and limitations to their own individual circumstances. In addition, Unit Owners should consult their own tax advisors regarding the relevant provisions of the 2017 Tax Act and any New York State and New York City income tax limitations on the allowance of itemized deductions in their individual tax returns.

II. Income Tax Treatment of Common Charges

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

The qualification of an organization pursuant to the provisions of Section 528 is determined annually at the close of each tax year. It is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless, qualify in one or more future years.

Under present law, to qualify pursuant to Section 528 of the Code as a "condominium management association", the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60 percent of its gross income for each tax year must

consist solely of amounts received as membership dues, fees or assessments from Unit Owners, (3) 90 percent or more of its expenditures for each tax year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings may inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees or assessments), and (5) the Condominium must annually elect to be treated as a condominium management association. The regulations also require that "substantially all" of the units be used by individuals as residences. Units or areas of the Condominium which are used for purposes auxiliary to residential use, such as the laundry room, storage rooms and areas used by maintenance personnel shall be considered as being used for residential purposes. Treasury Regulation 1.528-4(b) states that substantially all of the units of a condominium management association will be considered as used by individuals as residences if at least 85 percent of the total square footage of all units in the project is used for residential purposes.

Based on the information contained in Schedule A of the Plan, there are no commercial spaces and therefore 100 percent of the floor area of the Building will be used as residences, or a accessory space. Therefore, assuming that the Condominium commences operation in 2019 and there are no changes in the facts and/or the relevant provisions of current law and regulations, the Condominium will be eligible to elect to be treated as a "homeowners association" pursuant to Section 528 of the Code for its first tax year.

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

If, however, the Condominium is considered a separate entity, it is unclear whether the Condominium would be taxable as a corporation or treated as a partnership for Federal income tax purposes. The By-Laws provide that, to the extent permitted, the Condominium shall be deemed to constitute an "unincorporated association". If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income (which may potentially include Common

Charges, among other things) and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income (which may potentially include the Common Charges, among other things) and deductions of the partnership would generally be "passed through" to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

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

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

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

However, the Internal Revenue Service may contend that for purposes of those matters administered through the Condominium Board, such as the assessment and expenditure of Common Charges, the Unit Owners, through the Condominium Board, constitute an association taxable as a corporation. In such event, such association may be deemed subject to the Federal corporate income tax (and also to New York State and New York City corporate income taxes) on the portion of the

Common Charges which is deemed to constitute gross income of such association, to the extent that such portion (together with any income earned from other sources, such as interim investments of funds by such association) exceeds the current expenses paid or incurred through the Condominium Board that are deductible for Federal income tax purposes.

In this connection, published rulings indicate that Common Charges which are assessed by the Condominium Board and designated for use solely to make specified capital improvements and which are maintained in a separate bank account should not constitute gross income to the Board, either because it is deemed to receive and hold such Common Charges as agent for the Unit Owners from which the assessments were collected (see Rev. Rul. 75-370, 1975-2 Cum. Bull. 25) or because the Common Charges are deemed to be nontaxable contributions to the capital of the association (see Rev. Rul. 75-371, 1975-2 Cum. Bull. 52 Cf. Concord Village, Inc., 65 T.C. 142 (1975)). However, if treated as contributions to the capital of the association, it should be noted that when such amounts (together with any other funds accumulated by the association) are expended for capital improvements, the Internal Revenue Service may contend that the capital expenditures benefit the Unit Owners, and that each Unit Owner should therefore be treated as receiving a distribution equal to the fair market value of that benefit; under the usual rules applicable to distributions of associations, a distribution is first treated as taxable ordinary income to the extent of the distributor's proportionate share of the association's earnings and profits, then as a tax-free recovery of basis to the extent thereof, and the balance, if any, as capital gain.

In the event that the Condominium Board is required to pay any Federal, New York State or New York City income tax, and the Condominium Board makes an additional assessment in order to meet this tax liability, it should be noted that the additional amount collected through such assessment may itself be subject to tax. *See,* Old Colony Trust Co. v. Commission, 279 U.S. 716 (1929); Rev. Rul. 74-75. 1974-1 Cum. Bull. 19; Rul. 86-14 I.R.B. 1986-5, 33.

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

Accordingly, without limitation, this opinion does not address (i) the tax consequences which may result from ownership of a Unit in connection with the Unit Owner's profession, trade or business, (ii) the tax consequences of the ownership of a Unit by taxpayers who are not individual residents of New York City for income tax purposes, including corporations and other entities, and foreign individuals or foreign entities, (iii) the ownership of a Unit for purposes of investment or the production of income, (iv) the tax treatment which may result to a foreign Unit Owner by reason of

his or her foreign status; or (v) the estate tax consequences of ownership of any Units. This opinion also does not address the tax consequences that may arise if Units, the Commercial Unit or Limited Common Elements are acquired and/or leased by the Condominium Board.

This opinion does not address the specific tax treatment of any purchaser and, therefore, each person contemplating the purchase of a Unit is strongly advised to consult his own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

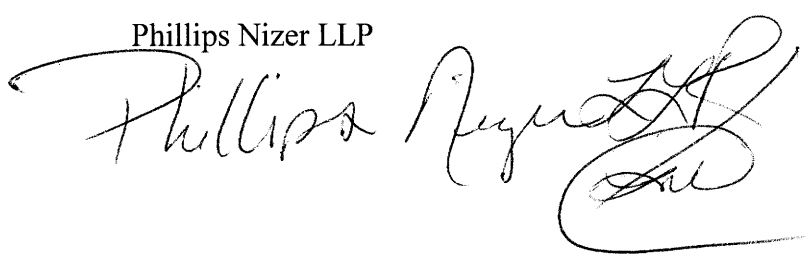
In our opinion, Unit Owners will be entitled to income tax deductions subject to the limitations referred to above. This opinion, however, is neither a warranty nor does it constitute legal advice to any of the purchasers under the Plan. It is based solely upon existing rules of law applied to the generalized facts and documents referred to above. No assurances are given that the tax laws upon which this firm bases this opinion will not change. We shall have no obligation to revise or reissue this opinion with respect to any change in law or any event, fact, circumstance or transaction which occurs after the date hereof which may affect the opinions stated above in whole or in part, although we have advised the Sponsor that it is obligated to do so.

This opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above and is not binding on the Internal Revenue Service, the New York State Department of Taxation and Finance or the New York City Department of Finance. Each prospective Unit Owner, the Sponsor and the Condominium should obtain advice from its own independent tax advisor based upon its particular circumstances. No assurances can be given that the tax laws upon which we base this opinion will not change, possibly with retroactive effect. In no event will we, the Sponsor, the Board of Managers of the Condominium, or any other person connected with the Plan be liable if there are changes in the facts on which we relied in issuing this opinion or if there are changes in the applicable statutes, regulations, rulings or decisions on which we relied which cause the Unit Owners not to be entitled to the income tax deductions described above.

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

Very truly yours,

Phillips Nizer LLP



REAL ESTATE TAXES

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

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

The projection of the real estate taxes that will be payable for each of the Units during the projected First Year of Condominium Operation is based upon an estimate that the aggregate real estate taxes for the Units upon completion of construction for such first year will be approximately $110,500. This estimate has been based upon estimates made by Tuchman, Korngold, Weiss, Liebman & Gelles LLP that the approximate assessed valuation of the Units, in the aggregate during the 2018/2019 tax year, will be $850,000 and in the 2019/2020 fiscal year, which will reflect the post-construction assessment, the assessed valuation will be approximately $1,175,000, with aggregate taxes assessed to the Units in the aggregate of $152,750; with projection that the tax rate in effect for the tax years will be approximately $13.50 per $100 of assessed valuation.

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

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

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

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

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

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BERT TUCHMAN (RET.)

* ALSO ADMITTED IN CT & NJ
** ALSO ADMITTED IN NJ

June 26, 2017

DRK East 7th ST LLC.
61 West 69th Street
New York, New York 10023

RE: 253 East 7th Street
Block 377, Lot 61
Borough of Manhattan
City of New York

Dear Sir or Madam:

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

You have requested our opinion concerning the real property tax assessment to be levied upon the captioned premises as well as the taxes for the budget year for the first year of condominium operation which you have advised us will be the period July 1, 2018 through June 30, 2019. You have advised us that the project will consist of the construction a residential multiple dwelling containing seven residential apartment units. You have advised us the construction has commenced and you expect construction to be completed in the spring of the 2018 year.

In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. This information includes your acquisition price and your estimated construction costs. You have also supplied us with (1) a square footage analysis of the project, (2) a building description prepared by Isaac Stern, Architect and (3) an appraisal prepared by BBG appraisers. We have also examined publicly available web sites maintained by the NYC Department of Buildings and Department of Finance.

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

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

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

2. The estimate of the cost of the construction will be a factor.

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

4. Tax Assessments of comparable properties.

Real Estate Tax Assessments in New York City are made on a fiscal year basis running from July 1 of any one year to the next succeeding June 30. The status of the building on January 5 of any one year is the basis of the assessment for the fiscal year beginning that July 1. The final assessment roll containing the final 2017/2018 assessed values was published on May 25, 2017 and showed the following values for vacant land:

Actual Assessed Value	Transition Total Assessed Value	Tax Class
$461,250	$195,589	4

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore the prices that you set in your offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The residential condominium units will be designated as tax class 2A property and will pay on the class 2 tax rate. The 2016/2017 class 2 residential tax rate has been set at $12.892 for each $100 of assessed valuation. The 2017/2018 tax rate will be set later this year.

Tax Class 2A and 2B are protected residential tax classes covering buildings where there are ten or fewer residential units and which limits the increases in assessed value that may be imposed on the building. Upon being converted to a condominium, the Department of Finance will place the lots in tax class 2C which is the equivalent to tax class 2A and 2B but it merely indicates the property is either a cooperative or a condominium. Pursuant to Real Property Tax Law Section 1805, the assessor shall not increase the assessment of any parcel in this tax class in any one year, as measured from the actual assessment on the previous year's assessment roll, by more than eight percent and shall not increase such assessment by more than thirty percent in

any five-year period. Increases due to physical improvements (such as the construction of your building) are added in full to the next year's assessment and are not subject to the 8% and 30% limitations. Therefore, the increase in the assessed value which we forecast for the post construction tax year below will not be subject to the 8% and 30% limitations.

On June 25, 2015 the New York State Legislature passed legislation extending property tax abatements for homeowners in New York City cooperatives and condominiums through June 30, 2019 at the rate of 17.5% with buildings with average assessments greater than $60,000 per unit and a greater percentage for buildings with a lesser average per unit. The law makes additional changes from the original abatement law which may eliminate such abatement benefits for units which are not the primary residence of the owner. The law further limits the benefits to a maximum of three units in the building, one of which must be the primary residence of the owner. It is unknown at this time if unit owners will have acquired their ownership interests at a point in time by which they will be eligible to apply for this abatement. Therefore, in predicting the taxes on this building we have not given any consideration to this tax benefit. Unit owners are advised to beware of various filing deadlines that may be included in the renewed law as well as possible changes in the level of abatement and eligibility.

We caution you that it is possible that there will not be an official apportionment of the assessment for the tax liability among the units until such time as an official apportionment of the assessed value is made and becomes effective. You should explain in your offering plan how taxes are to be allocated among unit owners prior to the apportionment of the tax lots which may be substantially different than the numbers set forth herein.

Predicated upon the foregoing, it is our opinion that for the total taxable assessed value of the property will be $850,,000 for the initial budget year and $1,175,000 for the first post construction year. Please note the building will not be complete by the January 5, 2018 tax status date. We caution you that we have found that the assessment practices of the New York City Department of Finance are notoriously inconsistent in assessing properties during the course of construction.

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

Therefore assuming the class 2 tax rate increases to $13.00 for each $100 of assessed valuation, we make the following projections of the real estate taxes prior to any exemptions or abatements for the initial budget year July 1, 2018 through June 30, 2019 and the first post construction year July 1, 2019 through June 30, 2020.

July 1, 2018 through June 30, 2019

Assessed Value	Tax Rate	Tax
$850,000	.13	$110,500

July 1, 2019 through June 30, 2020

Assessed Value	Tax Rate	Tax
$1,175,000	.13	$152,750

Our firm has an extensive practice in real estate tax review matters and in ICAP/ICIP, 421-a and J-51 tax exemption/ tax abatement applications, and we currently represent the owners of approximately 2,500 buildings in the City of New York, and file applications for correction of the tax assessments and tax exemptions/tax abatements on these properties. This firm and its predecessors have been engaged in such practice for a period in excess of 60 years. Additionally, the writer is the past chairman of the Law Committee of the Associated Builders and Owners of Greater New York, a director of both the New York State Builders Association and the Associated Builders and Owners of Greater New York, a past member of the Tax Certiorari and Condemnation Committee of the Bar Association of the City of New York, and is a director and former President of the Real Estate Tax Review Bar Association, a specialized Bar dealing with real estate tax assessment matters.

Based upon our previous experience with such proceedings, we have issued the within letter with the estimates and caveats contained therein which the specific understanding that our opinion is not a guarantee that the taxes will be exactly as estimated. In no event will we, as Sponsor's real estate tax counsel, be liable if there are changes in the facts on which we have relied in issuing this opinion, or if there are changes in the applicable statutes, rules and regulations of the City of New York, decisional laws or administrative agency rulings, economics, interpretations and policies on which we have relied which cause this opinion to be inaccurate. Interested parties should be aware that the estimate of the initial real estate tax assessment and taxes cover a period far into the future. Neither we nor any person can guarantee

what the real estate taxes will be at any future date. As stated above, changes in law or policies of government agencies may radically change the opinions expressed herein.

The opinion expressed herein is that of the undersigned, and does not purport to express the opinion of the New York City Department of Finance or any city or government agency. That Department's opinions may result in substantially different total taxes for the initial budget year as well as for tax year 2019/2020 than set forth herein. This opinion letter is given as of the date hereof and we disclaim any obligation to advise you or any other party of any change which hereafter may be brought to our attention. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

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

Tuchman, Korngold, Weiss, Liebman & Gelles, LLP

By: Paul J. Korngold

WORKING CAPITAL FUND

Working Capital Fund

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

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

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

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

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

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

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

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

(7) premiums for transferable insurance policies; and

(8) other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Unit Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. No such adjustments or apportionments are expected to be substantial. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

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

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

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

RESERVE FUND

No reserve fund is being contributed to the Condominium by Sponsor. Sponsor has elected not to provide for a reserve fund to be used for capital replacements or repairs because the Building will be new at the date of the First Unit Closing. Subsequent to the creation of the Condominium, the Board has principal responsibility for repairing and maintaining the Common Elements (such as the roofs, central fire alarm and security systems, and various mechanical and electrical systems).

Notwithstanding the foregoing, in an effort to comply with the requirements of certain lenders, in the budget for the First Year of Operation of the Condominium (Schedule B), a line item equal to approximately ten percent (10%) of the operating expenses of the Condominium is to be collected for the Unit Owners and set aside as a "replacement reserve" or "reserve fund." Amounts deposited in the "replacement reserve" or "reserve fund" may be used solely for capital expenditures. Since the Building is new, Sponsor does not anticipate that any capital expenditures will be required during the first five (5) years of Condominium operation. The "replacement reserve" or "reserve fund" will be available for use by the Board of Managers as such funds are deposited. For so long as Sponsor controls the Board of Managers, the "replacement reserve" or "reserve fund" may not be used to reduce Common Charges. Neither the Department of Law, nor any other government agency, has passed upon the adequacy of the "replacement reserve" or "reserve fund".

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

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

MANAGEMENT AGREEMENT AND CONTRACTS

Management Agreement

It is presently contemplated that at or prior to the First Closing, the Board will enter into a management agreement with BSD Realty Management LLC ("BSD Management"), having an address at 174 Fifth Avenue, Suite 200, New York, New York 10010, to act as Managing Agent with respect to the Condominium. Charles Glatter is the principal of BSD. Neither BSD nor Charles Glatter is affiliated with Sponsor. BSD has been engaging in the management of property for more than ten (10) years and has managed more than 40 buildings. Buildings that are currently being managed by BSD Management in New York, NY include: 77 Barrow Street, 431 West 146th Street, 334-336 West 46th Street, and 175 West 126th Street.

It is contemplated that the Management Agreement will provide for an initial term of one (1) year commencing on the date of the First Closing. The Managing Agent will receive an annual fee of $12,000 per annum, payable in equal monthly installments. The fee paid pursuant to the Management Agreement is at prevailing rates.

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

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

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

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

(b) Cause the Building to be maintained in such condition as may be deemed advisable by the Condominium, including interior and exterior cleaning, and cause repairs and alterations of the building to be made, including but not limited to, electrical, plumbing, steam fitting, carpentry, masonry, elevator, decorating and such other incidental alterations or changes

therein as may be proper, subject only to the limitations contained in this Agreement or in any proprietary lease or other agreement with any owner or other tenant.

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

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

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

(f) Advise the Condominium with respect to proper insurance coverage of the Building, its employees and owners; if requested by the Condominium, cause to be effected and maintained, in such amounts and through carriers as the Condominium shall designate or approve, fire, rent, plate glass, boiler, water, damage, liability, workmen's compensation, employer's liability, disability and any other insurance the Condominium may elect to carry.

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

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

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

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

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

representatives and shall deliver up same to the Condominium or its aforesaid agents on demand from the Condominium.

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

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

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

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

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

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

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

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

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

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

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

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

IDENTITY OF PARTIES

Sponsor

Sponsor is DRK East 7th Street LLC, a New York limited liability company with an office at 174 Fifth Avenue, Suite 200, New York, New York 10010. The principal of Sponsor is Amir Nechmad. Mr. Nechmad has had more than ten (10) years of experience in building construction and development. Mr. Nechmad previously participated in the condominium offering of units at the premises known as 427 East 12th Street and 241 West 107th Street, New York, New York. Mr. Nechmad is also a principal of Sponsor for the offering plan for 176 East 82nd Street, New York, NY and for the proposed plan for 165 Chrystie Street, which is not yet accepted for filing. Mr. Nechmad has always been current in his obligations pursuant to such other offerings.

Mr. Nechmad has never been convicted of a felony. In addition, there are no instances of any prior bankruptcies, convictions, injunctions, and/or judgments against Sponsor or the principal of Sponsor that may be material to the Offering Plan or the offering of securities generally.

Architect

Isaac & Stern Architects, P.C., having an address at 307 Fifth Avenue, New York, New York designed the Building and prepared the Description of Property and Building Condition set forth in Part II of the Plan.

Mechanical Engineer

A&D Engineering, PLLC, Mechanical-Electrical Consulting Engineers, having an address at 2606 East 15th Street, Suite 304, Brooklyn, New York, has been retained as mechanical engineer for the project and provided the estimates for the budget for the first year of condominium operation and the Schedule B-1 included in this Plan.

Attorneys for Sponsor

Sponsor has retained Phillips Nizer LLP, having an office at 485 Lexington Avenue, New York, New York 10017, to represent it in connection with the preparation of the Plan and individual Unit closings. Lisa R. Radetsky, Esq. of Phillips Nizer LLP had principal responsibility for the preparation of the Plan, and the forms of Purchase Agreement, Unit Deed and Unit Power of Attorney, the Condominium Declaration and the By-laws, and has also rendered an opinion with respect to the availability of income tax deductions to Purchasers of Units. Sponsor's attorneys have also rendered opinions with respect to the possible availability of income tax deductions to purchasers of Units and the allocations of Common Interests. Phillips Nizer LLP will serve as Escrow Agent and may represent Sponsor in connection with matters relating to Closings of Units.

Condominium Budget Expert

Charles Glatter of BSD Realty Management LLC ("BSD Management"), having an office at 174 Fifth Avenue, Suite 200, New York, New York 10010, prepared and reviewed all amounts of income and expenses in "Schedule B - Projected Budget for First Year of Condominium Operation" in consultation with Sponsor. Said firm has rendered a Certification as to the adequacy of the First Year's Budget which may be found in Part II of the Plan. Mr. Glatter and his firm have no financial interest in the Property or Sponsor, except for its fees for services rendered in connection with the preparation and review of the budget, Schedule A and the fees to be paid pursuant to the Management Agreement.

Selling Agent.

Sponsor has retained BSD Realty Worldwide, Inc. ("BSD Worldwide") having an office at 174 Fifth Avenue, Suite 200, New York, New York 10010, a real estate broker licensed in the State of New York to procure sales of the Units. Charles Glatter, who is also a principal of BSD Management, is the principal of BSD Worldwide. Mr. Glatter and his firm have no financial interest in the Property or Sponsor, except for its commissions earned in connection with the sales of the Units. Mr. Glatter has never been convicted of a felony. There are no instances of any prior bankruptcies, convictions, injunctions, and/or judgments against BSD Worldwide or Mr. Glatter that may be material to the Offering Plan or the offering of securities generally.

Managing Agent

Sponsor has retained BSD Realty Management LLC ("BSD Management"), having an office at 174 Fifth Avenue, Suite 200, New York, New York 10010 as the initial managing agent of the Condominium. Charles Glatter is the principal of BSD Management. Neither Mr. Glatter nor his firm have no financial interest in the Property or Sponsor, except for its fees for services rendered in connection with the preparation and review of the budget, Schedule A and the fees to be paid pursuant to the Management Agreement. BSD has been engaging in the management of property for more than ten (10) years and has managed more than 40 buildings. Buildings that are currently being managed by BSD Management in New York, NY include: 77 Barrow Street, 431 West 146th Street, 334-336 West 46th Street, and 175 West 126th Street. Mr. Glatter has never

been convicted of a felony. There are no instances of any prior bankruptcies, convictions, injunctions, and/or judgments against BSD Management or Mr. Glatter that may be material to the Offering Plan or the offering of securities generally.

Title Company

Chicago Title Insurance Company, having an office at 711 Third Avenue, New York, New York 10017, has reviewed the Condominium Documents and has opined that the same comply with the requirements of the Condominium Act and has committed to insure that a valid condominium will be created pursuant to the Condominium Act.

Related Parties

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

REPORTS TO UNIT OWNERS

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

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

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

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

DOCUMENTS ON FILE

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

Declaration, and an additional set, together with a copy of the recorded Declaration, if available, will be furnished to the Condominium Board at the time of the closing of the first Unit.

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

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property and Specifications prepared by Isaac Stern Architects. (the "Description of Property") set forth in Part II of the Plan as Exhibit D. Sponsor has no knowledge of any inaccuracies or any material omissions or defects or any need for major repairs to the Building other than as set forth in the Description of Property.

GENERAL

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

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

No party other than the respective Purchasers shall have any right or benefit herein or hear from, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the purchase price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly

filed amendment to the Plan. If there is a substantial amendment to the Plan that materially adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within fifteen (15) days from the Presentation Date of said amendment. Sponsor shall promptly return any Contract Deposit to Purchasers who rescind, except that Sponsor shall retain the Contract Deposit (and any interest thereon) of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period.

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

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

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

The Property and the Building have not been the subject of a prior public offering made by Sponsor.

PART II

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EXHIBIT A

PURCHASE AGREEMENT
(to be executed in quadruplicate)

253 EAST 7TH STREET CONDOMINIUM
253 EAST 7TH STREET
NEW YORK, NEW YORK

Purchaser(s) Name:_____

Address:_____

Telephone: Bus.: _____Home: _____

Social Security No(s).:_____

Unit No.:_____

Storage Unit No.:_____

Unit Purchase Price.....$_____

Storage Unit License Fee.....$_____

Contract Deposit .....$_____

Balance due at Closing .....$_____

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

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

_____

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253 EAST 7TH STREET CONDOMINIUM
253 EAST 7TH STREET
NEW YORK, NEW YORK

PURCHASE AGREEMENT dated as of _____ ____, 201__, by and between DRK EAST 7TH LLC, a New York limited liability company, having an address at c/o BSD Realty Worldwide, Inc., 174 Fifth Avenue, Suite 200, New York, NY 10010 (herein referred to as "Sponsor"), and the party named on the cover page hereto ("Purchaser").

W I T N E S S E T H :

1. The Plan. Purchaser acknowledges having received and read a copy of the Condominium Offering Plan for the 253 East 7th Street Condominium located at premises known as 253 East 7th Street, New York, New York, and all amendments thereto filed with the Department of Law of the State of New York (hereinafter collectively referred to as the "Plan" or the "Offering Plan") at least 72 hours prior to the execution of this Purchase Agreement (hereinafter referred to as the "Agreement" or the "Purchase Agreement") by Purchaser. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern.

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

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

4. Purchase Price.

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

The Purchase Price is payable as follows:

(a) $_____ (the "Contract Deposit"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged; and

(b) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall be drawn on a New York bank or trust company which is a Member of the New York Clearinghouse System. All checks in payment of the Contract Deposit stated on the cover page of this Purchase Agreement shall be made payable to the direct order of "Phillips Nizer LLP Attorney Trust Account" and all checks in payment of the Balance Due at

Closing stated on the cover page of this Purchase Agreement shall be made payable to the direct order of "DRK East 7th LLC" or as Sponsor may direct on notice given no less than two (2) business days prior to Closing. If any check is returned for insufficient funds or any other reason, Sponsor, at its option, may declare this Agreement void *ab initio* and may bring an action against Purchaser for the collection of the Contract Deposit as liquidated damages or may declare a default by Purchaser under this Agreement.

5. Closing of Title.

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

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

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

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

6.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor substantially in the form set forth as Exhibit C in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording.

6.2 Simultaneously with the delivery of the deed, Purchaser (i) shall cause the proceeds of any mortgage loan to be transferred to Sponsor on account of the total Purchase Price (as set forth on the cover page of this Agreement), (ii) shall execute and deliver to the mortgagee the note and mortgage, and any other documents required by the mortgagee, as well as any documents required by Sponsor, (iii) shall deliver the Balance Due at Closing (as set forth on the cover page of this Agreement), and (iv) shall pay into the Working Capital Fund an amount equal to two (2) month's Common Charges attributable to the Unit.

6.3 At the closing of title, Purchaser shall pay all New York State and New York City real property transfer taxes, including the filing fee for the filing of the New York City Real

Property Transfer Tax Return and the New York State "Mansion Tax", if applicable. Sponsor and Purchaser shall duly execute and swear to a New York City Real Property Transfer Tax Return (including the required Smoke Detector Affidavit) and a New York State Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate prepared by Sponsor.

6.4 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board substantially in the form set forth as Exhibit B in Part II of the Plan.

6.5 The deed and said power of attorney to the Condominium Board shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's attorney) for recording in the New York County office of the Register of the City of New York (the "City Register's Office"). Purchaser shall pay all recording fees for the deed and the power of attorney.

7. Marketable Title. At the closing of title, Sponsor shall convey to Purchaser good and marketable title in fee simple to the Unit, free and clear of all encumbrances other than those set forth in Schedule A annexed hereto and made a part hereof and mortgages, if any, covering the Unit, which Purchaser assumes. Any encumbrance to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered to the proper party together with the recording or filing fees, or (b) Purchaser's title insurance company will insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8. Closing Adjustments.

8.1 The following adjustment shall be made as of the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any, (including water charges and sewer rates if separately assessed), from midnight preceding the date of the closing through the end of the tax period within which the Closing Date occurs, which shall be either a quarter of a year or one-half of a year provided, however, that Sponsor shall be reimbursed at closing by Purchaser for the cost of any real estate taxes which Sponsor would not otherwise pay but for an unauthorized delay in closing of title by Purchaser;

(b) Common Charges for the month in which title closes from midnight preceding the date of the closing provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any Common Charges which Sponsor would not otherwise pay but for an unauthorized delay in closing of title by Purchaser;

(c) accrued rent and any other charges pursuant to a lease, including the security deposit, if any, covering the Unit; and

(d) such other items as are customarily included in closing adjustments in the City of New York.

8.2 If the Unit has been assessed separately but the closing of title occurs before the real estate tax rate ("Tax Rate") is fixed, adjustment of taxes shall be based upon the latest Tax Rate applied to the most recent assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Unit has not been assessed separately as of the Closing Date for the then current tax period, the adjustment under subsection 8.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

8.3 Real estate taxes, assessments, if any, Common Charges, rent and security deposits, if applicable, shall be adjusted between Sponsor and Purchaser as of midnight preceding the Closing Date, provided, however, if the closing of title is delayed by Purchaser, adjustments shall be as of midnight preceding the date originally scheduled as the closing date, as such date may be adjourned by or with the consent of Sponsor.

8.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date (a) the closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.04 percent of the Purchase Price (which is equal to a rate per annum of 14.6%) for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

8.5 Any errors or omissions with respect to apportionments at closing shall be corrected and the appropriate payment shall be made promptly after discovery. The provisions of this subsection shall survive the Closing Date.

9. Closing Costs. Purchaser shall pay the following costs and expenses at the time of closing of title:

(a) if Purchaser elects to obtain fee title insurance, Purchaser will pay a premium therefor at rates to be determined by its title company;

(b) the fee to City Register for recording the Condominium Unit Deed to City Register;

(c) the fee to City Register for recording the power of attorney for the Condominium Board;

(d) New York State Real Estate Transfer Tax (including the "Mansion Tax", if applicable) and New York City Real Property Transfer Tax;

(e) the fee for filing the New York City Real Property Transfer Tax Return;

(f) the contribution to the Working Capital Fund in the amount of two months' Common Charges per Unit payable to the Condominium Board;

(g) the fees of Sponsor's attorneys as set forth in the Section of the Plan entitled "Closing Costs and Adjustments"; and

(h) if Purchaser obtains a mortgage loan, Purchaser will pay: (i) Sponsor a sum equal to the partial mortgage tax credit available pursuant to Section 339-ee(2) of the New York Real Property Law with respect to the mortgages encumbering the Unit and its appurtenant interest in the Common Elements, if available; (ii) mortgage recording tax on an amount equal to the difference between Section 339-ee(2) credit and the mortgage recording tax payable with respect to the mortgage; (iii) mortgage title insurance policy costs, and (iv) recording fee of approximately $250 for recording the mortgage.[1]

In addition, if Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all closing costs and expenses in connection therewith in the amounts determined by such lender. These costs customarily include, among others: (i) commitment fee, (ii) origination fee, (iii) application fee, (iv) credit fee, (v) lender's attorney's and appraisal fees, and (vi) other closing costs and expenses, if any, charged by the lending institution.

10. Monies to be Held in Trust; Payment of Purchase Price; Notice of Closing.

10.1 The Contract Deposit will be retained in escrow as set forth above until: (i) Sponsor performs under the terms of the Purchase Agreement, (ii) Purchaser rescinds or defaults in performance, thereby excusing performance by Sponsor, (iii) release or discharge of Sponsor's liability to refund such Contract Deposit, (iv) transfer of title to the Unit to Purchaser, or (v) withdrawal by mutual consent of Sponsor and Purchaser.

10.2 Anything contained in this Purchase Agreement to the contrary notwithstanding, in the event of an uncured default by Purchaser in his obligations under the Purchase Agreement, no more than ten (10%) percent of the Purchase Price plus any interest earned thereon together with any monies advanced by Purchaser for "extras" pursuant to the Plan, may be retained by Sponsor as liquidated damages.

10.3 The balance of the Purchase Price will not be payable until closing of title to the Unit.

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[1] Recording charges, fees and taxes are based on the rates in effect on the date of the Plan and are subject to change without notice, provided however, Sponsor shall amend the Plan in the event that there are any material changes in such fees and taxes.

10.4 PHILLIPS NIZER LLP, 485 Lexington Avenue, 14th Floor, New York, New York 10017 Telephone: (212) 997-9700 ("Escrow Agent") shall serve as escrow agent for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Marc A. Landis, Andrew J. Tunick, Michael Galligan, Martin B. Wasser, Alan Behr, Brian R. Brodrick, and Mark M. Elliott. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are principals of Sponsor or have any beneficial interest in any of the foregoing.

10.5 Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

10.6 For the purpose of holding deposits or payments made by purchasers, the Escrow Agent has established an escrow account at Sterling National Bank at its branch located at 489 Fifth Avenue, New York, New York 10017 ("Bank"), a bank authorized to do business in the State of New York. The escrow account (the "Escrow Account") is entitled Phillips Nizer LLP Attorney Trust Account.

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

10.8 The Bank is covered by federal bank deposit insurance to a maximum of $250,000 per individual. If an individual makes a deposit in excess of $250,000 for the purchase of a unit, such deposit will not be federally insured in excess of $250,000; and while the deposit is in the non-interest bearing checking account it may not be federally insured even if the deposit does not exceed $250,000. Under present law, notwithstanding the aggregate balance of an IOLA account, the FDIC insurance coverage for IOLA accounts is $250,000 per depositor. Pursuant to current regulations, FDIC insurance is limited to $250,000 per depositor per institution, meaning in the event that a Purchaser has other funds on deposit at the Bank, the aggregate FDIC insurance proceeds payable to such Purchaser will be $250,000 on all accounts maintained at the Bank. The foregoing limitation will apply whether the Contract Deposit is in the non-interest bearing IOLA account or an interest-bearing sub-account.

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

10.10 The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently approximately 0.2 %. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to Purchaser at closing. No fees of any kind may be deducted from the

Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

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

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

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

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

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

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

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

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

10.16 If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (a) through (c) above, and the Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If the Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and the Escrow Agent shall provide further written

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

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

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

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

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

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

10.20 Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

10.21 A fiduciary relationship shall exist between Escrow Agent and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

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

10.23 Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

10.24 Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

10.25 Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement.

10.26 Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

10.27 Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties pursuant to this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

10.28 Following the declaration of effectiveness of the Plan, Purchaser will be given at least thirty (30) days' prior written notice of the Closing Date for his Unit. The notice to Purchaser shall also specify when Common Charges will be due and payable.

11. Binding Effect of Declaration, By-Laws and Rules and Regulations. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

12. Mortgage to be Released or Subordinated. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgages heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of his other obligations hereunder or be the basis for any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration or the Unit is released from the lien of such mortgage.

13. Default by Purchaser. The following shall constitute a default hereunder:

(a) Purchaser's failure to pay any portion of the Purchase Price or the contribution to the Working Capital Fund when due; or

(b) Purchaser's failure to close title on the date, hour and place specified by Sponsor pursuant to Section 5 hereof; or

(c) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(d) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

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

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

(g) Purchaser's failure to perform any of Purchaser's other obligations hereunder (including, without limitation, the obligation to furnish the Selling Agent and/or any lender promptly with such information as the Selling Agent and/or such lender may require, and the obligation to accept a commitment letter on the terms set forth in this Agreement)

Any such failure shall constitute a default by Purchaser. Sponsor shall notify Purchaser in writing of such default and advise Purchaser that he has thirty (30) days after Sponsor gives written notice to the Purchaser to cure such default.

TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THIS AGREEMENT ON OR BEFORE THE 30TH DAY OF SUCH 30 DAY PERIOD.

If such default is not cured within thirty (30) days of such written notice, Sponsor has no obligation to extend the time to cure and may (but shall not be obligated to) elect to cancel the Purchase Agreement. In such event, the amounts specified in subsection 10.2 of this Agreement shall be paid over to Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void. In the event that Sponsor shall elect to cancel this Agreement, Sponsor shall certify to its attorneys, Phillips Nizer LLP, that title has not closed because of Purchaser's default, that a notice to cure the default was delivered to Purchaser and Purchaser has failed to cure the default within thirty (30) days after Sponsor gives written notice to the Purchaser and that Sponsor has elected to cancel this Purchase Agreement by reason thereof, and shall thereupon notify the holder of sums paid by Purchaser hereunder, as set forth in Section 10 hereof, to pay over to Sponsor as liquidated damages the Contract Deposit, and any interest earned thereon, and upon such payment being made each of the parties hereto shall be relieved of any further liabilities or obligations hereunder. If this Purchase Agreement shall be cancelled by Sponsor pursuant to the provisions of this Section 13, Sponsor may sell the Unit to any third party and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. Phillips Nizer LLP may rely upon the truth and accuracy of the facts

contained in Sponsor's certification and the authority of the person or persons executing the same and shall have no liability as a result of such reliance.

14. Agreement Subject to Plan Being Effective; Sponsor's Right to Cancel.

14.1 This Purchase Agreement is contingent upon Sponsor declaring the Plan effective pursuant to the terms and requirements of the Plan and shall be abandoned and deemed abandoned if it has not been declared effective in accordance with the terms set forth in the Plan. The Plan may be abandoned or withdrawn by Sponsor at any time prior to its being declared effective and before eighty (80%) percent of the Units have been purchased. Once the Plan has been declared effective, Sponsor may not abandon the Plan for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than 0.5 percent of the aggregate purchase price of all Units offered under the plan, (ii) substantial damage or destruction of the Building or any portion thereof by fire or other casualty which occurs prior to the First Unit Closing, or (iii) the taking of any material portion of the Property by condemnation or eminent domain. Sponsor shall have no obligation to engage in litigation to cure title defects.

14.2 If the Plan is abandoned or does not become effective, this Purchase Agreement shall be deemed cancelled. In the event the Plan is abandoned, Sponsor shall submit an amendment to the Department of Law together with Form RS-3 disclosing that the Plan is being abandoned by Sponsor. Sponsor shall cause the Contract Deposits paid hereunder to be returned to Purchaser within five (5) days following acceptance by the Department of Law of the amendment abandoning the Plan. If, after the Plan is declared effective, title to the Unit shall not close within the time set forth in Section 5 hereof, or in the Plan, for any reason other than Purchaser's default, then Purchaser shall have the option to cancel the Purchase Agreement and to have the Contract Deposit refunded pursuant to Section 10 hereof. Upon such repayment, neither party shall have any claim against the other and both shall be released from all obligations hereunder.

14.3 Sponsor may cancel this Purchase Agreement by forwarding its check in the full amount paid by Purchaser, together with a notice in writing, addressed to Purchaser at his address herein above set forth in the event of the occurrence of any of the following: (a) that any governmental bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restrictions shall prevent Sponsor from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the dwellings; or (b) that Sponsor is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, acts of God or if the installation of public utilities is restricted or curtailed.

15. Equipment and Furnishings. Sponsor will provide Purchaser only with the fixtures, equipment, hardware, appliances and furnishings referred to in the Plan, which are included in the Purchase Price of the Unit or, at the option of Sponsor, with suitable substitutions of equal quality. Furnishings, equipment, appliances and decorations in any model unit or sales office that are not referred to in the Plan are excluded from this sale.

16. Acceptance of Condition of Unit; Risk of Loss.

16.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed herein, shall be substantially in accordance with the Plan and the Description of Property and Specifications, subject to the right of Sponsor to amend the Plan and the Description of Property and Specifications in order to substitute materials equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction, if required, is first obtained. The issuance of a temporary or permanent Certificate of Occupancy for the Unit or the Building shall be deemed presumptive evidence that the Unit or the Building, as the case may be, shall have been fully completed in accordance with the Plan and the Plans and Specifications and all services required for the legal occupancy of the Building in accordance with applicable laws and regulations are available. Purchaser shall accept title (without abatement in or credit against the Purchase Price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit, or the Building, or (b) other Units, or (c) portions of the Common Elements have not been completed. Purchaser will examine his Unit, if applicable, with a representative of Sponsor during normal business hours prior to the Closing Date. The failure of Sponsor to complete any "punch list" type work shall not be a basis for Purchaser delaying the Closing Date provided that Sponsor agrees to complete such work promptly after Closing.

16.2 Prior to the closing of title to a Unit, no Purchaser shall be permitted to enter the Unit without the prior consent of Sponsor or the Selling Agent. Purchaser shall have the right to enter and inspect such Unit prior to the closing of title but shall be obligated to make an inspection appointment with Sponsor or the Selling Agent. Under no circumstances shall Purchaser perform or cause to be performed any work in such Unit prior to the closing of title thereto.

16.3 While Sponsor has legal title and is in possession of the Unit, Sponsor assumes all risk of loss or damage ("Loss") to the Unit and Property from fire or other cause not due to the fault of Purchaser or Purchaser's contractors, agents or servants. In the event of a Loss, Sponsor shall have the option (but not the obligation) to restore the Unit and Property to as near as reasonably possible to the condition immediately prior to the Loss.

16.4 Within ten (10) calendar days after the Loss occurs, Sponsor shall give Notice to Purchaser of the Loss and whether or not Sponsor elects to restore ("Election Notice").

16.5 If Sponsor elects to restore, Sponsor must do so within sixty (60) calendar days after sending the Election Notice or by the Closing, whichever is later ("Restoration Period").

16.6 If the Closing is before such sixty (60) calendar day period expires, then the Closing shall be adjourned to a date and time fixed by Sponsor on not less than ten (10) calendar days' prior Notice to Purchaser, but in no event shall the Closing be adjourned for more than seventy (70) calendar days after giving of the Election Notice.

16.7 If Sponsor elects not to restore or fails, in a timely manner, to send the Election Notice or, having sent the Notice, Sponsor fails to complete the restoration within the Restoration Period, then Purchaser's sole remedy is either to:

16.7.1 cancel this Purchase Agreement and recover all sums theretofore paid on account of the Purchase Price; or

16.7.2 complete the purchase in accordance with this Purchase Agreement, without reduction in the Purchase Price or claim against Sponsor, but with the right to receive any "Net Insurance Proceeds" as defined in Section 16.8 together with an assignment to Purchaser, without recourse to Sponsor, of any uncollected proceeds, which assignment shall be delivered by Sponsor at Closing.

16.8 "Net Insurance Proceeds" are proceeds of Sponsor's insurance covering the Loss which is attributable to the Unit and Property after deducting legal and other collection expenses incurred by Sponsor and any sums paid or incurred by Sponsor for restoration.

16.9 If Purchaser fails to exercise one of Purchaser's options pursuant to Section 16.7 by Notice to the Sponsor within ten (10) Business Days after the Sponsor gives the Election Notice or within ten (10) Business Days after the Restoration Period expires (in the event Sponsor fails to complete the restoration within the Restoration Period), then Purchaser will be deemed to have conclusively elected the option to complete the purchase pursuant to Section 16.7.2.

16.10 If Purchaser is given possession of Unit prior to Closing:

(a) Purchaser assumes all risk of Loss to the Unit and Property prior to Closing from fire or other cause not the fault of Sponsor or Sponsor's contractors, agents, employees or servants; and

(b) Purchaser shall be obligated to complete the purchase in accordance with this Purchase Agreement, without reduction in the Purchase Price or claim against Sponsor and without delay.

16.11 Notwithstanding anything to the contrary in Section 16.7, Purchaser shall have the right to cancel this Purchase Agreement in accordance with Section 16.7 if, prior to Closing and while Sponsor is in possession, through no fault of Purchaser or Purchaser's contractor, agents, employees and servants, either:

(a) a Loss occurs to the Unit which would cost more than ten percent (10%) of the Purchase Price to restore; or

(b) more than two of the units in the Building are damaged and rendered uninhabitable by fire or other cause, regardless of whether the Unit is damaged.

16.12 Purchaser shall be deemed to have waived Purchaser's right to cancel under Section 16.7.1 if Purchaser fails to elect to cancel by Notice to Sponsor given within seven (7) business days after Sponsor gives Notice to Purchaser of the event which gives rise to Purchaser's right to cancel. In the event Purchaser waives or is deemed to have waived this right to cancel, the provisions of Section 16.7.2 shall apply.

17. Inspection of Unit. At least ten (10) business days before the Balance is to be paid, the Selling Agent shall notify the Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) business day period. Purchaser or his duly authorized agent shall attend such inspection and shall complete, date and sign an inspection statement (the "Inspection Statement") and deliver the same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) business days of receipt of said notice or to so sign and deliver the Inspection Statement, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. Nothing contained herein shall relieve Sponsor of its obligations contained in the section of the Plan entitled "Rights and Obligations of Sponsor".

18. Possession of Unit Prior to Closing. It is expressly understood and agreed that Purchaser shall in no event take possession of the Unit, prior to the time of delivery of the deed and full compliance by Purchaser with the terms of this Agreement, and should Purchaser violate this provision, Purchaser consents that Sponsor shall have the right to remove him from the Unit as a squatter and intruder by summary proceedings. Upon Purchaser's unauthorized possession, Purchaser shall be deemed in default hereunder at the option of Sponsor, and if Sponsor so elects, Sponsor may cancel this Agreement and the amount deposited hereunder shall belong to Sponsor as liquidated damages deemed earned hereunder. It is further understood and agreed that Sponsor will not be responsible for damage or loss to any property belonging to Purchaser whether same is delivered to the Property before, on or after the closing of title herein.

19. No Representations. Purchaser acknowledges that he has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, Building, or the size or dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as specifically represented herein and/or in the Plan, Purchaser having relied on his own examination and investigation thereof. No person has been authorized to make any representations on behalf of Sponsor except as specifically set forth herein or in the Plan. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit, without offset or any claims against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans, is accurate or correct, provided the layouts and dimensions conform substantially to such Floor Plan and (b) that Purchaser shall not be relieved of any of his obligations hereunder by reason of any minor inaccuracy or error, or due to minor defects in workmanship. The provisions of this Section 19 shall survive the closing of title.

20. Broker. Purchaser represents to Sponsor that [_____] is the only broker or sales agent with whom Purchaser has dealt in connection with this transaction and Sponsor agrees to pay the commission earned by said broker, if any, pursuant to separate agreement. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker

other than the aforementioned broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold free and harmless Sponsor from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Section 20 shall survive the delivery of the deed.

21. Agreement May Not Be Assigned. Purchaser shall not have the right to assign this Agreement without the prior written consent of Sponsor which may be withheld in Sponsor's sole and absolute discretion.

22. Binding Effect. This Agreement shall not be binding on Purchaser or Sponsor until a fully executed copy hereof has been furnished to Purchaser. If this Agreement is not accepted within thirty (30) days from the date hereof by furnishing to Purchaser a fully executed copy, this Agreement shall be deemed to have been rejected and cancelled and the deposit paid on the execution hereof, with interest accrued thereon, if any, shall be returned promptly to Purchaser.

23. Notices. Any notice, request or other communication hereunder or under the Plan shall be in writing and sent, postage prepaid, by registered or certified mail, or by hand delivery or overnight courier, to Purchaser at the address given at the beginning of this Agreement, with a copy to _____, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Phillips Nizer LLP, 485 Lexington Avenue, 14th Floor, New York, New York 10017, Attention: Lisa R. Radetsky, Esq., or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, all such notices and communications shall be deemed to have been received either on the date of personal delivery, on the next business day for overnight courier or on the fifth (5th) day after mailing.

24. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be joint and several.

25. Liability of Sponsor. Sponsor shall not have any liability to Purchaser with respect to any of Sponsor's obligations under this Agreement or the Plan or otherwise in excess of the net proceeds paid to Sponsor either as a Contract Deposit by Purchaser hereunder if the transaction does not close or paid to Sponsor on the sale of the Unit to Purchaser after payment of, or reserve for, any liabilities of Sponsor arising out of the consummation of the transactions contemplated in the Plan, subject, however, to the provisions of the New York State General Obligations Law, the General Business Law and 13 NYCRR-Part 20.

26. Right of Rescission. Purchasers who have not had an opportunity to review the Plan and any filed amendments for at least three (3) days prior to their executing a Purchase Agreement shall be given seven (7) days, after delivering an executed Purchase Agreement, together with the required Contract Deposit, to rescind the Purchase Agreement and have the full Contract Deposit refunded promptly. Such rescission must be in writing, addressed and sent to Sponsor in care of and at the address of the Selling Agent, and be postmarked or hand delivered by midnight of the seventh day subsequent to Purchaser's executing and delivering such Purchase Agreement. Purchasers who execute a Purchase Agreement after having had an opportunity to review the Plan and any filed amendments for not less than three (3) days prior to their executing a Purchase Agreement shall not be permitted the aforementioned time period to rescind for any reason.

27. Further Assurances. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request, in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

28. Prohibition Against Advertising. Prior to the closing of title to the Unit, Purchaser shall not list the Unit for resale or rental with any broker or to advertise or offer, promote, or publicize the availability of the Unit for sale or lease, without Sponsor's prior express written consent.

29. Severability. If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

30. Strict Compliance. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

31. Governing Law. The provisions of this Agreement shall be governed by the laws of the State of New York.

32. Waiver of Jury. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement, or the relationship created hereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

33. Entire Agreement. This Agreement supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them.

34. Certain References. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein", "hereof" or "hereunder" or similar terms used in this agreement refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

35. Captions. The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

36. Successors and Assigns. Subject to the provisions of Section 21 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal

representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

37. No Oral Changes. This Agreement cannot be changed or terminated orally.

ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SPONSOR

DRK EAST 7TH LLC

By: _____
Name:
Title:

PURCHASER

_____

WITH RESPECT TO ESCROW PROVISIONS ONLY:

Phillips Nizer LLP

By: _____
Name:
Title:

SCHEDULE A
Encumbrances

(a) Zoning and building regulations, resolutions, restrictions and ordinances of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, provided same will not be violated by the contemplated structures and use.

(b) State of facts shown in an updated and accurate survey of the land provided such survey does not render title unmarketable.

(c) The terms and conditions set forth in the Declaration of Condominium, the By-Laws (and the Rules and Regulations promulgated).**

(d) The power of attorney from Purchaser to the Condominium Board and maps and the Floor Plans, all as may be amended from time to time, to be recorded or filed in the City Register's Office.

(e) Any easement or right of use in favor of any utility company for construction, use, maintenance and repair of all utility lines, cable lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

(f) Revocability of the right to maintain street vaults and other areas, under the sidewalks and streets.

(g) All easements created by the Declaration.

(h) Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, ledges, window sills, balconies, sidewalk elevators, fences, fire escapes, vaults, chutes, fuel oil lines, drainage pipes, sewerage pipes, air conditioning units, canopies, cornices, foundations, footings and similar projections, retaining walls, if any, on, over, or under the Property or the streets or sidewalks abutting the Property and the rights of governmental authorities, and adjoining property owners to require the removal of any such projections, and variations between record lines of the Property and fences, walls, retaining walls and the like, if any.

(i) Leases and service, maintenance and license agreements, if any, in effect on the date of the First Unit Closing.

(j) Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units, Limited Common Elements, or Common Elements on the Unit, existing as a result of construction of the Building, or construction of the Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any portion thereof, or of any adjoining Unit or of the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent

domain proceedings, or by reason of any alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units, the Limited Common Elements and the Common Elements.

(k) All covenants, restrictions, reservations, agreements and easements of record which are still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent the use of any Unit at the Property for dwelling purposes, nor prevent the existence of the promised structure.

(l) The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, which shall be adjusted at the closing of title.

(m) The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date.

(n) Any other declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulations, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building. Sponsor shall file an amendment to the Plan to reflect any such other declaration or other instrument affecting the Property which is not already disclosed herein.

(o) Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his or her Unit and appurtenant interests.

(p) Any encumbrance as to which any reputable title insurance company would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrances (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

(q) Any other encumbrance against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes, or which does not render title unmarketable, subject to the Permitted Encumbrances, or with respect to which a title insurance company is willing to insure against collection out of the Unit.

(r) The terms, provisions and conditions of the Plan.

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EXHIBIT B

UNIT OWNER'S POWER OF ATTORNEY

TO

253 EAST 7TH STREET CONDOMINIUM

DATED: _____

Section:	
Block:	377
Lot:	61
County:	New York
Street Address:	253 East 7th Street Unit ___ New York, New York

Recorded at Request of
and Return by Mail to:

BSD Realty Worldwide, Inc.
174 Fifth Avenue, Suite 200
New York, NY 10010
Attention: Charles Glatter

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POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by DRK East 7th LLC ("Declarant"), establishing a plan for condominium ownership of the premises known as 253 East 7th Street Condominium and by the street number 253 East 7th Street, New York, New York, under Article 9-B of the Real Property Law of the State of New York, dated_____, 201__ and recorded in the New York County Office of the Register of The City of New York on _____, 201__ as CRFN No. 201_____, or (b) in the by-laws of 253 East 7th Street Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, the owner(s) of the Condominium Unit ("Unit") in 253 East 7th Street Condominium which is designated and described as Residential Unit No. _____ in the Declaration and also designated as Tax Lot ___, in Block ___ of the County of New York on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, does hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owners desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which become the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution 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 Common Elements (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto,

affecting the Common Elements which the Condominium Board deems necessary and appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned does hereby nominate, constitute and appoint the Declarant, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a material or physical modification of the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in the subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has executed this Unit Owner's Power of Attorney as of the ____ day of_____, 201__.

UNIT OWNER:

_____

_____

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the ___ day of _____in the year 201__ before me, the undersigned, personally appeared_____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity, and that by his/her/their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the ___ day of _____in the year 201__ before me, the undersigned, personally appeared_____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity, and that by his/her/their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

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EXHIBIT C

253 EAST 7TH STREET CONDOMINIUM

UNIT DEED

DRK EAST 7TH LLC

TO

Section:
Block:
Lot:
New York County

Record and Return to:

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RESIDENTIAL UNIT DEED

THIS INDENTURE, made the ____day of _____, 201__, between **DRK EAST 7TH LLC**, a New York limited liability company, having an address at c/o BSD Realty Worldwide, Inc., 174 Fifth Avenue, Suite 200, New York, New York (the "Grantor") and _____, having an address at _____ (the "Grantee")

WITNESSETH:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto Grantee, the heirs or successors and assigns of the Grantee forever:

The Condominium Unit ___ (the "**Unit**") in the premises known as 253 East 7th Street Condominium and by the street number 253 East 7th Street, Borough of Manhattan, County, City and State of New York, said Unit being designated and described as Residential Unit No. ___ in the Declaration ("**Declaration**") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "**Condominium Act**"), dated _____, 201__ and recorded in the New York County Office of the Register of The City of New York (the "**City Register's Office**") on _____, 201__ as CRFN 201_____, and also designated as Tax Lot ____ in Block ___ of the County of New York on the Tax Map of the Tax Map Unit of The City of New York and on the Floor Plans of said building, certified by _____, Architect, on _____, and filed in the Tax Map Unit of the City of New York on _____, 201__ as Condominium Plan No. ____, also filed in the City Register's Office on _____, 201__ as CRFN 201_____. The land upon which the building containing the Unit is erected is described on Schedule A annexed hereto and made a part hereof.

Together with an undivided_____ % percentage interest in the Common Elements.

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights obligations, easements restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any or) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration of the By-Laws, the Residential Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions hereof.

The word "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

IN THE WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

Grantor: DRK EAST 7TH LLC

By: _____
Name:
Title:

Grantee:

_____

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(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A

Description of Land

ALL that certain plot, piece or parcel of land situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 7th Street, distant 397 feet westerly from the corner by the intersection of the westerly side of Avenue D and the northerly side of 7th Street;

RUNNING THENCE northerly and parallel with Avenue D, 97 feet 6 inches to the center line of the block;

THENCE westerly along the center line of the block on a line parallel with 7th Street aforesaid, 24 feet 9 inches;

THENCE southerly on a line parallel with Avenue D aforesaid, 97 6 inches to the northerly side of 7th Street;

THENCE easterly along said northerly side of 7th Street, 24 feet 9 to the point or place of BEGINNING.

SCHEDULE B

Encumbrances

1. Zoning and building regulations, resolutions, restrictions and ordinances of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, provided same will not be violated by the contemplated structures and use.

2. State of facts shown in an updated and accurate survey of the land provided such survey does not render title unmarketable.

3. The terms and conditions set forth in the Declaration of Condominium, the By-Laws (and the Rules and Regulations made thereunder), dated _____ and recorded _____ as CRFN _____.

4. The power of attorney from Purchaser to the Condominium Board and maps and the Floor Plans, all as may be amended from time to time, to be recorded or filed in the City Register's Office.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance and repair of all utility lines, cable lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of the right to maintain street vaults and other areas, under the sidewalks and streets.

7. All easements created by the Declaration.

8. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, ledges, window sills, balconies, sidewalk elevators, fences, fire escapes, vaults, chutes, fuel oil lines, drainage pipes, sewerage pipes, air conditioning units, canopies, cornices, foundations, footings and similar projections, retaining walls, if any, on, over, or under the Property or the streets or sidewalks abutting the Property and the rights of governmental authorities, and adjoining property owners to require the removal of any such projections, and variations between record lines of the Property and fences, walls, retaining walls and the like, if any.

9. Leases and service, maintenance and license agreements, if any, in effect on the date of the First Unit Closing.

10. Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units, Limited Common Elements, or Common Elements on the Unit, existing as a result of construction of the Building, or construction of the Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any portion thereof, or of any adjoining Unit or of the Common Elements made by or with

the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units, the Limited Common Elements and the Common Elements.

11. All covenants, restrictions, reservations, agreements and easements of record which are still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent the use of any Unit at the Property for dwelling purposes, nor prevent the existence of the promised structure.

12. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, which shall be adjusted at the closing of title.

13. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date.

14. Any other declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulations, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building. Sponsor shall file an amendment to the Plan to reflect any such other declaration or other instrument affecting the Property which is not already disclosed herein.

15. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his or her Unit and appurtenant interests.

16. Any encumbrance as to which any reputable title insurance company would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrances (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

17. Any other encumbrance against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes, or which does not render title unmarketable, subject to the Permitted Encumbrances, or with respect to which a title insurance company is willing to insure against collection out of the Unit.

18. The terms, provisions and conditions of the Plan.

Issac & Stern

Architects, P.C.

307 5th Avenue, 14th Floor New York, NY 10016

telephone: 212-268-5600 fax: 212-268-9911 email:info@issacstern.com

253 East 7th Street
Manhattan, New York 10009
April 2018

A. Location and Use of the Property:

1. Address:	253 East 7th Street	Manhattan, New York 10009
2. Block/ Lot No.:	Block: 377 Lot: 61	
3. Zoning District:	The site is located in a R8B zoning district. The building complies with all zoning and use requirements.	
Permissible Uses:	Residential, Use group 2 as per New York City Zoning Resolution which permits residential use "as of right". The property and proposed uses will comply with all zoning and use requirements at closing. The building complies with Chapter 8 of the zoning resolution for Quality Housing Program. Dwelling units are larger than 400 square feet, having laundry facility within each unit, and having 1" insulated glass windows with thermal break. The property is located in flood zone 'AE' as per FEMA preliminary FIRM panel 3604970201G dated May 12th, 2013. Base flood elevation (BFE) = 11.00 NAVD.	
4. Other:	No air development rights were obtained for this development. The sponsor is not retaining any air development rights for future expansion of the building. This development does not have a landmark status.	

B. Status of Construction: Lot 61 was previously a (3) Three Story brick building with basement. The aforementioned building was situated along the southerly portion of the site along East 7th Street. The northerly portion of the site consisted of grass cover and a slate patio. The existing building was demolished and the proposed building will be a 6-story concrete residential building with seven (7) residential dwelling units. The plans were filed under 2014 NYC Building Code

1. Year Built N/A

2. Class of Construction: The Building is classified as Class 1B (non-combustible) and conforms to all applicable regulations of the Building Code of the City of New York ("building code").

3. Certificate of Occ.: Certificate of Occupancy will be processed at conclusion of construction as required by NYC building code, including Local Law 58 and Local Law 26. The Certificate of Occupancy will provide for residential use on floors first through sixth and residential accessory use such as building utilities rooms and tenant bicycle storage on the first floor. The CO application will be subject to inspections and sign-off by Department of Buildings and Department of Highway. Sponsor will make best efforts to obtain the final CO within two years after the date of issue for the temporary CO unless delayed by weather, strikes, lockouts, acts of god, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire of the elements or any other cause over which the sponsor has no control.

4. Permit Numbers & description of work done:

The plans were filed under NB #122577443-01-NB with Department of Buildings and were approved on August 30, 2016.

Local Law 58: The building is in compliance with Local Law 58 (H/C Access Law)

C. Site:

1. Size: The total site area Tax Lot 61 = 2,413.13 SF (24'-9" x 97'-6")

2. Number of Buildings and use:

The proposed building is the only structure on the property. The proposed building consists of six (6) stories above grade with a bulkhead on top of the 6th floor. Building is used solely for residential occupancy with seven (7) residential units. The building services such as utility rooms, bike storage, etc. are located on the first floor. Lot 61 is currently is a vacant lot. The adjacent property to the southeast is occupied by a 5-story brick building. The adjacent property to the northwest is a vacant lot with asphalt pavement. The adjacent property to the southwest is a building under construction. There is also a rear yard of a townhouse adjacent to the southeast corner of the property.

3. Streets: The property is fronting East 7th Street. Length of front property line on 7th Street is 24'-9". The depth of the property perpendicular to 7th Street is 97'-6". The street fronting the property is pitched to drain through catch basins. The catch

basins are part of the New York City storm water drainage system. They are in usable condition. New sidewalks, curb cuts, and ramps/aprons shall be ADA compliant.

4. Drives, Sidewalks and Ramps:

The sidewalk fronting the property will be replaced with new concrete sidewalk pitched for drainage to the curb and is free of tripping hazard and ponding. The curb abutting the property will be replaced with new steel-faced concrete curb. Sidewalk lighting is provided primarily by the existing NYC light poles.

D. Utilities

1. Electricity:

Electrical service to the building will be provided by Con Edison. The electric service will be distributed throughout the building to various loads and will be directly metered by Utility Company. The electricity consumed by each individual Residential Unit, Common areas and House loads, shall be separately and directly metered. Each of the Residents shall be provided with dedicated meter. Each apartment unit owner shall bear their own individual electric bill.

The electricity consumed in the Common Elements of the building shall be separately metered and will be apportioned to each residential unit owners as a residential common expense.

2. Gas:

Gas will be metered by Con Edison for the building. First common meter is provided based on utility company rate schedules for apartment kitchen ranges for cooking. Second meter is for ACU on the roof providing ventilation in all common spaces.

3. Domestic Water and Sewer Service:

Water supply and combined sewer servicing the Building will be provided by the City of New York DEP. Water will be collectively metered for the entire building. Billing for water and sewer will be part of common expenses shared by each unit owner.

4. Telephone:

"Local" telephone service will be provided by Verizon, Time Warner Cable and/or another service provider. Every Unit Owner will be required to pay their individual telephone charges and initial charges for activating individual outlets in the Unit. The telephone charges with respect to the public areas of the building (such as the maintenance offices, etc.) will be borne as a Common Expense by

all of the Residential Unit Owners. In each residential unit a telephone outlet will be provided in locations as indicated on the plans.

5. Cable Television:

Cable Television services will be available for all Residential Units provided by Time Warner, Cable TV or Verizon FIOS (or alternate cable TV company). All charges for cable television service (including installation and subscription charges) will be paid by each Unit Owner, who subscribes directly to the cable TV company. In each Residential Unit, a Cable TV outlet will be provided as indicated on the plans.

6. Internet Service:

The condominium will not provide internet service. It is the responsibility of the unit owner to obtain such service from an internet service provider servicing the condominium. The condominium will provide the preparation for the future installation of internet service for the purpose of the Virtual Doorman.

E. Sub-Soil Conditions:

i. Columns are supported on piles and a 36" concrete mat footing. Each individual pile has a service capacity of 120 tons as recommended by the geotechnical engineer
ii. The property is located in flood zone 'AE' as per FEMA preliminary FIRM panel 3604970201G dated May 12th, 2013. Base flood elevation (BFE) = 11.00 NAVD.
iii. Groundwater was observed in both borings at depth around 10' below existing grade at the time of drilling. It should be noted that groundwater table is known to fluctuate with seasonal, tidal, and climate conditions.
iv. The borings indicate a general profile of 10' of miscellaneous fill, followed by 5' of organic sediments, 40' of alluvial sands, 30' of alluvial clay, 15' of glacial dense sand, 10' of decomposed rock, and then solid bedrock, which was encountered at a depth of 110' below grade.
v. The site was assigned an "E Designation for air quality (E-201) as part of the East Village/Lower East Side Rezoning (CEQR No. 07DCP078M), which took place in November 2008. The "E" Designation program is overseen by the New York City Mayors Office of Environmental Remediation (OER)
vi. There are no known risks associated with the Air Quality "E" Designation at the site.

F. Landscaping & enclosures:

1. Grass Cover:

The rear yard garden is designated for apartment A at the first floor. The garden contains approximately 742 SF of grass cover with some small scattered boxwood shrubs.

2. Trees:

There is one existing tree on the sidewalk of East 7th Street which satisfies the required by Quality Housing program Chapter 8 NYCBD. Tree is in compliance with Parks Department regulations and Highway Department regulations.

3. Fencing:

There is a 6' fence that borders the rear yard along the northerly, easterly, and southerly sides of the property.

4. Gates: There are no entry gates.

5. Garden Wall: There are no garden walls.

6. Retaining walls: There will be no retaining wall at rear portion of building.

7. Display pools: There are no display pools and/or fountains.

G. Building Size:

1. Total height:

The total height of the building from average sidewalk elevation to top of roof elevation is 60'-0". Roof over bulkhead elevation is at 79'-0" above average sidewalk elevation.

2. Crawl Space: There is no crawl space.

3. Building Heights: There is no cellar. There are 6 floors above grade.

4. Number of Floors:

1st floor to 2nd floor	10'-0"
2nd floor to 3rd floor	10'-0"
3rd floor to 4th floor	10'-0"
4th floor to 5th floor	10'-0"
5th floor to 6th floor	10'-0"
6th floor to Roof	10'-0"
Roof to roof of stair bulkhead	9'-6"

Stair bulkhead to upper bulkhead 9'-6"

5. Equipment Rooms:

There is one elevator machine room located on the roof above the elevator hoist way with an area of 99 SF.

Utility rooms (gas, electric, water service, and sprinkler) are located at the westerly portion of the first floor. Garbage room and bicycle storage rooms are located on the first floor adjacent to the elevator lobby.

6. Parapet:

The parapet wall will consist of 8" reinforced concrete block with brick Veneer on the North and East elevations and Dryvit (EFIS) finish on the South and West Elevations. The parapet extends vertically to a height of 3'6" above the roof.

H. Structural System:

The basic building structural system will be cast in place reinforced concrete. The typical floor slabs will be 9" thick. The slabs will be supported by concrete columns and shear walls. The concrete shear walls around the elevator and stair core will be 1'-0" thick. All shear walls extend throughout the height of the building. Shear walls are designed to provide rigidity to the building to resist wind and earthquake forces as prescribed y the NYC Building Code. The building does not have any below grade levels. Columns are supported on piles and a 36" concrete mat footing. Each individual pile has a service capacity of 120 tons as recommended by the geotechnical engineer. There is no slab on grade; the top of the concrete mat is the top of first floor slab.

1. Exterior Building:

i. Exterior Walls:

Front (north) and side (east) exterior walls will have brick and stone finish. These walls will have stone finish at first floor, and brick face above. Stone finish at first floor will include 2.5" limestone panels with minimum 2" air gap (cavity), 2" rigid polysteyrene board insulation, air and vapor barrier, along with ½" denseboard sheathing applied to 6" 16 gauge steel stud wall. On the interior side of the wall there are 2.5" metal studs, R-11 batt insulation and gypsum board finish on interior side. Total wall thickness – 16". Brick wall assembly, at 2nd – 6th floor's front wall and portion of side wall, will include 3 5/8" thick brick, 1" air gap (cavity), 2" rigid polyisocyanurate foam board insulation, air and

vapor barrier applied to 6" metal stud wall with 5/8" dense board on the exterior R-19 batt insulation and 2.5" metal studs with gypsum board finish on interior side. Total wall thickness – 16".

Rear, and other portion of side walls will be made of stucco. At the first floor level the stucco walls will consist of drainable Exterior Insulation Finish System with 2" rigid insulation, air and moisture barrier and ½" dense board sheating over 6" 16 ga. Steel studs. On the interior side wall will consist of 2.5" metal studs, R-11 batt insulation and gypsum board finish on interior side. Total wall thickness - 13". Stucco walls on all other floors will consist of drainable EIFS system with 2" rigid insulation and air and moisture barrier over 6" metal stud wall with 5/8" dense board on the exterior R-19 batt insulation and 2.5" metal studs with gypsum board finish on interior side. Total wall thickness – 12". All walls perform better than the required by NYC Energy Code. The first Local Law 10 report will be due five years after the first temporary certificate of occupancy is obtained.

ii. Windows:

a. Windows will be manufactured by "Aluminex", and/or "EFCO Corporation", and/or "Mamiix", and/or "Wausau" or approved equivalent (to be confirmed by the owner). The sponsor reserves the rights to provide windows by different manufacturers, which are equal to, or better than those listed.

b. All residential units will have fixed and operable tilt-and-turn windows and there will be terrace doors at 1st and 6th floor units. Select locations will have spandrel glass windows – 1" insulated glass panels over 2" rigid insulation and 2.5" metals studs with gypsum board finish. Northern walls on 2nd, 3rd and 4th floors will have lot-line fixed windows (Apts. 2B, 3C, 3D, 4E, 5E and 6E). All windows are made with 1" thick double-pane insulated glass. Windows comply with structural performance, air infiltration, and water penetration requirements indicated in AAMA 101 for type, grade, and performance class of window units required.

c. Window frame has extruded aluminum frame and is attached with anchored clips made of nonmagnetic aluminum. Insulated glass has have 1/4" outer lite and 1/4" inner lite of clear float glass and 1/2" dry air space which is hermetic seal. Window grade and class shall comply with requirements of "AAMA" Grade and Performance Class DA-AW40.

d. There are several lot line windows on the North West side of the building. These lot line windows are located on the 2nd, 3rd, 4th, 5th, and 6th floors. On the 2nd floor, Unit B, there are two windows with the dimensions of 2'8" wide by 5'10" tall and one window

with dimensions of 2'8" wide by 3'11" tall. On the 3rd floor, Unit C, there is one window having dimensions of 2'8" wide by 5'10" tall and there is one window 3'2" wide by 8'2" tall which is part of a corner window. On the 3rd floor, Unit D, there is one window having dimensions of 2'8" wide by 5'10" tall. On the 4th floor, Unit E, there is one window having the dimensions of 8'5" wide by 8'2" tall which is part of a corner window. On the 5th floor, Unit F, there is one window having the dimensions of 8'5" wide by 8'2" tall which is part of a corner window. On the 6th floor, Unit G, there is one window having the dimensions of 8'5" wide by 8'2" tall which is part of a corner window.

e. The lintel for the window consist of 6" x 4" x 3/8" galvanized steel angle (6" horizontal leg) attached to 8" concrete slab with wedge inserts, 3/4" diameter, anchored to concrete slab 30" on center.

f. Window manufacturer warranty shall be for a period of two years

iii. Landmark: Proposed building does not have landmark status.

2. Parapets and Copings:

The parapet wall will consist of 8" reinforced concrete block with brick Veneer on the North and East elevations and Dryvit (EFIS) finish on the South and West Elevations.

3. Chimney and Caps: The building has no chimneys.

There are ducted ventilation shafts for toilet and kitchen exhausts that are located adjacent to bathrooms. These are exhausted on the roof and terminate immediately adjacent to the elevator bulkhead in the westerly direction.

4. Balconies:

i. Deck finish:
There are balconies at 3rd through 6th floors. Balconies are each 7'-0" x 12'-0" and will be finished with reinforced concrete, rebar coated with epoxy for weather protection. The finish on the underside of the balconies is exposed concrete finish. The roof terrace has concrete pavers 2'x 2' x 2" thick. Pavers are supported on pedestals that allow for drainage beneath the pavers. The pavers are installed on top of rigid insulation with a minimum thickness of 2" and roofing below the rigid insulation which is on top of 8" reinforced concrete slab. The roof assembly and pavers can support at least 100 lbs/sf live load and can be used for daily foot traffic. The roof will have a 20 year warranty.

ii. Balustrade: There are no balustrades.

iii. Railings: Apartment balconies have a glass railing with steel

reinforcement.

iv. Copings: Stone coping 12" wide x 48" is installed on parapet at 6th floor penthouse, roof, and bulkhead.

v. Soffits: There are no soffits at balconies and terraces.

vi. Doors to balconies:

All doors to balconies will be fully-glazed with. Frames shall be SWD-AW 40 and fabricated from extruded aluminum with minimum thickness of 0.125". Doors shall be 1 3/4" thick and shall be factory finish. Doors have 1" thick double-pane insulated glass; frames are thermal broken.

Doors manufactured by: "Aluminex" (or approved equivalent) and has lockset or latch set, door stop, water tight slip resistant aluminum threshold.

5. Exterior Entrances

i. Exterior Doors and Frames:
The primary entrance to the residential lobby from 7th Street has a double swing door. Door is manufactured by "Herculite", "Aluterra", "Rescara" or approved equal, made with aluminum bottom, top rail 36" stainless steel pull/push handles 1/2" tempered glass. Hardware for the main residential entrance manufactured by: "McKinney" or approved equivalent and includes:

Continuous Hinge	MCK-FM300
Mortise Lock	AUR 8805FL MK (storeroom)
Surface Closer	4400
Threshold	225x5AFG
Gasketing	2891AS
Door Bottom	434ARL

ii. Vestibule Doors & Frames:
Building has one primary entrance door. The entrance vestibule is 5'-0" wide to allow H/C accessibility.

iii. Exterior Stairs: There are no exterior stairs.

iv. Railings:
There are no railings at exterior entrances.

v. Mail Boxes:
Mail boxes made of gray extruded aluminum and approved by the US Postal Service. Mailing distributed by the US Postal Service. Mailboxes located at front of building outside of entrance.

vi. Lighting:
Residential lobby entrance:
Lighting used for residential units consists of 4"x4" recessed downlights by ZND Glow or approved equal. Bathrooms have 4" recessed downlights trimmed for wet areas by Round. Bathrooms also have Luna pendants by Schoolhouse lighting near the mirrors.

vii. Canopies:
There are no canopies at exterior entrances.

6. Service Entrances:

There is no service entrance.

7. Roof and Roof Structures:

i. Material:

b. Main roof of building is over sixth floor. Roofing will be manufactured by "American Hydrotech Inc." and/or "Monsey Bakor" and/or "Barrett Company" and/or "Firestone" (or approved equal). Roofing material will have hot fluid-applied roofing/waterproofing membrane with rubberized asphalt in compliance with CGSB37.50, "Hot Applied Rubberized asphalt for roofing and waterproofing." Roofing will have flashing: .060 inch thick incurred neoprene reinforcing sheet and will have ASTMD 41 asphaltic based primer. The assembly of the roof is a 8" concrete slab with R-19 cavity insulation, and 5/8" gypsum ceiling. The R value for the total floor assembly is 29.69. The roof will have a 20 year manufacturer warranty.

c. Flashing Material: Roof flashing has a metal flashing sheet metal made of aluminum .032.

ii. Drains:
Cast iron drains provided, which discharge through internal leaders into the building storm systems. Cast iron drains have double inlets for overflow.

iii. Skylights:
There are no skylights in the building. There is a greenhouse on the 1st floor rear portion of the building north east. The greenhouse is 24.6' wide x 7'6"deep and the height varies from 10' sloping down to 8'5". The greenhouse is constructed from aluminumand tempered glass. All extruded aluminum members shall be of a 6063-T6 or 6005-T5 alloy and temper. Glazing shall be ½" tempered glass. All fasteners shall be of non corroding materials. Sealant for structural and flush glazing condions shall be G.E ultraglaze SSG4000 or Dow Corning 995 black in color. Remedial seal at cl. Bars and metal to metal application shall be G.E. silpruf or

dow corning 795 color black. Warranty for greenhouse to be 10 years

iv. Stair Bulkheads:
Stair bulkhead exterior walls consist of 8" concrete block along property line and stucco finish at all other sides. The interior walls consist of 25 gauge steel studs with two layers of G.B. fire code on stair side. Mechanical equipment are placed on steel curbs on roof of stair bulkhead.

v. Metal Work at Roof Levels

a. Exterior Metal Stairs: There are no metal stairs at roof levels.

b. Hatches to roof: There are no hatches to roof.

c. Stair Bulkhead:

Stair bulkhead exterior walls consist of 16 gauge steel studs with stucco finish. The interior walls consist of 25 gauge steel studs with two layers of G.B. fire code on each side.

d. There is a metal ladder that provides access from main roof to bulkhead roof. Ladders will be made of 2" x ¼" galvanized flat bars welded 10" on center to 2" x ½" galvanized steel rails. Steel rails welded to 3" x 5" x 5/8" steel angle clips bolted to masonry wall.

vi. Roof Top Facilities:
Rooftop facilities consists of elevator machine room that sits atop the elevator bulkhead.

8. Fire Escapes: There are no Fire Escapes

9. Yards and Courts:

The rear yard at first floor is a private garden for first floor apartment and consists mainly of grass cover. Private garden is accessible through greenhouse attached to the rear wall of first floor Unit. The greenhouse will extend to the full width of the rear wall, be maximum 7'-6" deep and 15'-0" high. It shall consist of extruded aluminum and glass panels. Doors to rear yard from greenhouse consist of a fully-glazed double swing door 6'-0" wide and a fully-glazed single swing door 3'-0" wide. Frames shall be SWD-AW 40 and fabricated from extruded aluminum with minimum thickness of 0.125". Doors shall be 1 3/4" thick and shall be factory finish. Doors have 1" thick double-pane insulated glass; frames are thermal broken.

i. Paving: There is no paving in the rear yard.

ii. Drainage:

There is one area drain in the rear yard - cast iron drain

connected to building drainage system.

iii. Railings: There are no railings in yards and courts.

iv. Exterior Stairs: There are no exterior stairs in yards and courts.

v. There is fence at rear yard separating the two limited rear yard areas owned by the residential units at 1st floor. The 6' high vinyl fence sits on grade in the rear yard.

vi. There are no retaining walls.

10. Interior Stairs:

i) There will be one enclosed, 2 hour fire rated stair. Stairs extend from lowest level at first floor to roof above 6th floor.

ii) Enclosure:
Enclosure of interior stairs will be made of 25 gauge steel studs, 16" on center with double layer of 5/8" fire code gypsum board on each side. Finish gypsum board will be spackled and painted. All doors at stair enclosure will have a 1½" fire rating and will have self closing device.

iii) Construction: Stairs are steel pan stairs with reinforced cement fill.

iv) Stringers: Stringers are made of steel channels 1 ½" wide 10" deep and ¼" thick.

v) Treads: Reinforced cement 1 ½" thick.

vi) Risers: Risers are made of steel pan 14 gauge and are approximately 7.5" high.

vii) Guard Rails: There are no guard rails.

viii) Balustrades: There are no balustrades.

Bi-level apartments have convenience stairs made from wood. The convenience stairs within the units are not being used for egress. The interior convenience stairs are constructed from solid oak (or approved equal) treads, 9" wide by 1.5" thick that are attached to solid wood oak (or approved equal) stringers 1.5" thick by 12" high. The convenience stair will have oak (or approved equal) wood railing 1.5" thick by 4" high mounted to ½" safety glass panels. The stairs will have a natural oak (or approved equal) finish.

11. Interior doors and frames:

i. Unit entrance:

1 3/4" thick, painted, self-closing, hollow metal door painted with Omnia Entry set D12368 (US10B), US 26D Hinges, Baldwin Door knocker, Baldwin 0155 Door Viewer, Baldwin 0250 Security Door Guard. Door is manufactured by "L.I.F. Industries" or approved equal.

ii. Corridor and Stair Hall doors and frames:

1 3/4" thick, painted, self-closing, hollow metal (steel) doors with 1 1/2 hour fire rating in painted steel frames with Kwikset, Tylo Half-Dummy Knob polish Brass, 488T 3, ANSI/BHMA Grade 3, Polish Brass (or unit of equivalent size and/or better quality).

iii. Roof doors and frames:

1 3/4" thick, painted, self-closing, hollow metal (steel) doors with 1 1/2 hour fire rating in painted steel frames with Kwikset, Tylo Half-Dummy Knob polish Brass, 488T 3, ANSI/BHMA Grade 3, Polish Brass (or unit of equivalent size and/or better quality).

iv. Bedroom/bathroom doors:

1 3/4" thick, painted, solid smooth finish wood door with Emtek Privacy set (Helios style, square, chrome finish), US 26D Hinges, Baldwin wall door bumper. Marble saddle provided at bathroom locations only.

v. Closet doors within apartments:

1 3/4" thick, painted, solid smooth finish wood door with Emtek Dummy set (Helios style, square, chrome finish), US 26D Hinges, Baldwin wall door bumper.

vi. Mechanical closet doors within apartments:

1 3/4" thick, painted, solid smooth finish wood door with Emtek Passage set (Helios style, square, chrome finish), US 26D Hinges, Baldwin and wall door bumper.

12. Elevator

Quantity	One (1) Gearless Elevator
Manufacturer:	Kone Elevator
Capacity	3,500 pounds
Speed	150 F.P.M
Travel	60' - 0" H
Landings and Openings	Seven (7) stops, front

Door Operator	GAL MOVFR
Door Opening	3'-6" x 7'-0"
Hoistway	8'-8" wide x 6'-11" deep
Clear Cab Inside	6'-8" wide x 5'-6" deep
Cab Finish	SS#4
Return & Transom Finish	SS#4 2'-6" x 3"
Cab Height	8'-0"
Hoistway Entrance	3'-6" wide x 7'-0" high
Cab Door Type	Single speed
Cab Door Hand:	Right
Car Sill	Aluminum
Ventilation	2 Speed Fan 50 CFM for bathrooms 120 CFM for kitchens
Door Operation	GAL MOVFR

13. Elevator Cabs:

Cab Door Finish	SS#4 (equal or better)
Flooring Thickness	1/2"

Two-way emergency phone manufactured by K-Tech.
The floor will be finished in 12" x 12" stone tiles. Two side walls will be made of Gage Wire Mesh #GW912 SS. The back panel will be a mirror. Base and reveals are bronze. Handrail is bronze 3" x 2".
There is a bronze drop ceiling that houses four (4) LED downlights
The management company will establish elevator maintenance contract.
There is no H/C lift.

I. Auxiliary Facilities:

1. Laundry Rooms:

Each Residential unit will have provision for stackable washer/dryer within the apartment and they are operated by electric and therefore do not need ventilation. They will be vent less: Washer/dryer appliances to be supplied by Unit Owner.

2. Refuse disposal:

The building has a refuse room on the first floor that is 4'-9" x 8'-1". Unit Owners are responsible for transporting refuse from their Units to refuse room. Trash pick-up days for this neighborhood are as follows: Monday, Wednesday, Friday for trash; Wednesday for recycling.

3. Bike Storage

Bike storage is not required for buildings that have less than 10 dwelling units however bike storage is provided at the first floor having the size of 4'-9" x 8'-1" which can accommodate 4 bikes

J. Plumbing and Drainage:

1. Water Supply:

i. There will be (1) one DEP approved 4 inch combined domestic & fire protection water service for the property. Domestic water supply to the building from street water main will be metered. After the water meter assembly and DEP code required back flow preventer device, water is pumped from a duplex constant pressure booster pump to all plumbing fixtures and equipment in the building from the 1st floor to the 6th floor. The booster pumps system will be a lead/lag duplex pump system sized at 50GPM, 105 ft. head, 3 hp. for each pump. Pumps will be manufactured by Federal Pumps Co. or an alternate acceptable manufacturer.

ii. Water Piping:
a. Service piping - AWWA ductile iron class 52 and 104. b.
b. Above ground – Copper type "L" ASTM B-88.

2. Fire Protection System:

i. The 4" sprinkler water supply with DEP approved double check detector valve for the Sprinkler system. Main flow control valve / switch is located in building utility room. 3" sprinkler riser located within the stair core. Sprinkler system will be as per New York City Building Code. All residential units (except bathrooms and closets), commercial space (s), all common spaces, and below grade spaces are to be fully sprinkler protected.

ii. Sprinkler riser to be 3" black steel pipe schedule 40 with Victaulic couplings or equal and fittings located in stair core. Sprinkler mains 2-1/2" or larger to be Schedule 10 steel pipe, all others to be schedule 40 steel pipe. Drain risers are to be galv. Schedule 40 pipe. Location: Stair Core.

iii. Sprinkler Head: UL and MEA approved quick response, pendant, upright and sidewall sprinkler heads. Location: Provided throughout the building. Entire building is protected by sprinklers, accept as not required by Code.

iv. Siamese connection: located as per NYC Building Department

requirements at the 1st floor facade. The finish to be Polished Bronze or Brass (as per architect) with caps painted green.

3. Water Storage Tank: none provided

4. Water Pressure and How Maintained:

   i. The residential portion of the building from the 1st floor and above is furnished with separate duplex constant pressure booster system to feed one zones of water supply for entire building.

   ii. The Hydrant flow test provided by NYC DEP dated 5/16/2016 indicates a static pressure of 50 PSI with a residual pressure of 49 PSI with 500 GPM flowing.

   iii. Hose bibs and trap primers in the common areas of the cellar will operate on street pressure.

   iv. The domestic water pressure within the apartments will be maintained by the booster pump systems between approximately 80 PSI max at the first floor and 33 PSI min at the roof.

   v. Maximum pressure at any fixture will be 83 PSI as required by NYC code.

   vi. All domestic water piping including cold, hot and hot water return shall be copper, insulated and sized as required by Code.

   vii. Pipe sizing and installation to be as per New York City Building Code.

5. Building Sanitary Sewage system

   i. Permit as required for DEP Site connection proposal for a new 8 inch combined sewer shall be required including special inspections for control flow storm water retention.

   ii. Sewer piping materials shall be E.H.C.I. pipe hub & spigout ASTM 74; sanitary waste gravity discharge to street combined sewer, sized as required.

   iii. Building will have multiple stacks and vent system with all areas above grade flowing by gravity to adjacent sewers in street.

   iv. Sewer will be discharge into New York City sewer system.

6. Permits Required:

   i. DEP approval and permit required Site sewer connection proposal.

   ii. DEP approval and permit required for Domestic water and Fire services backflow preventer devises including required filing of GEN 236 and 215B forms.

7. Storm Drainage System:

   i. Storm drainage will be collected via roof and terrace drains and discharged to the combined sewer and into the street main.

ii. Storm drainage system shall be installed as designed and as required per New York City Building Code with storm water retention roof drains that control the storm water flow on the roof. The main roof will consist of (2) controlled flow roof drains with (2) overflow roof drains.

iii. All areas above grade will flow by gravity.

iv. All leaders will be cast iron with No-hub fittings.

K. Plumbing and Drainage:

1. Water Supply:

i. There will be (1) DEP approved 4 inch combined domestic & fire protection water service for the property. Domestic water supply to the building from street water main will be metered. After the water meter assembly and DEP code required back flow preventer device, water is pumped from a duplex constant pressure booster pump to all plumbing fixtures and equipment in the building from the 1st floor to the 6th floor. The booster pumps system will be a lead/lag duplex pump system sized at 50GPM, 105 ft. head, 3 hp. for each pump. Pumps will be manufactured by Federal Pumps Co. or an alternate acceptable manufacturer.

ii. Water Piping:

a. Service piping - AWWA ductile iron class 52 and 104.

Above ground – Copper type "L" ASTM B-88.

iii. Insulation of piping:

All hot water pipe with 1 inch thick and all cold-water pipe with ½ inch thick Manville Micro-Lok AP-T plus fiber glass insulation. Fittings and valves shall be insulated with Manville Zeston 2000 PVC insulated fitting covers. Install all insulation as manufacturers' recommendations. All insulation material shall comply with the New York City Building Code requirement of a flame spread rating not to exceed 25 and a smoke developed rating not to exceed 50.

2. Fire Protection System:

i. The 4" sprinkler water supply with DEP approved double check detector valve for the Sprinkler system. Main flow control valve / switch is located in building utility room. 3" sprinkler riser located within the stair core. Sprinkler system will be as per New York City Building Code. All residential units (except bathrooms and closets), commercial space (s), all common spaces, and below grade spaces are to be fully sprinkler protected.

ii. Sprinkler riser to be 3" black steel pipe schedule 40 with Victaulic couplings or equal and fittings located in stair core. Sprinkler mains 2-1/2" or larger to be Schedule 10 steel pipe, all others to be schedule 40 steel pipe. Drain risers are to be galv. Schedule 40 pipe. Location: Stair Core.

iii. Sprinkler Head: UL and MEA approved quick response, pendant, upright and sidewall sprinkler heads. Location: Provided throughout the building. Entire building is protected by sprinklers, accept as not required by Code.

iv. Siamese connection: located as per NYC Building Department requirements at the 1st floor facade. The finish to be Polished Bronze or Brass (as per architect) with caps painted green.

3. Water Storage Tank: none provided

4. Water Pressure and How Maintained:

i. The residential portion of the building from the 1st floor and above is furnished with separate duplex constant pressure booster system to feed one zones of water supply for entire building.

ii. The Hydrant flow test provided by NYC DEP dated 5/16/2016 indicates a static pressure of

50 PSI with a residual pressure of 49 PSI with 500 GPM flowing.

iii. Hose bibs and trap primers in the common areas of the cellar will operate on street pressure.

iv. The domestic water pressure within the apartments will be maintained by the booster pump systems between approximately 80 PSI max at the basement and 33 PSI min at the roof.

v. Maximum pressure at any fixture will be 83 PSI as required by NYC code.

vi. All domestic water piping including cold, hot and hot water return shall be copper, insulated and sized as required by Code.

vii. Pipe sizing and installation to be as per New York City Building Code.

5. Building Sanitary Sewage system

i. Permit as required for DEP Site connection proposal for a new 8 inch combined sewer shall be required including special inspections for control flow storm water retention.

ii. Sewer piping materials shall be E.H.C.I. pipe hub & spigout ASTM 74; sanitary waste gravity discharge to street combined sewer, sized as required.

iii. Building will have multiple stacks and vent system with all areas above grade flowing by gravity to adjacent sewers in street.

iv. Sewer will be discharge into New York City sewer system.

6. Permits Required:

i. DEP approval and permit required Site sewer connection proposal.

ii. DEP approval and permit required for Domestic water and Fire services backflow preventer devises including required filing of GEN 236 and 215B forms.

7. Storm Drainage System:

i. Storm drainage will be collected via roof and terrace drains and discharged to the combined sewer and into the street main.

ii. Storm drainage system shall be installed as designed and as required per New York City Building Code with storm water retention roof drains that control the storm water flow on the roof. The main roof will consist of (2) controlled flow roof drains with (2) overflow roof drains.

iii. All areas above grade will flow by gravity.

iv. All leaders will be cast iron with No-hub fittings.

L. Heating Systems:

1. The heating system is designed to maintain an indoor temperature of 72° F indoors when outside temperature is 15° F.

2. Heating for apartments will be provided by an HVAC system with VRV-3S ducted, split type individual electrical heat pump units, manufactured by Daikin or approved equal, see tabulation below. Heat is provided in accordance with the controls sequence. Heating system is designed based on energy performance maintaining space temperature settings from local thermostat for each unit. Each indoor unit will have a programmable thermostat. The thermostat will maintain space temperature based on time of day settings. The Heat pumps will have MEV 13 filters.

3. Domestic hot water is provided by individual electrical 40 or 50 gal hot water heaters located inside the apartments. Each water heater will have an instantaneous recovery of approximately 21 GPH @90 Degree F

rise. Heaters will be manufactured by A.O. Smith. There are no instant hot water systems in the residential units.

4. Heating units: See Air conditioning tabulation in Appendix for equipment schedule.

   i. Heating for the residential lobby and vestibule area will be provided by Electrical baseboard heater located at the entrance foyer. Heating in 1st floor corridor and elevator lobby is provided via dedicated mini-split electrical heat pump.

   ii. Heating for the stairwells will be provided with Electrical baseboard heater located at the exit/entrance at the roof.

   iii. Heating for other support spaces including utilities room will be provided by local electrical baseboard heaters.

5. Hot Water and refrigerant water piping is Type K, Type L, copper for sizes less than 3" and schedule 40 steel for sizes 3" and above.

6. All ductwork running in unconditioned areas shall be insulated with R-6 fiberglass insulation.

7. Valves are rated for the temperatures and pressures of the system they serve.

8. The hot water heaters are supplied by Noritz America Corporation with model #Noritz NRC 661. Noritz America Corporation hereby warrants this gas water heater to be free from defects in materials and workmanship, under the following conditions: Warranty Period. This Warranty is extended by Noritz to the Owner for the duration of this Warranty. This Warranty takes effect on the date of installation of the Product by the Noritz Authorized Installer or 30 days after the date of purchase, whichever occurs first, and is effective until the specified anniversary of such date as follows:
   a. For Residential products, 3 years replacement on heat exchanger when the product is used for commercial capacity, if it is used in other than a single family dwelling, or if the product is supplied with pre-heated or circulated water.
   b. Parts other than heat exchanger, 5 years replacement of defective parts.
   c. 1 year approved reasonable labor.

L. Gas Supply:

1. Natural gas metered service is supplied by National Grid.

2. Individual gas meters are provided based on utility company rate schedules for cooking in apartments.

3. Gas pipes to be Schedule 40 as per New York City Building Code. All Gas piping up to 3" in size shall be Schedule 40 ASTM, A53A black steel with screwed malleable iron fittings. All gas piping 4" in size or larger shall utilize welded fittings.

M. Air Conditioning:

1. The air conditioning systems are designed to provide 72°F maximum indoor temperature in heating mode and 75°F minimum indoor temperature for cooling mode to comply with the NYC Energy Code. This shall be accomplished with outdoor design NYC design conditions of 12.6° for heating and 89.3 DB and 73 WB for cooling. A year round heating and cooling system consisting of Daikin VRV-3S mini-split type heat pump system with roof mounted condenser units for each residential apartment unit. All apartment air handlers have ducted air distribution inside apartments. Refrigerant water pipes will be constructed of copper and insulated. Piping will consist of a 2-pipe system. Units inside the apartments will have the ability to either provide heating or cooling, but cannot provide heating and cooling at the same time. Each electric heat pump unit will be provided with its own heating and cooling thermostat and function per the sequence of operation outlined. The thermostat will have the ability to control the fan and mode of operation automatically based on room conditions.

2. Apartments are cooled by the ducted system; stairs are unconditioned.

3. Every units has its own condenser, which is located on roof. Condensers are Daikin or approved equal. In addition to being located on the roof of the bulkhead, condensers are mounted on dunnage, which greatly reduces sound transmission.
4. Warranty is provided to you by Daikin North America LLC ("Daikin"), which warrants all parts of this heating or air conditioning unit, including outdoor model #s RZQ18PVJU9. RZTQ36TAVJU, and RXTQ60TAVJU and indoor model #'s FXAQ18PVJU, FXMQ36PVJU, FXDQ12MVJU, FXDQ07MVJU, FXMQ24MVJU, FXDQ09MVJU, FXAQ07PVJU, FXMQ24PAVJU, and FXDQ18MVJU.
    a. This warranty covers defects in materials and workmanship that appear under normal use and maintenance.
    b. Warranty coverage begins on the "installation date." The installation date is one of two dates: (1) the installation date is the date that the unit is originally commissioned, but no later than 18 months after the manufacture date noted on the unit's rating plate or (2) if the date the unit is originally commissioned cannot be verified, the installation date is three months after the manufacture date.
    c. The warranty lasts for a period up to 10 years if the following conditions are satisfied:
        i. Vacuum drying at commissioning per Daikin's instructions.
        ii. All brazing of pipe-work was performed with nitrogen flow in pipe to eliminate oxidation.
        iii. Pressure checking the pipework per Daikin's guidelines to ensure no leaks.
        iv. Correct refrigerant charge was weighed in at time of commissioning.
        v. Correct refrigerant charge was present at time of breakdown (i.e., no leaks due to installation or operator errors or failure to follow instructions).
        vi. Installation of equipment and pipe-work was completed as per Daikin's instructions.
        vii. Equipment was operating within Daikin's operating temperature limits and specifications unless the failure to so operate is solely attributable to a defect in the unit.
    d. Daikin will furnish a replacement part, without charge for the part only, to replace any part that is found to be defective due to workmanship or materials under normal use and maintenance. Furnishing of the replacement part is Daikin's only responsibility under this warranty.

O. Ventilation:

1. Bathrooms are provided with common exhaust fan at the NYC code required intermittent rate of 30 CFM/toilet. The main vertical exhaust risers exhaust air to the roof level by roof mounted exhaust fan(s). Fan will have duct mounted static pressure sensor with VFD drive on each main roof exhaust fan.

2. All kitchens for apartments ventilated by common exhaust fans at the NYC code required intermittent rate of 25 CFM/kitchen. The main vertical exhaust risers exhaust air to the roof level by roof mounted exhaust fan. Fan will have duct mounted static pressure sensor with VFD drive on each main roof exhaust fan.
3. Apartment Laundry rooms are provided with vent-less electric clothes dryer systems.
4. Residential units are also ventilated via operable windows.

P. Electrical System:

1. Electrical System: Electrical service will be provided into cellar main electric room. Service from Con Edison shall be sized as per building's electrical loads in accordance with the New York City Electrical Code. Service to the building will be 208/120 volt, 3- phase, 4 wire and distributed to residential and base building distribution systems via power and lighting panels. Dedicated service and electrical equipment for Residential and base building distribution systems are sized based on their respective loads.

2. Main electrical room consolidating residential and common area electrical equipment is located at the 1st floor of the building. Local distribution equipment for Residential units is situated in their respective spaces. Power for residential units is distributed from meter banks and disconnect switches in main electrical room.

3. Service to Individual Residential Units from meter banks include dedicated feeders that run to each

Residential Unit and terminates at the apartment panel boards. Residential Unit feeders sized as required by load and voltage drop. Each residential unit feeder is protected by individual overcurrent protective device at the meter bank location and consist of 100A 2-pole single phase circuit breakers for apartments: 1A, 4A, 5A, 6A & 80A 2-pole single phase circuit breakers for apartments: 2B, 3A, 3B.

4. Residential Unit Service: The residential panel board will be rated to comply with the New York City Electrical Code, and takes into account all equipment provided in Residential Units such as washing machines, clothes dryers, dishwashers, microwaves, air conditioning equipment, etc.

5. All residential units will be supplied with 120/208V, 1 phase, 3 wire + ground, 24 or 30 pole power panels with single and double pole circuit breakers in each unit.

6. Common Areas: Power and Lighting panels will be provided to distribute electricity to the loads in all common areas and to be circuited from the dedicated electrical house meter. Individual branch circuit protection will be sized and rated based on the connected loads and requirements of the code, which shall include lighting, receptacles, air conditioning and heating etc.

7. Fire Detection Alarm Systems: Smoke detection and sprinkler system is provided as required in accordance with NYC code including water flow and tamper switches as required for the sprinkler system, with smoke detection for 1st floor rooms and elevator recall.

8. Adequacy:

Residential:

i. Service: Capacity provided for each Residential Unit will be in accordance with Code requirements, sized at 80 or 100 Ampere at 120/208V, 1 phase, 3 wires. Service will be adequate to meet normal apartment appliance, lighting and air conditioning loads.

ii. Lighting and Fixtures: Shall be in accordance with Architectural reflected ceiling plan and lighting fixture schedule.

iii. Convenience Outlets: Receptacles will be provided in all rooms to meet the New York City Electrical Code. All receptacles in apartments will be protected with AFCI (Arc Fault Circuit Interrupting) type circuit breakers, except as otherwise required by NYC Electrical Code.

iv. Appliance Outlets: Appliance receptacles will be provided in kitchens. Dedicated appliance receptacles will be provided for laundry equipment and individual loads such as cooking range and clothes washers & dryers. Ground fault receptacles will be provided in all bathrooms, kitchens, and at Residential Unit terraces.

a. 20 amps, 120V circuits are provided to handle lighting and general purpose receptacles.

b. 20 amps, 120V circuits are provided in the kitchen area for 120V kitchen appliances. Each appliance outlet above counter will be GFCI type.

c. 20 amps, 120V circuits in the bedrooms area are provided with AFCI type circuit breakers in the apartment panels.

d. 2p-30 amps, 208V 1 phase service are provided to all CU units on the roof (apt. 2B, 3A, 3B).

2p-35 amps, 208V 1 phase service are provided to all CU units on the roof (apt. 1A, 4A, 5A, 6A)

e. 20 amps, 120V single phase circuit for dishwashing machine are provided.

f. 20 amps, 120V single phase circuits are provided for electric washer/dryer units.

g. Public area lighting complies with Housing Maintenance Code and Multiple Dwelling Laws.

Q. Telephones, Intercom and Security Systems:

1. Telephone services will enter the building from East 7th Street and be fed to a telephone room located

on Cellar level. It will then be distributed throughout the building through risers and sleeves. Each Residential Unit will receive telephone service to a closet within the unit.

2. Wiring will be installed in each Residential Unit to enable the Unit Owner to obtain telephone and cable television service at the Unit Owner's Expense.

3. The building will not be equipped with a Master Television Antenna System.

4. Security access to the building will be controlled by intercom system as manufactured by Urmet or equal.

   a. Entrance Panel: The entrance panel shall be a weather resistant vandal resistant stainless steel flush mounted panel. The panels hall proved an integrated color camera, speaker/microphone, and electronic directory. The panel shall consist of Urmet models 1145/53 & 1145/63 flush back box 1745/49 electronics package and 1083/13 stainless steel cover or equal.
   b. Apartment Intercom Station: The apartment station shall be flush mounted, full duplex, open voice intercom with integral 4" color LCD screen. The station shall have provisions for intercommunication with 1 or more entry panels, lock activation control, camera call up and scrolling and programmable remote control features. Conversation shall be private and lock control will only be available to the apartment station in conversation. The apartment station shall have an integral doorbell tone generator and allow for a separate signal tone when the apartment doorbell is depressed. Urmet apartment station shall be model 1716/2.

5. Security systems will be provided by building owner.

S. Smoke detectors:

i) Protection type smoke detectors and combination CO detector, hard wired, with battery backup, 120 volt provided in each apartment. Maintenance of safety and warning devices is the responsibility of the unit owner.

T. Tennis courts, playgrounds and recreation facilities: N/A

U. Inspections

Government agencies affiliated with review and approval for Certificate of Occupancy include: Department of Buildings, Parks Department, Department of Highway, Attorney General, Department of Finance, and Department of Transportation.

V. Violations:

There are currently no outstanding DOB or ECB violations on the property.

W. Unit Information:

1. General within apartment:

Ceiling	Paint
Wall	Paint
Floor	Wood
Base	Wood, paint
Mech. closet	Tile

Washer/ dryer closet	Tile

Bathrooms and powder rooms:

Ceiling	Paint
Wall	Paint and tile
Floor	Tile
Saddle	Marble or granite
Countertop	Stone, caesarstone
Vanity	Lacquer or wood veneer
Shower area	Mosaic tile
Bath tub, shower divider	Tempered clear glass
Clear mirror above vanity	

Kitchens:

Ceiling and wall	Paint
Countertop, backsplash	Caesarstone
Upper cabinets	Lacquer, frosted glass
Cabinets, island	Wood veneer
Base	Laminated metal
Cabinet interior	Melamine

2. Bathroom Fixtures:

Sink	Kohler	K-2330-G-0
Faucet	Grohe	20191
Bath tub	Kohler	K-1821
Shower set	Kohler	K-T14420-4E
Toilet	Grace	WT14W

Master bathroom plumbing fixtures:

Sink	Wet Style	Cube VCS 48
Faucet	Grohe	23084
Bath tub	Kohler	K-1821
Shower set	Grohe	35051000 GrohFlex
Toilet	Grace	WT14W

3. Kitchen fixtures and appliances (model numbers are subject to variations):

25" Sink	Blanco	518171
33" Sink	Kohler	K-3838-1
Faucet	Grohe	31380 000
31" Refrigerator	Fisher & Paykel	RF170ADX4
36" Refrigerator A	Bosh	B22CT80SNS
36" Refrigerator B	Liebherr	HCBS 2062
Hood	Elica	EPR628SS
Wall Oven	Bosh	HBLP451UC
Gas Cooktop	Bosh	NGMP055UC
Dishwasher	Fisher & Paykel	DD24DCTX7 DD24DTI7
Microwave	Bosh	HMB5051
24" Wine cooler	Whirlpool	WUW35X24DS

15" Wine cooler	Whirlpool	WUW35X15DS
Food Waste Disposer	Evolution Compact	

4. Schedule of Units

First Floor
Apt. TH LL is accessory use to apartment above with one bedroom and one bathroom, a garden, and a convenience stair leading to apartment above

Second Floor
Apt. TH UL is a 2-bed, 2-bath, 1-kitchen with a convenience stair leading to the accessory space at 1st floor.
Apt. 2A is a 1-bed, 1-bath, 1- kitchen with a dining alcove

Third Floor
Apt. 3A is a 1-bed, 1-bath apartment with 1 kitchen
Apt 3B is a 1-bed, 1-bath apartment with 1 kitchen and a balcony

Fourth Floor
Apt. 4 is a 3-bed, 2-bath, 1 powder room, 1 kitchen apartment with a balcony

Fifth Floor
Apt. 5 is a 3-bed, 2-bath, 1 powder room, 1 kitchen apartment with a balcony

Sixth Floor
Apt. PH LL is a 3-bed, 2-bath, 1 powder room, 1 kitchen apartment with a balcony and convenience stair leading to the UL

Roof
Terrace is accessory use to apartment below.

X. Finish schedule for other spaces:

Lobby, corridors:

Ceiling	Paint
Wall	Paint and tile
Floor	Tile
Base	Wood, paint
Artwork frame	Wood, paint
Door frame	Wood, paint
Stair railing	Paint
Stair	Concrete, paint
Feature wall	Steel, lacquer, mirror
Build-in bench	Stone, lacquer, leather

Y. Fire and/or Smoke Safety Devices

Each apartment contains combined smoke/carbon monoxide detectors located in the vicinity of the bedrooms. Manufacturer: 1st Alert, Model # SCO1BN or equal. The detector is wired to a 120 volt local power supply and is self-contained with its own sounding device with battery backup. The sponsor reserves the rights to provide combined smoke/carbon monoxide detectors by different manufacturers, which are equal to, or better than those list.

Ramy Issac, R.A.

Sworn before me this 4 day
Of _____, 2018

Notary Public

MARTIN AUSTIN DAVID
Notary Public, State of New York
Registration #01MA6341019
Qualified In Suffolk County
Commission Expires May 2, 2020

Issac & Stern

Architects, P.C.

307 5th Avenue, 14th Floor New York, NY 10016

telephone: 212-268-5600 fax: 212-268-9911 email:info@issacstern.com

APPENDIX – MECHANICAL AND PLUMBING EQUIPMENT

HWH ELECTRIC WATER HEATER

A.O. SMITH, PROMAX MOD# ENT–40,
40 GAL. CAPACITY, 4.5 KW, 208 V, 1 PH,
21 GPH @90°F RISE, 0.95 ENERGY FACTOR

TOILET ELECTRIC HEATER SCHEDULE

UNIT NO.	TEH-1
TOTAL HEATERS	SEE PLANS
SERVICE	SEE PLANS
LOCATION	SEE PLANS
BTU/HR	3,412
WATTS	1000/500
AMPS	8.3/4.2
VOLTAGE	120/1/60
DIMENSIONS	9 3/4"W x 11"H x 3 7/8"D
MANUFACTURER	BERKO
MODEL	MODEL SRA 1012DS

REMARKS:
1. DO NOT INSTALL UNIT WHERE AIR FLOW MAY BE OBSTRUCTED. WHERE WALL RESTRICTIONS EXIST, MOUNT UNIT HIGH ON WALL AND PROVIDE REMOTE WALL THERMOSTAT LOCATES AS PER ARCHITECT'S DIRECTION.
2. PROVIDE SEMI-RECESSED FRAME BERKO SRAS-1 OR SRAS-2, WHERE WALL CAVITY IS LESS THAN 3 1/2" DEEP.

FAN SCHEDULE

FAN NO.		TX-1	KX-1
TYPE		CENTRIFUGAL	CENTRIFUGAL
FAN DATA	CFM	210	125
	STATIC PRESS (IN WG)	0.625	0.625
	ARRANGEMENT	DIRECT DRIVE	DIRECT DRIVE
	FAN SPEED (RPM)	1,725	1,550
MOTOR DATA	MOTOR SPEED (RPM)	1,725	1,725
	MOTOR HP	1/4	1/4
ELECTRICAL DATA		115/1/60	115/1/60
APPROX. OPERATING WEIGHT, LBS		19	19
MANUFACTURER		GREENHECK	GREENHECK
MODEL NO.		G-080-VG	G-085-VG
MOTOR OPERATED DAMPER (V/PH/HZ)		115/1/60	115/1/60

REMARKS:
1. PROVIDE MOTORIZED DAMPER FOR EXHAST FAN 300 CFM AND MORE. PROVIDE BACKDRAFT DAMPER (BDD) FOR EXHAUST FAN LESS THEN 300 CFM.
2. ALL FANS SHALL BE EQUIPPED WITH SPEED CONTROLLER.
3. ALL EXHAUST FAN SHALL BE CONTROLLED BY TIME CLOCK
4. PROVIDE 2-SPEED MOTOR FOR LAUNDRY FAN LE-1. INTERLOCK WITH DRYERS.. LOW SPEED ACTIVATED WITH ONE (1) DRYER, HIGH SPEED ACTIVATED WITH TWO AND MORE DRYERS.

DECORATIVE SILL- HEIGTH CONVERCTORS
HEATER BASED DESIGN ON Q-MARK

BBH-1 MODEL CSH-07A 3 FT. LENGTH, TWO ELEMENT, 208V, 1PH, 1.250W, 4,266 BTU/HR 625 WATTS/FT, 6.0 AMPS

NOTES: COLOR SELECTED BY ARCHITECT PROVIDE HEATERS WITH DISCONNECT SWITCH, SINGLE-POLE THERMOSTAT (BUILT-IN) AND SINGLE-POLE LOW VOLTAGE RELAY WITH BUILT-IN TRANSFORMER (24 VAC CONTROL).

AC 1	AC WALL MOUNTED UNIT, BASED ON "SHARP" OR THEIR APPROVED EQUIVALENT 7,500 BTU (HR), 115V/1PH/60HZ.
NOTE: INSTALL IN WALL SLEEVE PER MANUFACTURER'S RECOMMENDATIONS.	

ERV 1	ENERGY RECOVERY SYSTEM "RENEW AIR" MODEL EV450RT, AIR FLOW RANGE 200-500CFM, DIRECT DRIVE 0.6HP(SINGLE PHASE), WEIGHT 250LBS, 208-230 VOLT, 60HZ, MCA-4.9, MOP-15.

PUMPS' SCHEDULE

PUMP CO	ABBREV.
FEDERAL PUMPS Co.	FED
PEERLESS PUMP	PP
SYNCROFLO	SF
STANCOR	ST
BELL & GOSSETT	B&G
SICO SYSTEM CONTROL	SICO

◦ DESIGNATION		NO. OF SETS REQUIRED	G.P.M. OR C.F.M.(EACH)	T.D.H. (FEET HEAD)	MODEL NO.	MECH. SEAL	STAGES	VERT. SPLIT	HORIZ. SPLIT	WORKING PRESS.	H.P.	R.P.M.	VOLTS	PHASE	CYCLE	MANUAL CONTROL	STARTING STEPS	AUTO CONTROL	PILOT LIGHT	PRESSURE GAUGE RANGE	CONTROL CENTER	EMERGENCY POWER	SUBMERSIBLE PUMPS	CUSHION TANK 86GAL
VB-1	DUPLEX WATER BOOSTER PUMPS (1ST FLOOR)	1	50	105	ULTRA 2300 CR-10-4 (SICO)	-	-	-	-	-	3	3500	208	3	60	-	-	x	-	-	-	-	-	x
SP-1	SUMP PUMP (ELEVATOR PIT)	1	45	20	SE50 W/OIL MINDER (ST)	-	-	-	-	-	1/2	3600	115	1	60	-	-	-	-	-	-	-	x	-

OR EQUAL

AIR CONDITIONER UNITS SCHEDULE (DAIKIN AC)

SPLIT-TYPE AIR CONDITIONER (HEAT PUMP)

	OUTDOOR UNIT								INDOOR UNIT								
APARTMENT	UNIT No.	MOD.#	COOLING CAPACITY TON (MBH)	HEATING CAPACITY MBH	AIR FLOW (CFM)	UNIT SUPPLY VOLTAGE	CURRENT MCA/MFS (AMPS)	WEIGHT (LBS)	UNIT No.	MOD.#	COOLING CAPACITY (MBH)	HEATING CAPACITY MBH	AIR FLOW (CFM)	CURRENT MCA/MFA (AMPS)	WEIGHT (LBS)	REFRIGERANT	SEER (Btu/hr /W)
VESTIBULE	CU-V	RZQ18PVJU9	1.5 (18.0)	20.0	-	208/230-1-60	16.5/20.0	150	AH-V	FXAQ18PVJU	18.000	20.000	500/400	0.4/15	31	R-410A	18.6
A	CU-A.1	RXTQ36TAVJU	4 (45.5)	49.5	-	208/230-1-60	29.1/36	172	AH-A.1	FXMQ36PVJU	36.000	40.000	1094/812	2.9/15	101	R-410A	15.5
									AH-A.2	FXDQ12MVJU	12.000	13.500	280/220	0.9/15	51	R-410A	
A	CU-A.2	RXTQ36TAVJU	4 (45.5)	49.5	-	208/230-1-60	16.5/25	172	AH-A.3	FXDQ07MVJU	7.500	8.500	280/228	0.9/15	51	R-410A	18.0
									AH-A.4	FXDQ12MVJU	12.000	13.500	280/228	0.9/15	51	R-410A	
									AH-A.5	FXAQ07PVJU	7.500	8.500	260/160	0.9/15	25	R-410A	
B, C	CU-B,CU-C.1, CU-C.2	RXTQ36TAVJU	3 (34.2)	37.0	-	208/230-1-60	16.5/25	172	AH-B.1, AH-C.1, AH-C3	FXDQ07MVJU	7.500	8.500	280/228	0.9/15	51	R-410A	15.5
									AH-B.2, AH-C.2, AH-C4	FXMQ24PAVJU	24.000	27.000	688/565	1.8/15	101	R-410A	
D, E, F, G	CU-D,CU-E, CU-F, CU-G	RXTQ60TAVJU	5 (57.0)	57.0	-	208/230-1-60	29.1/35	225	AH-D.1, AH-E1, AH-F1, AH-G1	FXDQ09MVJU	9.500	8.500	280/228	0.9/16	51	R-410A	15.5
									AH-D.2, AH-E2, AH-F2, AH-G2	FXMQ24PAVJU	24.000	27.000	688/565	1.8/15	101	R-410A	
									AH-D.3, AH-E3, AH-F3, AH-G3	FXDQ07MVJU	7.500	8.500	280/228	0.9/15	51		
									AH-D.4, AH-E4, AH-F4, AH-G4	FXDQ18MVJU	18.000	20.000	440/350	1.3/15	63	R-410A	

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Projection of Utility Cost for Building and Individual Units 253 East 7th Street, New York, NY 10009

The charges indicated below are based on the following assumption:

1. Heating is based on 4,619 degree-days officially provided datum obtained from New York State Energy Research and Development Authority (NYSERDA). The System shall maintain 70 degree Fahrenheit in the residential units when outdoor air temperature is 0 degree Fahrenheit.
2. Air conditioning system shall maintain 75 degree Fahrenheit (ECCC NYS) when outdoor air temperature is 89.9 degree Fahrenheit (ASHRAE 2013). Windows to have curtains, Venetian blinds or other shading materials.
3. Energy rate structure for electricity use is based on NYSERDA Rate for Residential. Gas rate, as per NYSERDA Rate for Residential.
4. Each residential unit is calculated to have a mini-split electrical heat pump HVAC system, gas range, electric washer and dryer, and all other appliances included in the sale. The hot water is produced by individual storage type Gas hot water heaters for each apartment.
5. The estimated first year cost for Water and Sewer as of April 27, 2018 projected first year of condominium operation, using current rate as of April 2017, is an estimated rate of $3.81 per hundred cubic feet of water and the average as listed below:
   1 bedroom apartment (2 people) – 120gal/day;
   3 bedroom apartment (4 people) – 240gal/day;

Charges for waste and storm sewer services are $6.06, for a combined water/sewer charge of $9.87 per 100 cf of water.

6. The estimated Electric cost, as of April 27, 2018 projected first year of condominium operation, using current rate as of January 2017, plus an inflation factor estimated at 10%, results in an estimated cost of $0.2208/kWH. This is an estimated rate which includes service charge, taxes and estimated increase. Note that the state of the electrical industry in New York City and State is extremely volatile due to various political and economic issues and the future electrical costs cannot be accurately predicted. However, the costs provided below should allow for an accurate order of magnitude estimate.

Bare Cost	$0.173
10% Increase (Est.)	$0.0173
Sub-total	$0.1903
16% Taxes	$0.03045
Total	$0.2208 (Estimated)

7. The estimated first year Gas cost for the April 27, 2018 projected first year of operation, using current rate as of January 2017, plus an inflation factor estimated at 10%, results in as estimated rate of $1.2505/therm, for the projected first year of condominium operation. This is an estimated rate which includes service charge, taxes and estimated increase. Note that the state of the natural gas industry in New York City and State is extremely volatile due to various political and economic issues and the future gas costs cannot be accurately predicted. However, the costs provided below should allow for an accurate order of magnitude estimate.

Tel: (718) 872-6122 / (718) 872-6144
E-mail: ad@adnyeng.com; www.adnyeng.com
Branch: 2613 East 65th Street, Brooklyn, NY 11234
Main Office: 2606 East 15th Street, Suite #304, Brooklyn, NY 11235

Bare Cost	$0.9800
10% Increase (Est.)	$0.0980
Sub-total	$1.0780
16% Taxes	$0.17248
Total	$1.2505(Estimated)

The figures can vary considerably depending on the severity of the weather, the efficiency of the actual equipment installed, occupants' personal habits as well as other operating parameters. These figures are not intended to be a guarantee.

A. ESTIMATED UTILITIES FOR HOUSE LOADS / AREAS

WATER CHARGE & SEWER RENT

Water and Sewer Charges for the metered building are assessed by the City of New York based on the actual amount of usage. The City of New York currently charges $9.87 per hundred cubic feet of water and sewer (approximately 748 gallons). There will be one water meter servicing the entire building.

We estimate that daily water consumption will be as listed below for an annual water consumption of:

1 BR APT (2 PERSONS)	3 apt	x	120 gal	x	365 days		131,400	gal/yr
3 BR APT (4 PERSONS)	4 apt	x	240 gal	x	365 days		350,400	gal/yr
Total apartments	**7**						**481,800**	**gal/yr**
	481,800 gal/yr	/	748 gal				644	HCF/yr
Total annual usage	644 HCF/yr	x	$ 9.87	per HCF		**$**	**6,357**	**per year**

Based on current combined water and sewer rates of $9.87 per HCF.

* These costs may vary based on occupancy and use.

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ELECTRICAL USAGE (CONDO)

Typical Calculations for :
Units: 1 **BEDROOMS (B,C,D)**
Raning between 709.52-727.09 sq. ft.

Lighting	0.7 w	x	715 (aver) sq ft	x	3 hr/day	x	30 days	45.1 kwh/mont
Refrigerator	1 kw	x	6 hr/day	x	30 days			180 kwh/mont
Washing Machine	2 kw	x	16 hr/month					32 kwh/mont
Electrical dryer	2.5 kw	x	16 hr/month					40 kwh/mont
Toilet Electrical Heater	1 kw	x	1 hr/day	x	30 days			30 kwh/mont
Sub-Total Annual Usage:	327.1 kwh/months	x	12 month					**3,925 kwh/yr**
HVAC units:			3.19 kw	x	10 hr/day	x	30 days	957 kwh/mont
	957 kwh/month	x	8 month					**7,656** kw/yr
Annual Cost:	11,581 kwh/yr	x	22.1 c/kw					**2,557 per year**

TOTAL ANNUAL USAGE: **$2,557** per year or **$213** per month

* These costs may vary based on occupancy and use

Typical Calculations for :
Unit: 3 **BEDROOM (A)**
Raning 1632.31 sq. ft.

Lighting	0.7 w	x	1,632.3 (aver) sq ft	x	3 hr/day	x	30 days	102.8 kwh/mont
Refrigerator	1 kw	x	6 hr/day	x	30 days			180 kwh/mont
Washing Machine	2 kw	x	16 hr/month					32 kwh/mont
Electrical dryer	2.5 kw	x	16 hr/month					40 kwh/mont
Toilet Electrical Heater (3)	3 kw	x	1 hr/day	x	30 days			90 kwh/mont
Sub-Total Annual Usage:	354.8 kwh/months	x	12 month					**4,258 kwh/yr**
HVAC units:			8.52 kw	x	10 hr/day	x	30 days	2,556 kwh/mont
	2,556 kwh/month	x	8 month					**20,448** kw/yr
Annual Cost:	24,706 kwh/yr	x	22.1 c/kw					**5,455 per year**

TOTAL ANNUAL USAGE: **$5,455** per year or **$455** per month

* These costs may vary based on occupancy and use

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Typical Calculations for :
Units: 3 **BEDROOMS (E, F, G)**
Raning between 1653.75 - 1728.85 sq. ft.

Lighting	0.7 w	x	1,677.8 (aver) sq ft	x	3 hr/day	x	30 days	105.7 kwh/mont
Refrigerator	1 kw	x	6 hr/day	x	30 days			180 kwh/mont
Washing Machine	2 kw	x	16 hr/month					32 kwh/mont
Electrical dryer	2.5 kw	x	16 hr/month					40 kwh/mont
Toilet Electrical Heater (3)	3 kw	x	1 hr/day	x	30 days			90 kwh/mont
Sub-Total Annual Usage:	357.7 kwh/months	x	12 month					**4,292 kwh/yr**
HVAC units:			5.66 kw	x	10 hr/day	x	30 days	1,698 kwh/mont
	1,698 kwh/month	x	8 month					**13,584** kw/yr
Annual Cost:	17,876 kwh/yr	x	22.1 c/kw					**3,947 per year**

TOTAL ANNUAL USAGE: **$3,947** per year or **$329** per month

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COMMON AREAS ELECTRICAL CHARGES FOR RESIDENTIAL UTILITY COST

	17	fixt	x	20	w/ea	x	8	hrs/day	x	365	days/yr			993	kwh/yr
	1183	kwh/yr	x	0.2208	$/kwh									$ 261	per yr
	Sub -Total Lighting Cost													**$ 657**	**per yr**
Heating (Vestibule, Stairs, Mech Rm's):															
7	x	1.25	kw	x	12	hrs	x	30	days	x	5	months		15750	kwh/yr
HVAC (Lobby):															
1	x	6.24	kw	x	12	hrs	x	30	days	x	8	months		17971.2	kwh/yr
AC (Elevator mashin):															
1	x	0.5	kw	x	6	hrs	x	30	days	x	12	months		1080	kwh/yr
ERV:															
1	x	1.1	kw	x	16	hrs	x	30	days	x	12	months		6336	kwh/yr
	41137	kwh/yr	x	0.2208	$/kwh									**$ 9,083**	per yr
Sump Pump: (1) 1/2HP															
	0.33	kw	x	3	hrs	x	30	days	x	12	months			356	kwh/yr
Duplex Water Booster Pump: (2) 3HP															
	3	kw	x	3	hrs	x	30	days	x	12	months			3240	kwh/yr
Miscellaneous:															
	Fans (kitchens, toilets, refuse room):														
2	x	0.33	kw	x	24	hrs	x	30	days	x	12	months		5,702	kwh/yr
	Receptacles														
20	x	0.2	kw	x	2	hrs	x	30	days	x	12	months		2,880	kwh/yr
	Sub -Total Miscellaneous Cost				8,582	kwh	x	0.2208	$/kwh					**$ 1,895**	kw/yr
TOTALANNUALUSAGE								**$11,635**	**per year**		**or**	**$970**	**per month**		

*

These costs may vary based on occupancy and use

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GAS USAGE APARTMENT CHARGES (100MBH/therm)

GAS RANGE	1 x	65 MBH/hr	x	2 hr/day	x	30 days/month	x	12 month	351	therms/yr
	351 therms/yr		**x**	**$ 2.210**	**therms**				**$ 776**	**per year**
									$ 64.64	**per mont**

* These costs may vary based on occupancy and use

Sincerely,

Alexander Soskin

Alexander Soskin, P.E.

A & D Engineering, PLLC

FLOOR PLANS OF CONDOMINIUM UNITS, SITE PLAN AND ELEVATION DRAWING

THE FLOOR PLANS OF THE UNITS ARE SET FORTH IN THIS SECTION. PROSPECTIVE PURCHASERS ARE ADVISED THAT ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION TOLERANCES. DIMENSIONS ARE MAXIMUM OVERALL AS MEASURED FROM THE EXTERIOR FACES OF THE BUILDING TO THE CENTER LINE OF ANY WALL SEPARATING ONE UNIT FROM ANOTHER UNIT AND THE EXTERIOR FACES OF ANY WALLS SEPARATING A UNIT FROM THE COMMON ELEMENTS OR LIMITED COMMON ELEMENTS.

Sponsor reserves the right to make changes in the layouts and dimensions of the Units, subject to the terms and conditions of the Plan. Any such changes will be disclosed in a duly filed amendment to the Offering Plan.

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SECTION A

253 EAST 7TH STREET CONDOMINIUM

LLC NAME

LLC ADDRESS

DESCRIPTION OF UNITS

FLOOR	GROSS AREA	COMMON AREA (INTERIOR)	COMMON AREA (EXTERIOR)	APARTMENT	APARTMENT AREA	DUPLEX	BEDROOMS	BATHROOMS	TOILET ROOM	YARD/GARDEN	YARD/GARDEN SQ. FT.	BALCONY	BALCONY SQ. FT.	TERRACE	TERRACE SQ. FT.	LIMITED COMMON AREA (LCA)	LCA SQ. FT.
FIRST	1,837.50	932.29		TH	905.21	LL	1	1	0	YES	556.58	NO		NO			
																	556.58
SECOND	1,653.75	217.14		TH	727.09	UL	2	2	0	NO		NO		NO			
				2A	709.52		1	1	0	NO		NO		NO			
																	0
THIRD	1,653.75	217.14		3A	709.52		1	1	0	NO		NO					
				3B	727.09		1	1	0	NO		YES	84	NO			
																	84
FOURTH	1,653.75			4	1653.75		3	2	1	NO		YES	84	NO			
																	84
FIFTH	1,653.75			5	1653.75		3	2	1	NO		YES	84	NO			
																	84
SIXTH	1,653.75			PH	1653.75	LL	3	2	1	NO		YES	84	NO			
																	84
ROOF	334.52	262.9	687.33	PH	71.62	UL	0	0	0	NO		NO		YES	631.9		
																	631.9
BULKHEAD	162.62	162.62	188.19														
																	0
ROOF OVER BKHD	0.00		162.62														
																	0
TOTAL	**10,603.39**	**1,792.09**	**1,038.14**		**8,811.30**		**15.00**	**12.00**	**3.00**								**1,524.48**

PREPARED BY ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017
FORMULA: (UNIT AREA X 100) DIVIDED BY TOTAL OF UNITS AREA = PERCENTAGE OF COMMON INTEREST

REGISTERED ARCHITECT
RAMY ISSAC
No. 018256
STATE OF NEW YORK

DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

CHART

EXHIBIT E



DFE= FLOOD RESISTANT CONSTRUCTION ELEV.

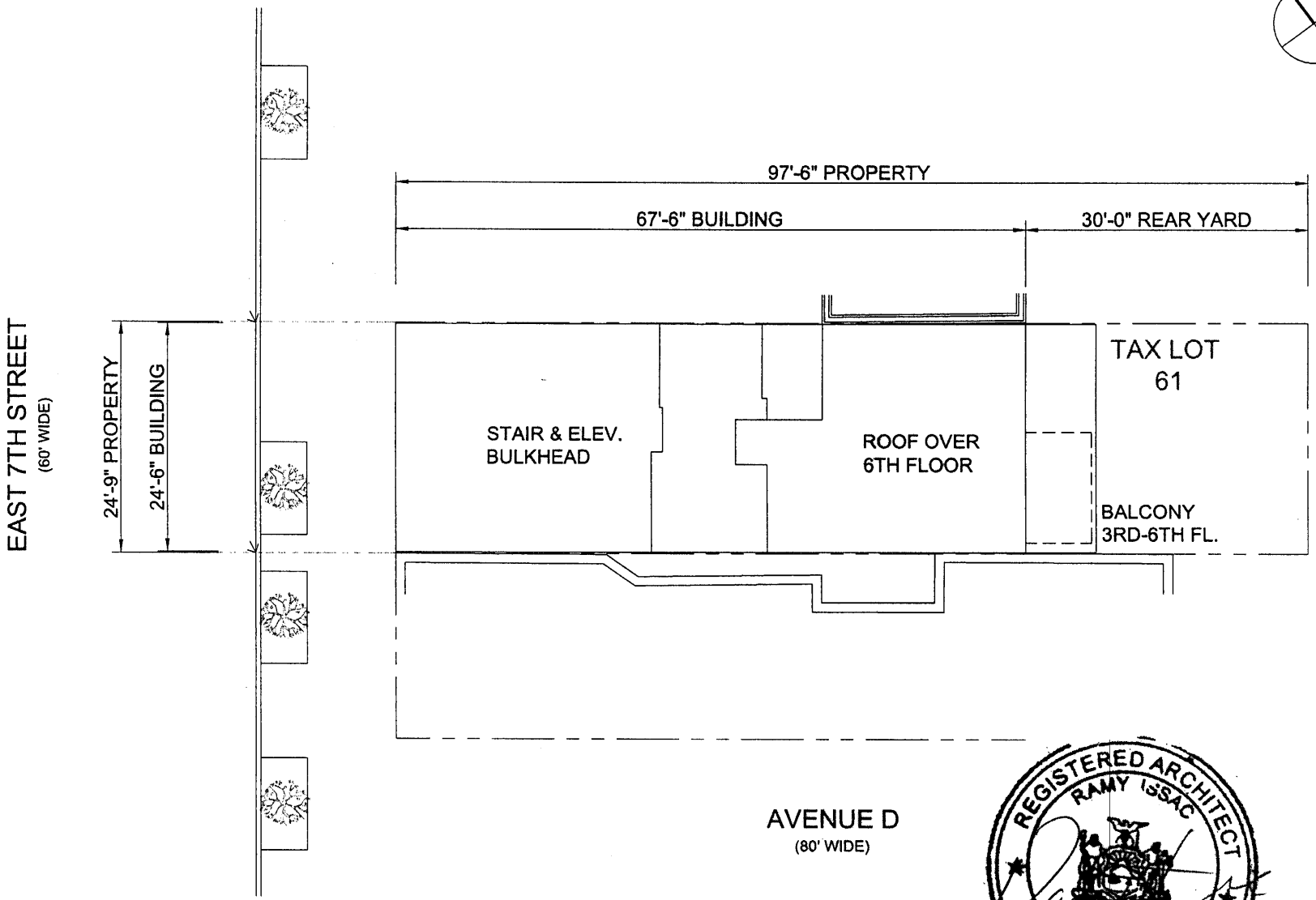
REGISTERED ARCHITECT
RAMY ISSAC
No. 018258
STATE OF NEW YORK

DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

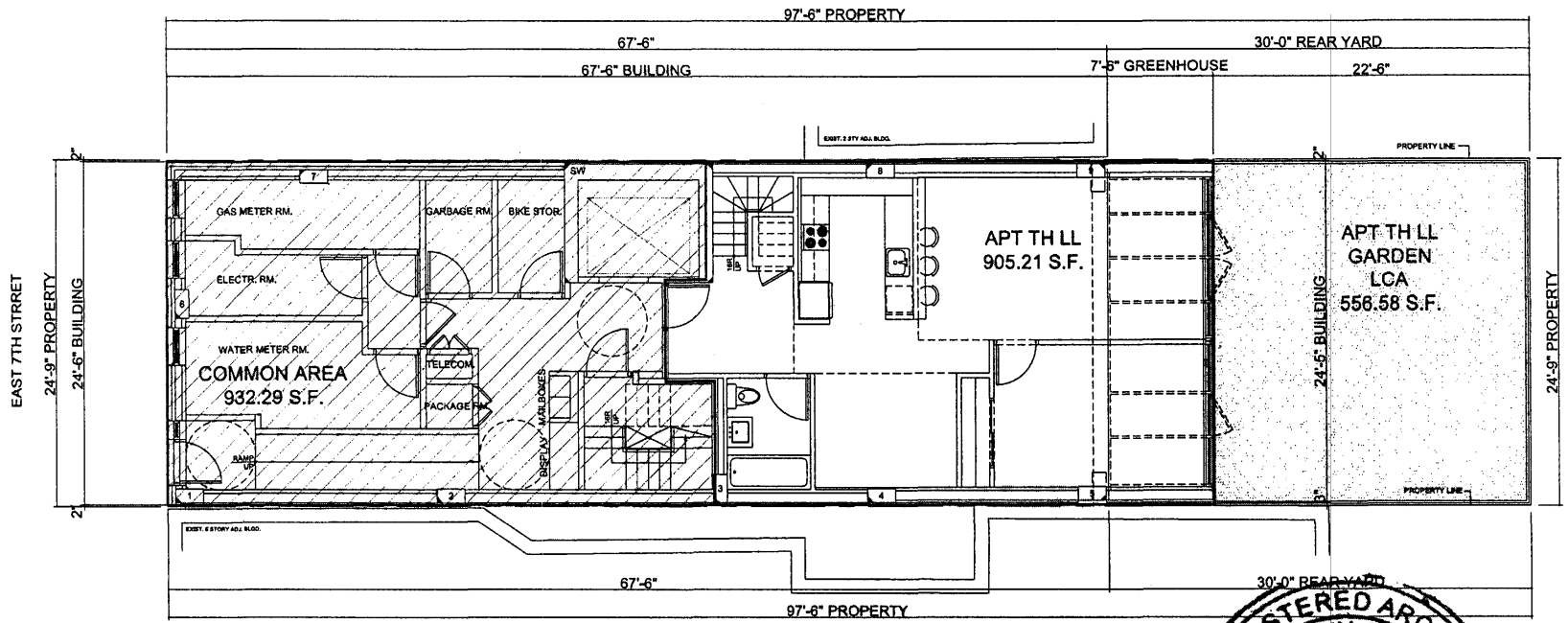
ELEVATION



REGISTERED ARCHITECT
RAMY ISSAC
No. 018258
STATE OF NEW YORK

DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM 253 EAST 7TH STREET, MANHATTAN, NY 10009
ISSAC AND STERN ARCHITECTS, P.C. DATE: JANUARY 2017
SITE PLAN



REGISTERED ARCHITECT
RAMY ISSAC
No. 018258
STATE OF NEW YORK

DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

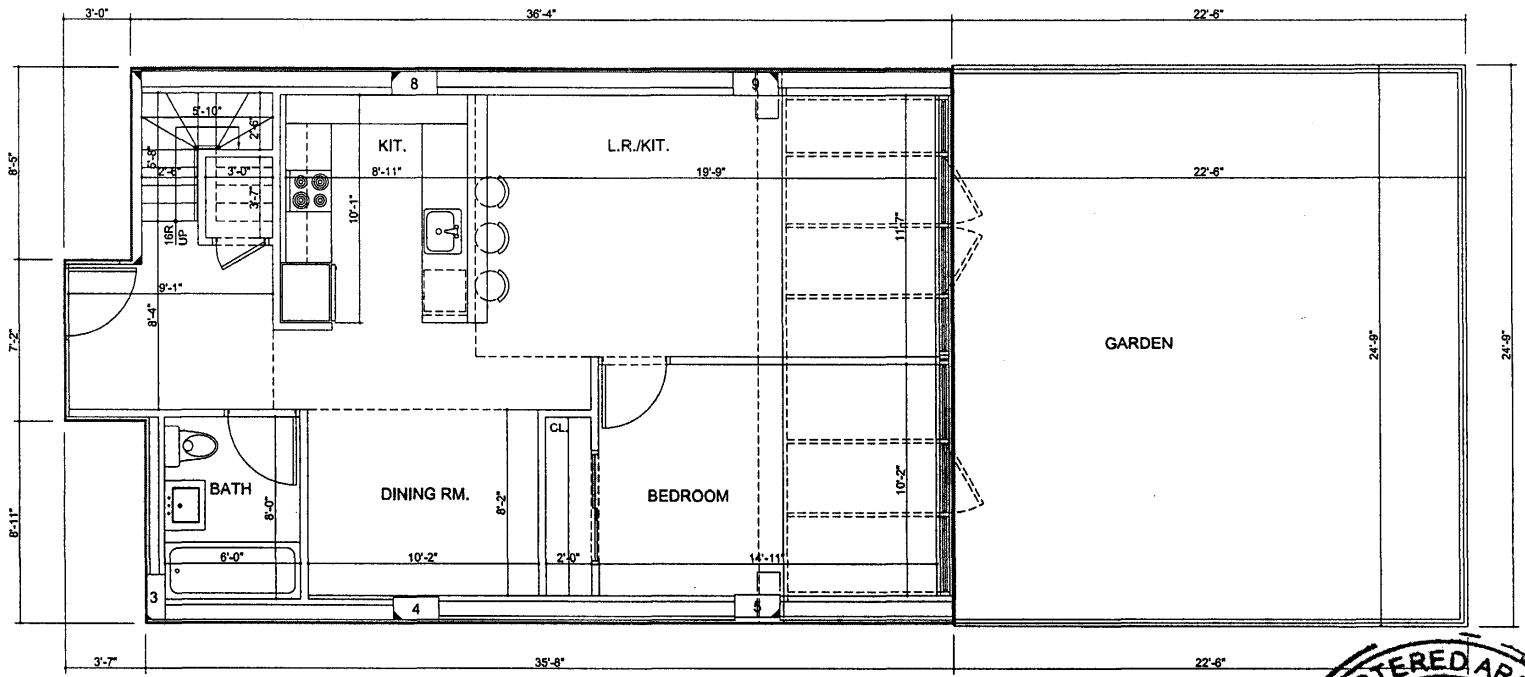
ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

FIRST FLOOR
GROSS AREA = 1,837.50 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

COMMON AREA = 932.29 S.F. LIMITED COMMON AREA = 556.58 S.F.

SCALE: 0' 8' 16' 24'



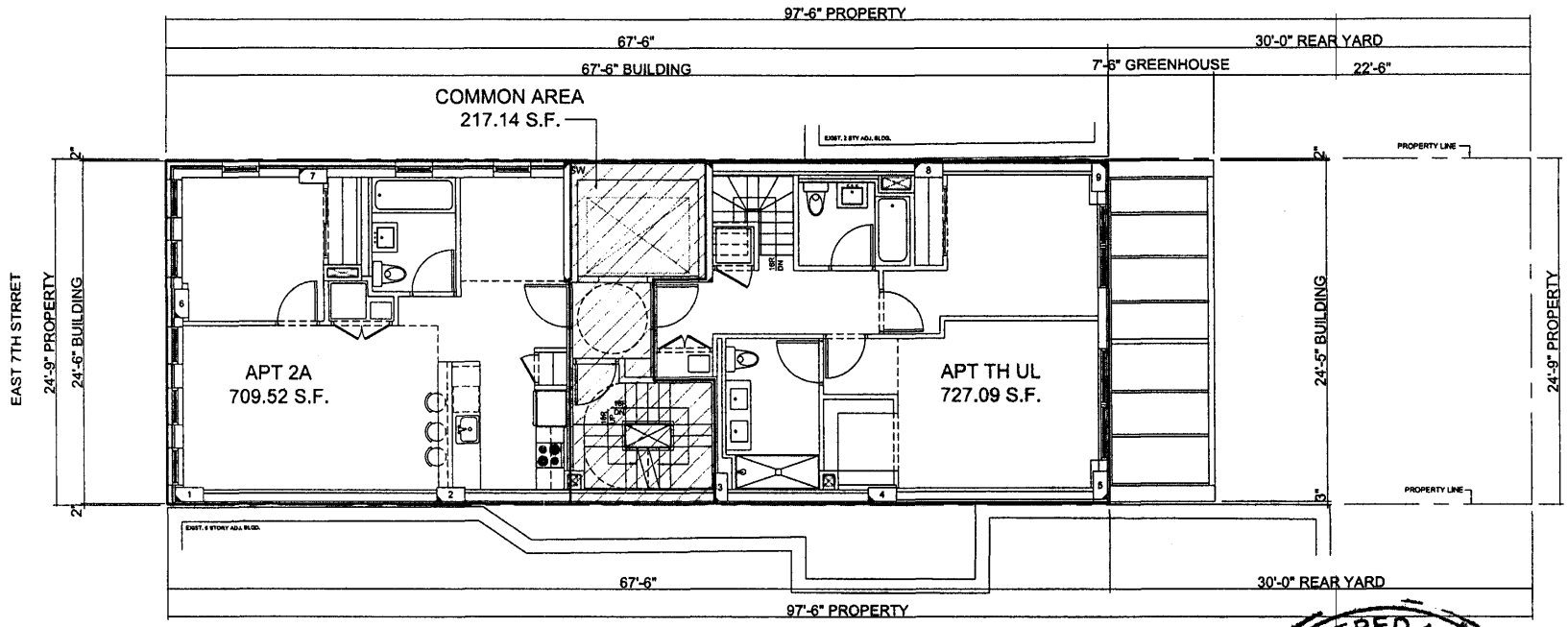


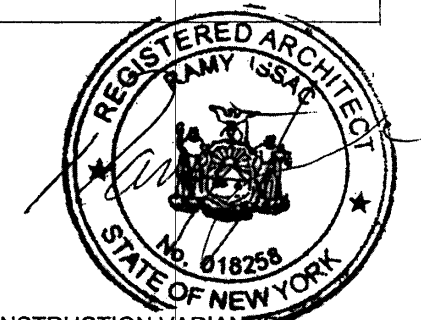
DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM 253 EAST 7TH STREET, MANHATTAN, NY 10009	
ISSAC AND STERN ARCHITECTS, P.C. DATE: JANUARY 2017	
FIRST FLOOR APT. TH LL	1 BED/1 BATH AREA = 905.21 S.F. EXTERIOR AREA = 556.58 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION AS-BUILT PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE OF EXTERIOR WALLS.

0' 5' 10' 20'





DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

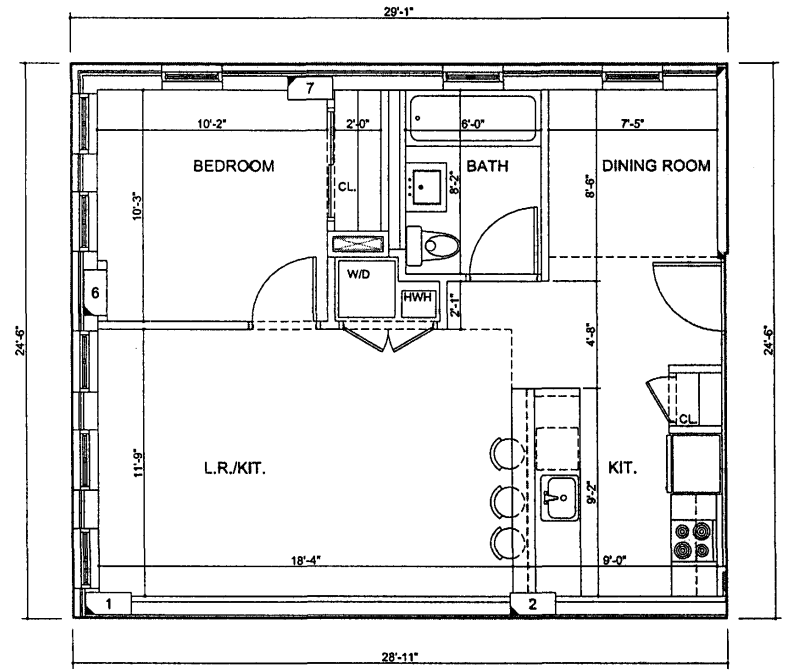
ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

SECOND FLOOR
GROSS AREA = 1,653.75 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

COMMON AREA = 217.14 S.F. LIMITED COMMON AREA= 0 S.F.

SCALE: 0' 8' 16' 24'





DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

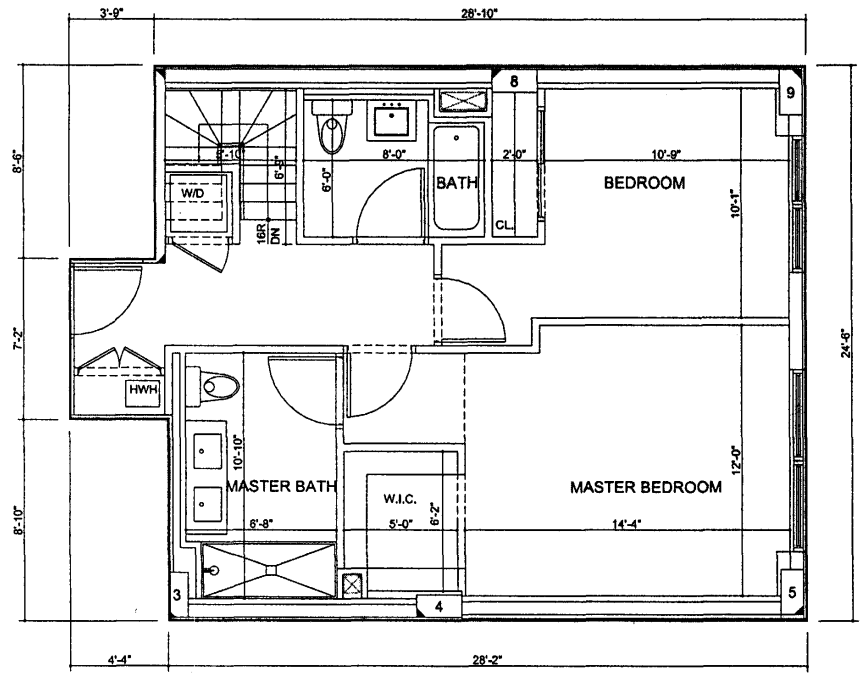
ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

SECOND FLOOR
APT. 2A

1 BED/ 1 BATH.
AREA = 709.52 S.F.
EXTERIOR AREA = 0 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

0' 5' 10' 20'





DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

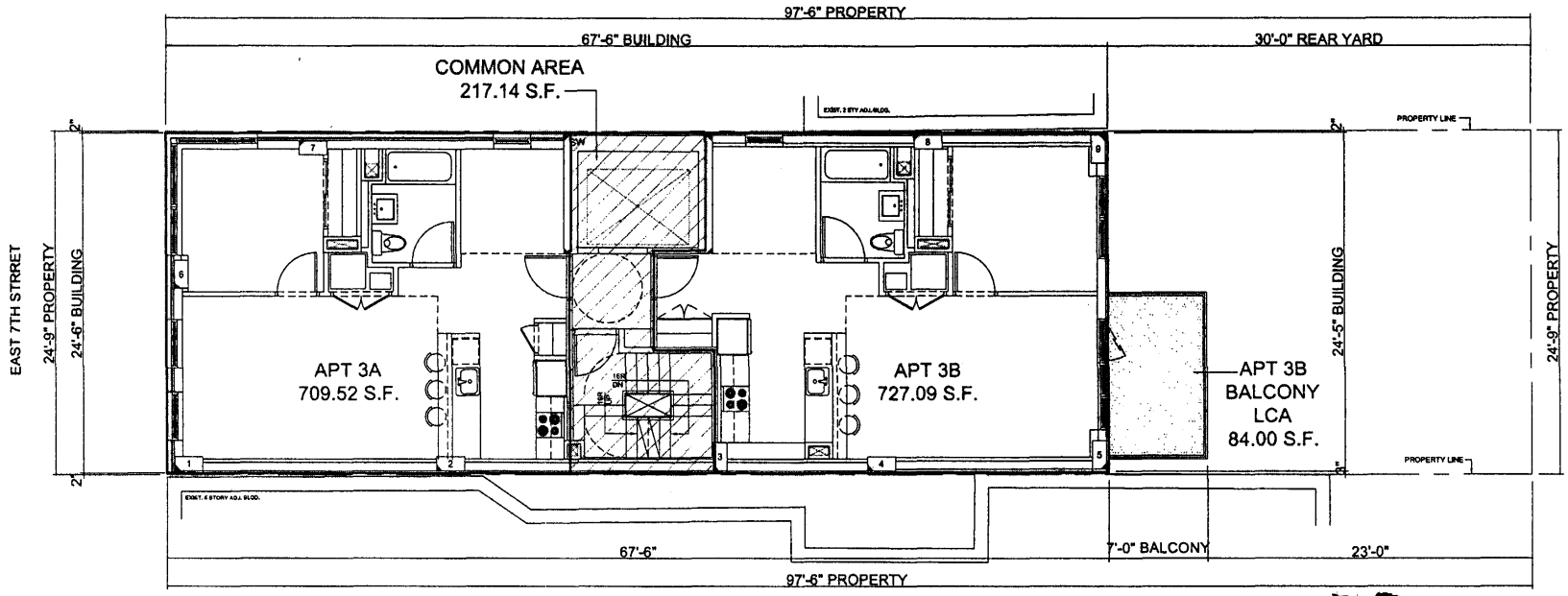
ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

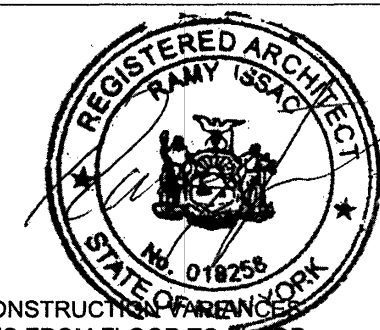
SECOND FLOOR
APT. TH UL

2 BED/ 2 BATH.
AREA = 727.09 S.F.
EXTERIOR AREA = 0 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

0' 5' 10' 20'





DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

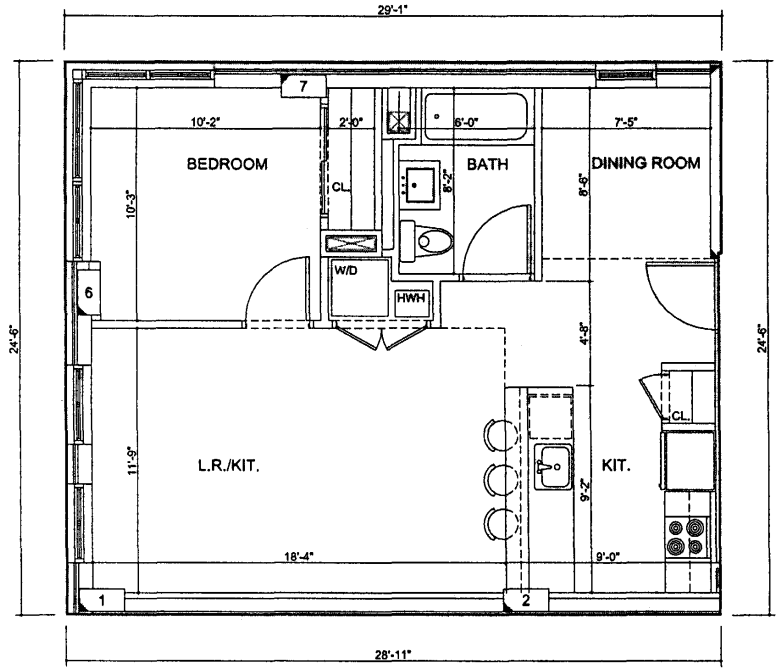
ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

THIRD FLOOR
GROSS AREA = 1,653.75 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE OF EXTERIOR WALLS.

COMMON AREA = 217.14 S.F. LIMITED COMMON AREA= 84.00 S.F.

SCALE: 0' 8' 16' 24'





DRK EAST 7TH STREET LLC

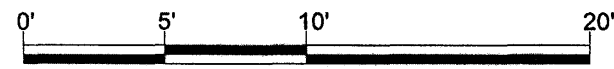
253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

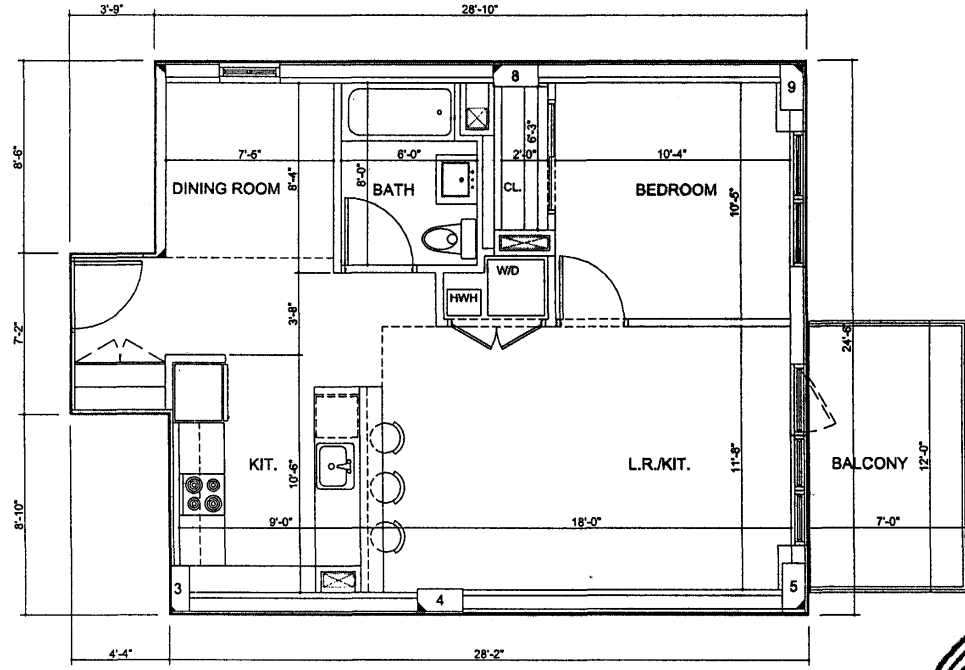
ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

THIRD FLOOR
APT. 3A

1 BED/ 1 BATH.
AREA = 709.52 S.F.
EXTERIOR AREA = 0 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.







DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

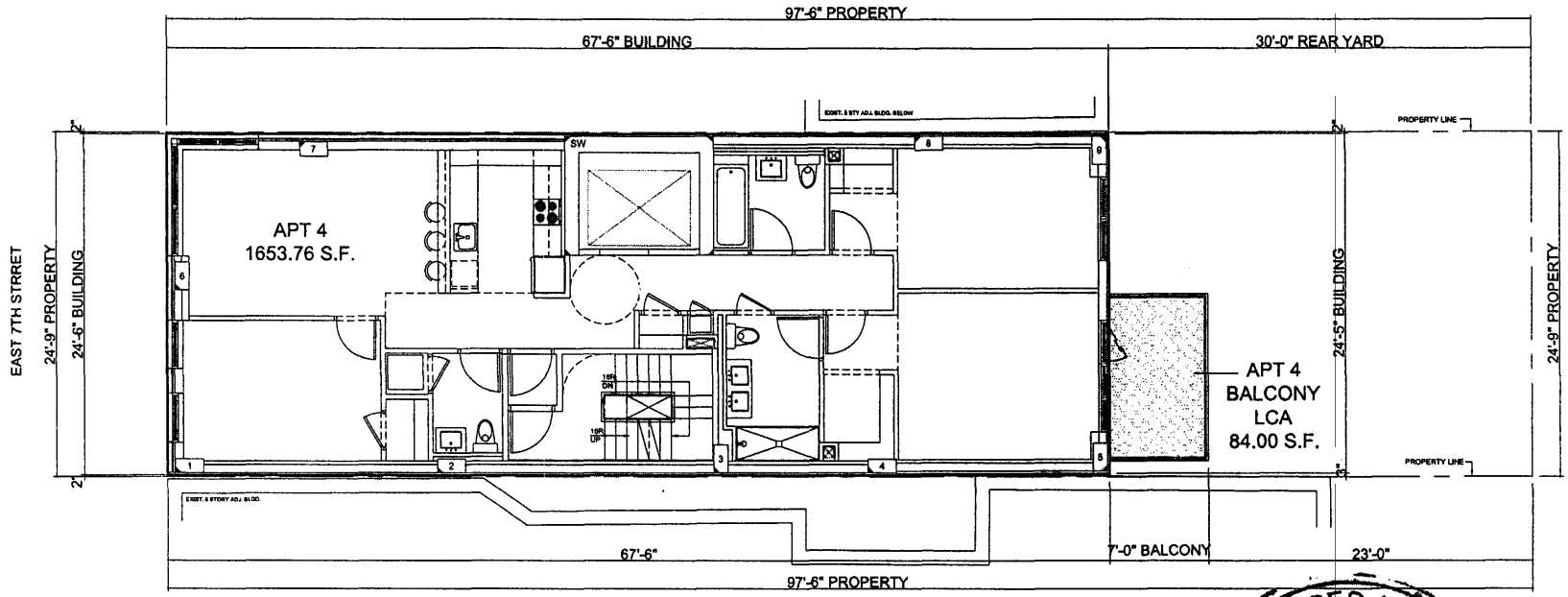
ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

THIRD FLOOR
APT. 3B

1 BED/ 1 BATH.
AREA = 727.09 S.F.
EXTERIOR AREA = 84 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

0' 5' 10' 20'





DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

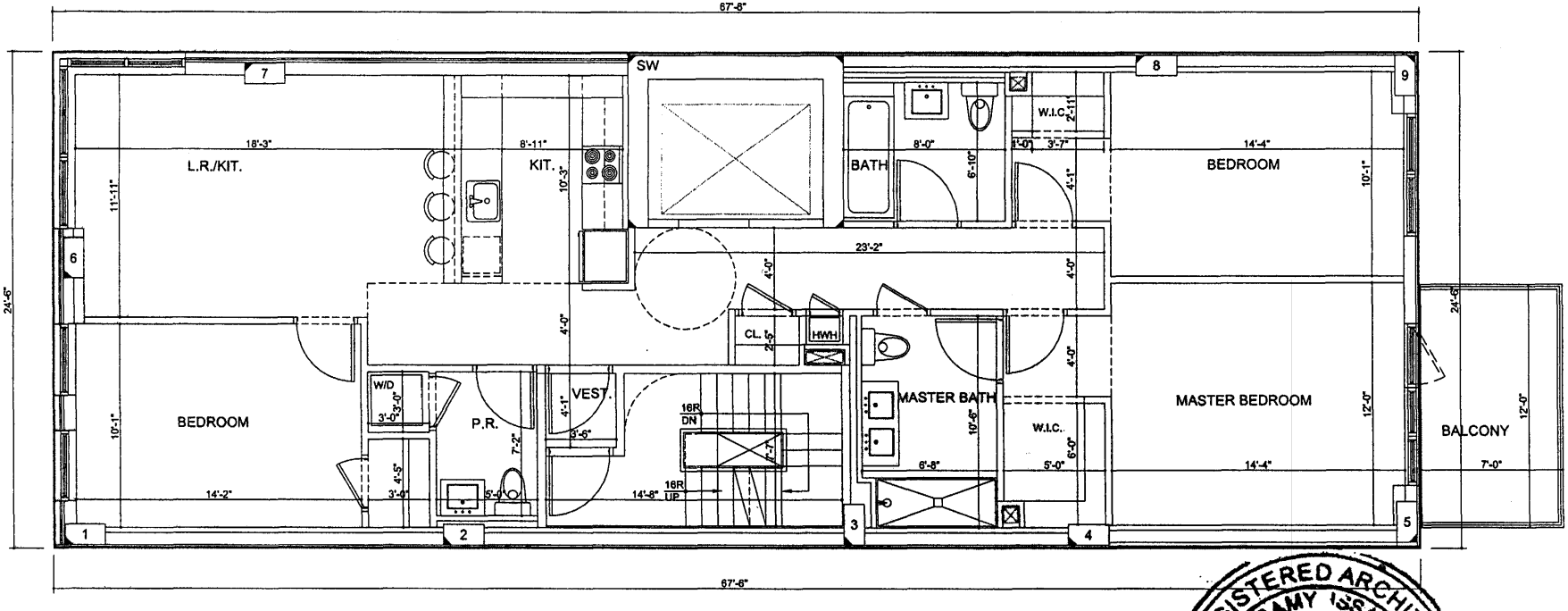
FOURTH FLOOR PLAN
GROSS AREA = 1,653.75 S.F.

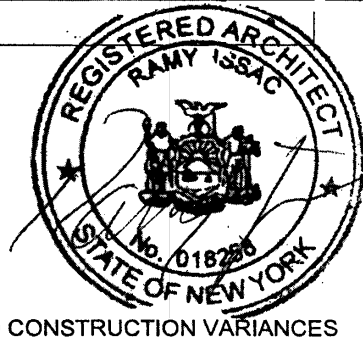
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

COMMON AREA = 0 S.F.

LIMITED COMMON AREA= 84.00 S.F.

SCALE: 0' 8' 16' 24'





DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

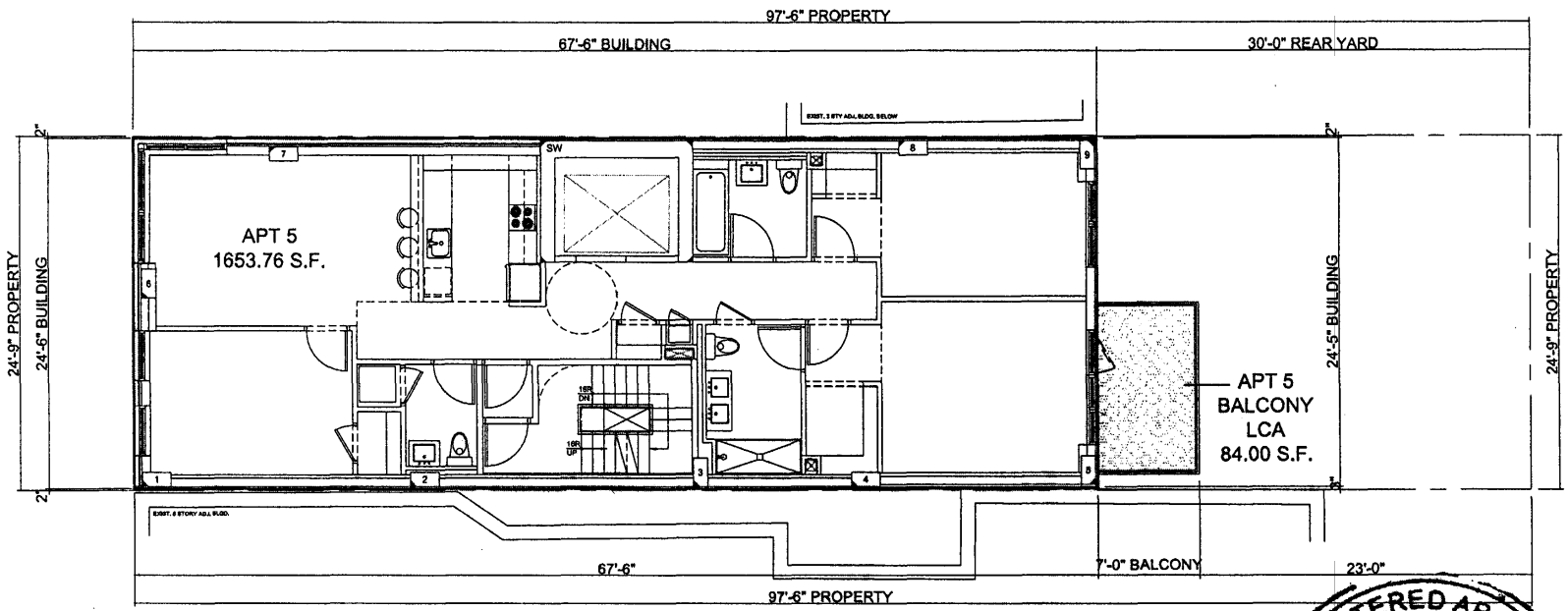
ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

FOURTH FLOOR
APT. 4

3 BED/ 2.5 BATH.
AREA = 1653.75 S.F.
EXTERIOR AREA = 84 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE OF EXTERIOR WALLS.

0' 5' 10' 20'





DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

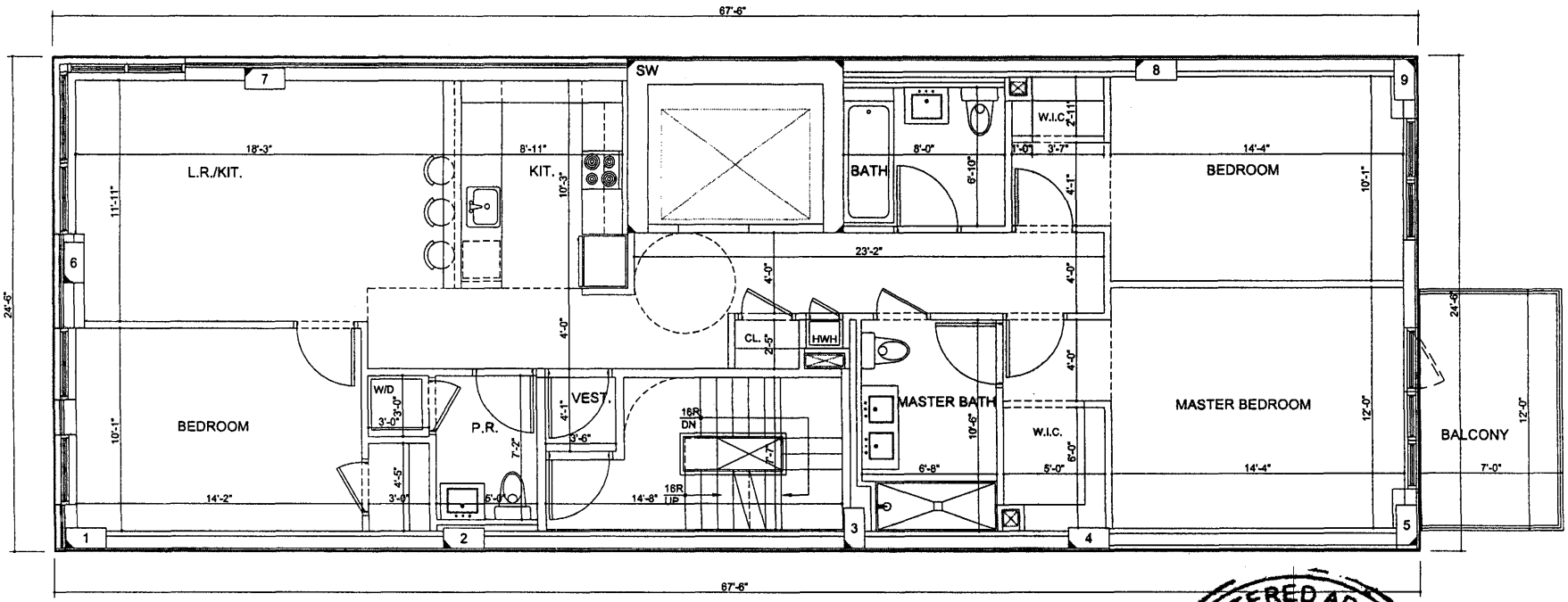
FIFTH FLOOR PLAN
GROSS AREA = 1,653.75 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

COMMON AREA = 0 S.F.

LIMITED COMMON AREA= 84.00 S.F.

SCALE: 0' 8' 16' 24'





DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

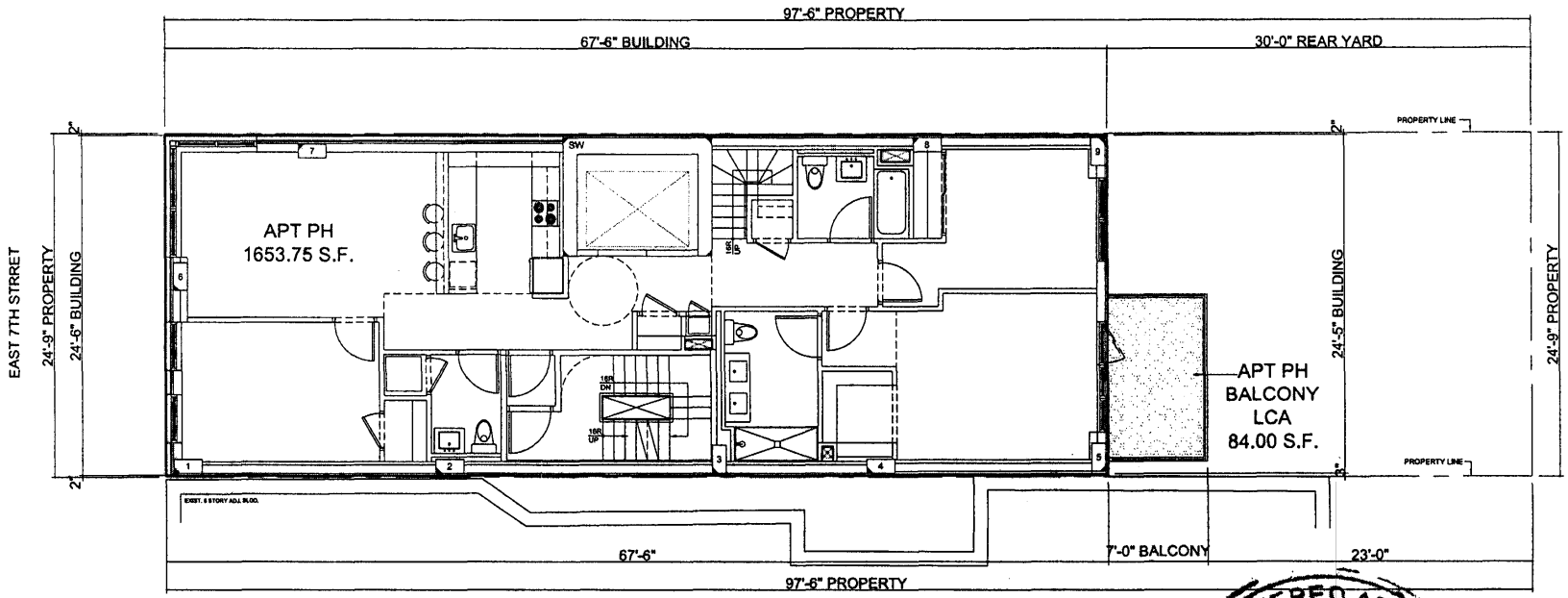
ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

FIFTH FLOOR
APT. 5

3 BED/ 2.5 BATH.
AREA = 1653.75 S.F.
EXTERIOR AREA = 84 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

0' 5' 10' 20'





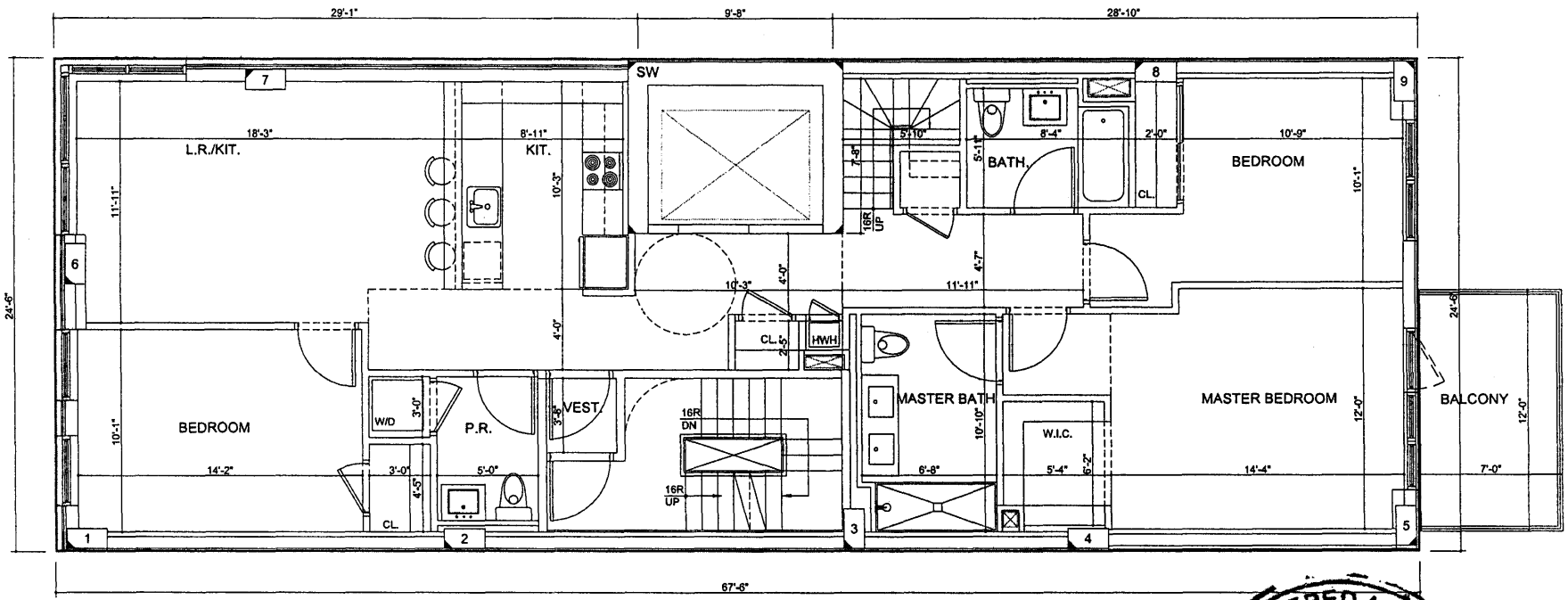
DRK EAST 7TH STREET LLC

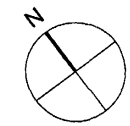
253 EAST 7TH STREET CONDOMINUM 253 EAST 7TH STREET, MANHATTAN, NY 10009
ISSAC AND STERN ARCHITECTS, P.C. DATE: JANUARY 2017
SIXTH FLOOR PLAN GROSS AREA = 1,653.75 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

COMMON AREA = 0 S.F. LIMITED COMMON AREA = 84.00 S.F.

SCALE: 0' 8' 16' 24'







DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

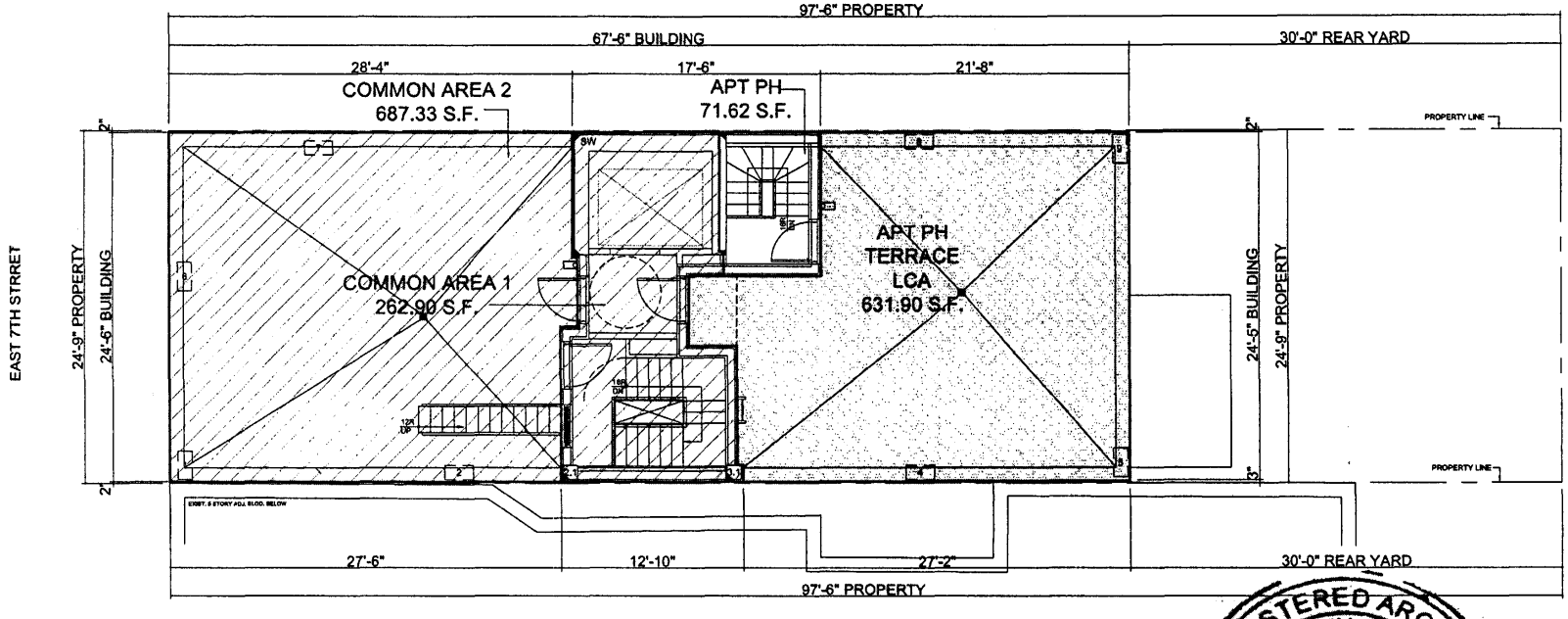
ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

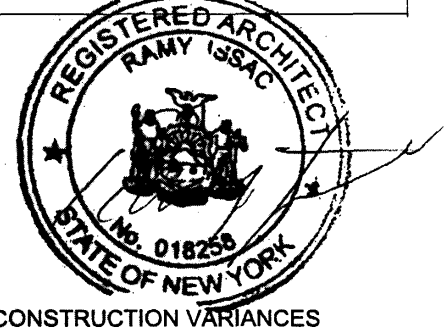
SIXTH FLOOR
APT. PH LL

3 BED/ 2.5 BATH.
AREA = 1653.75 S.F.
EXTERIOR AREA = 84 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

0' 5' 10' 20'





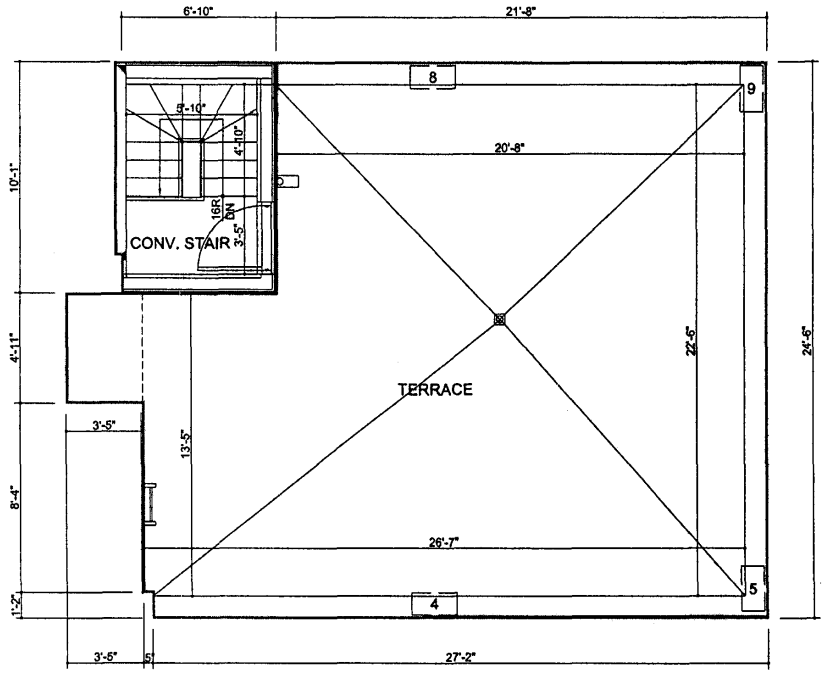
DRK EAST 7TH STREET LLC

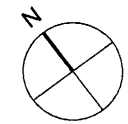
253 EAST 7TH STREET CONDOMINUM 253 EAST 7TH STREET, MANHATTAN, NY 10009
ISSAC AND STERN ARCHITECTS, P.C. DATE: JANUARY 2017
ROOF PLAN GROSS AREA: 334.52 S.F.

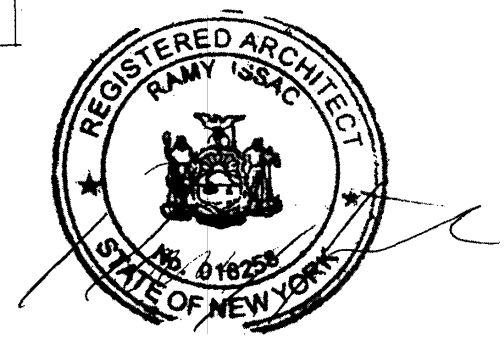
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

COMMON AREA = 950.23 S.F. LIMITED COMMON AREA = 631.90 S.F.

SCALE: 0' 8' 16' 24'







DRK EAST 7TH STREET LLC

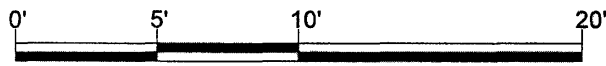
253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

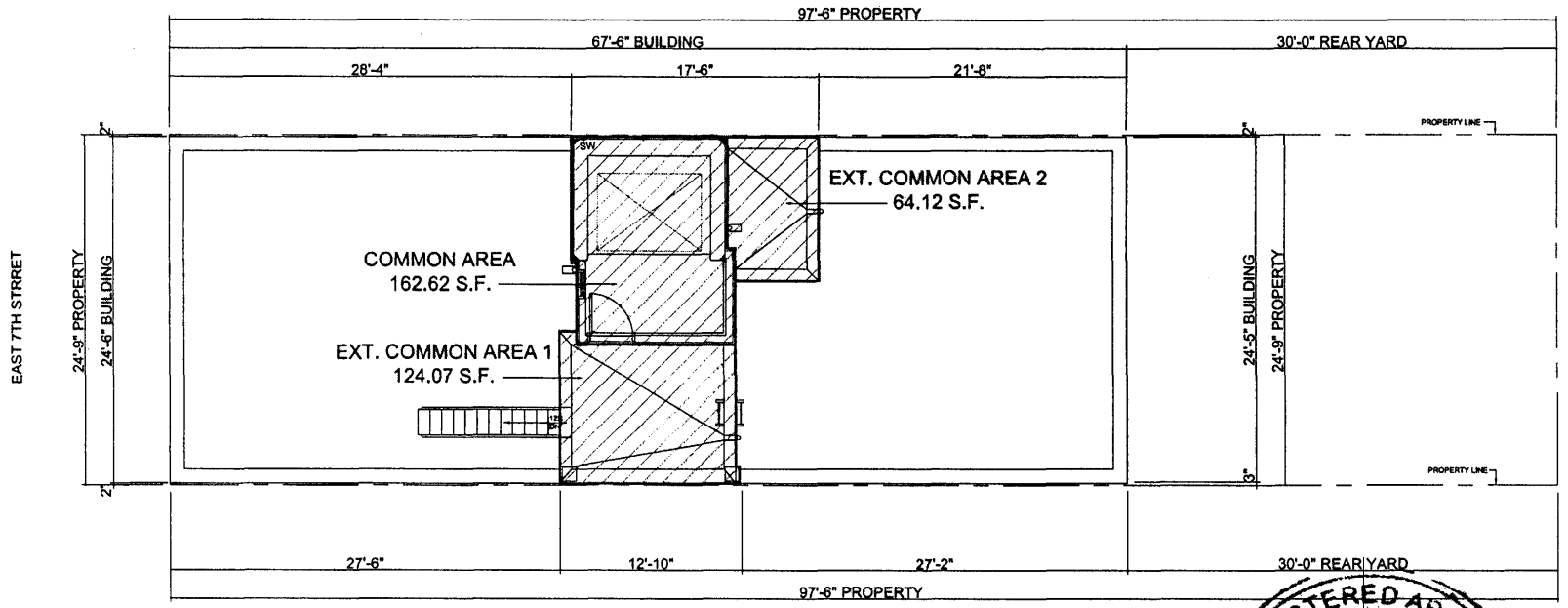
ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

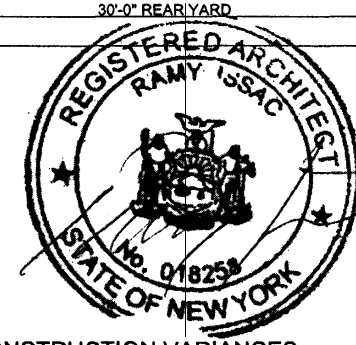
ROOF
APT. PH UL

0 BED / 0 BATH.
AREA = 71.62 S.F.
EXTERIOR AREA = 631.90 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE OF EXTERIOR WALLS.







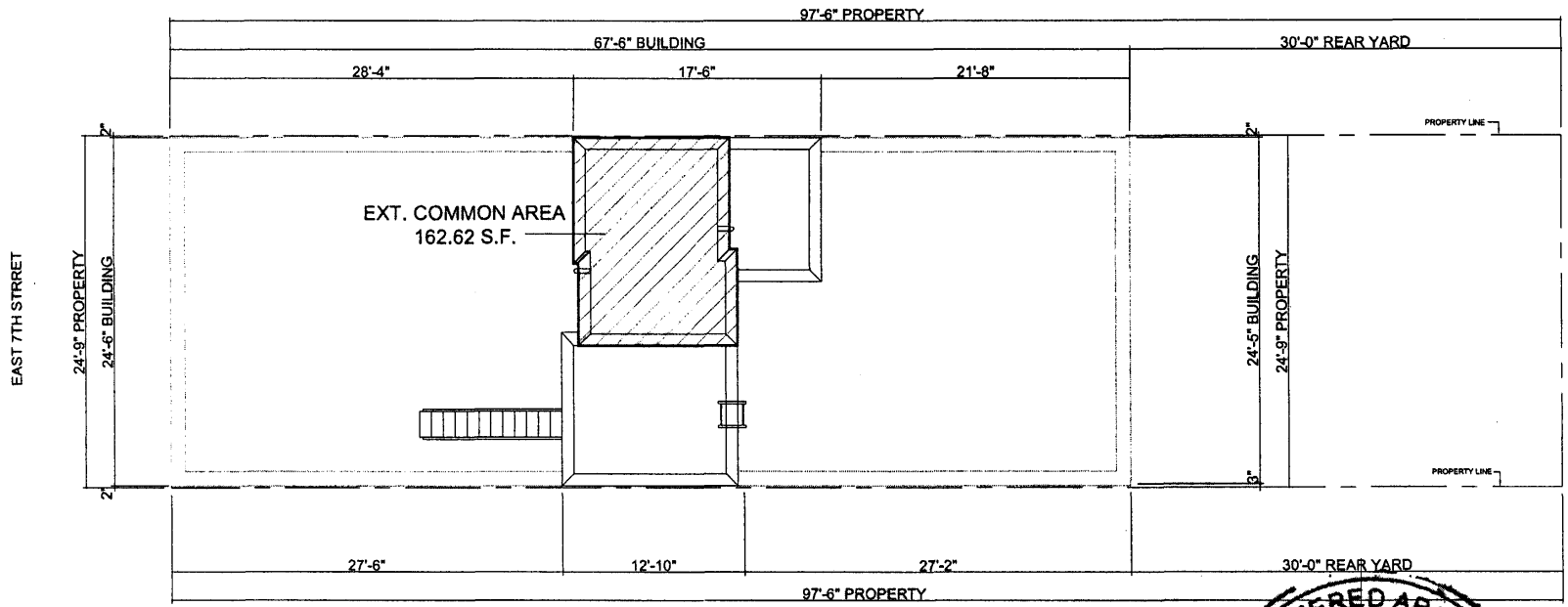
DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM 253 EAST 7TH STREET, MANHATTAN, NY 10009
ISSAC AND STERN ARCHITECTS, P.C. DATE: JANUARY 2017
BULKHEAD GROSS AREA: 162.62 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

COMMON AREA = 350.81 S.F. LIMITED COMMON AREA = 0 S.F.

SCALE: 0' 8' 16' 24'



N

REGISTERED ARCHITECT
RAMY ISSAC
No 018258
STATE OF NEW YORK

DRK EAST 7TH STREET LLC

253 EAST 7TH STREET CONDOMINUM
253 EAST 7TH STREET, MANHATTAN, NY 10009

ISSAC AND STERN ARCHITECTS, P.C.
DATE: JANUARY 2017

ROOF OVER BULKHEAD PLAN

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

COMMON AREA =162.62 S.F. LIMITED COMMON AREA = 0 S.F.

SCALE: 0' 8' 16' 24'

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EXHIBIT F

DECLARATION

Establishing a Plan for Condominium Ownership of the Premises 253 East 7th Street, New York, New York Pursuant to Article 9-B of the Real Property Law of the State of New York

253 EAST 7TH STREET CONDOMINIUM

Declarant: **DRK East 7th LLC**
c/o BSD Realty Worldwide, Inc.
174 Fifth Avenue, Suite 200
New York, NY 10010

Date of Declaration: **_____, 2018**

The land affected by the within instrument lies in Block 377, Lot 61, on the Tax Map of the Borough of New York County of New York now known as lots ____ through ____.

Phillips Nizer LLP
485 Lexington Avenue
New York, New York 10018
Attn: Lisa R. Radetsky, Esq.

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INDEX TO DECLARATION

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ARTICLE 4	THE UNITS	2
ARTICLE 5	DIMENSIONS OF UNITS	2
ARTICLE 6	COMMON ELEMENTS	3
ARTICLE 7	USE OF UNITS	5
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ARTICLE 11	ENCROACHMENTS	7
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ARTICLE 20	WAIVER	12
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ARTICLE 23	SEVERABILITY	13
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SCHEDULES TO DECLARATION

SCHEDULE A	PROPERTY DESCRIPTION
SCHEDULE B	UNIT SCHEDULE
SCHEDULE C	DEFINITIONS
SCHEDULE D	BY-LAWS

DECLARATION

OF

253 EAST 7TH STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real
Property Law of the State of New York)

DRK East 7th LLC, a New York limited liability company, having an office at c/o BSD Realty Worldwide, Inc., 174 Fifth Avenue, Suite 200, New York, NY 10010 ("Declarant"), does hereby declare as follows:

ARTICLE 1

SUBMISSION OF THE PROPERTY

1.1 Declarant hereby submits the Land and Building (each, as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), and pursuant thereto does hereby establish a condominium to be known as 253 East 7th Street Condominium (the "Condominium").

1.2 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 that are not separately defined herein shall have the meanings given to those terms in the By-Laws.

ARTICLE 2

THE LAND

Included in the Property described in Article 1 is all that certain tract, plot, piece and parcel of land (the "Land"), situate, lying and being in the County of New York and State of New York, and more particularly described in Schedule A annexed hereto and made a part hereof. The Land has an area of approximately 2,413 square feet.

ARTICLE 3

THE PROPERTY AND THE BUILDING

Included in the Property is a building (the "Building"), which will be a six-story structure. All six stories will be aboveground, and there will be no cellar. The Building will be constructed with a structural steel frame including steel columns encased in concrete and elevated floors of concrete and wood construction. The front (north) and side (east) exterior walls will have brick and stone finish. The rear (south) and other side walls will have stucco finish. The Building will contain:

(a) Seven (7) residential condominium units (each a "Unit" and collectively, the "Units");

(b) Four (4) bicycle storage spaces located on the ground floor;

(c) The General Common Elements as more particularly described herein; and

(d) The Limited Common Elements as more particularly described herein.

The owner of a Unit is herein called a "Unit Owner" and all the owners of Units are herein collectively referred to as "Unit Owners."

ARTICLE 4

THE UNITS

Schedule B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; location; approximate square foot area; the portions of the Common Elements (as hereinafter defined) to which the Unit has immediate access, and the percentage interest in the Common Elements appurtenant to such Unit. The location of each Unit is also shown on the floor plans of the Building (the "Floor Plans"), certified by Isaac & Stern Architects, P.C., architect, filed in the Tax Map Unit of the New York City Department of Finance intended to be recorded in the New York County office of the Register of the City of New York (the "City Register's Office") simultaneously with the recording of this Declaration.

ARTICLE 5

DIMENSIONS OF UNITS

5.1 Each Unit is measured horizontally from the exterior sides of its windows or exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from the measurement of each Unit) to the centerline of partitions separating a Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit consists of the area measured vertically from the top of the concrete floor (located under the finished flooring or sub-

flooring materials) to the underside of the ceiling. All dimensions are taken at the Floor level of the Unit. Doors and windows that open from a Unit and the interior walls of a Unit shall be deemed to be part of the Unit.

5.2 Any Common Elements located within any Unit shall not be considered as part of that Unit.

5.3 Each Unit includes, and each Unit Owner shall be responsible for, all plumbing, gas, heating fixtures, refrigerators, ranges, and other appliances, as may be affixed, attached or appurtenant to such Unit. Plumbing, gas, and heating fixtures as used in the preceding sentence shall include exposed gas, steam and water pipes attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which the same are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, steam, water or other pipes, conduits, wiring or duct work within the walls, ceiling or floors which service other portions of the Building. Each Unit shall also include all lighting, electrical fixtures and appliances within the Unit and any special equipment, fixtures or facilities affixed, attached or appurtenant to the Unit to the extent located within a Unit serving or benefiting only that Unit.

ARTICLE 6

COMMON ELEMENTS

6.1 The Common Elements of the Condominium (the "Common Elements"), shall consist of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include the General Common Elements and the Limited Common Elements. The General Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all facilities therein for the common use of the Units and the Unit Owners (except for those Common Elements that are designated for the exclusive use of any of the Unit Owners, which shall be Limited Common Elements) or which are necessary or convenient for the existence, maintenance or safety of the Property.

6.2 The General Common Elements, which consist of all portions of the Property, except the Units and the Limited Common Elements, include, without limitation, the following:

6.2.1 the Land (as more particularly described in Schedule A attached hereto), together with all easements, rights and privileges appurtenant thereto;

6.2.2 all foundations, columns, girders, beams, supports, pile caps, and the enclosures for the same;

6.2.3 all exterior walls of the Building, not including the portions thereof on the Unit side of the brick work or masonry of such walls; windows and window frames; all walls and partitions separating Units from corridors, elevator shafts, stairs and other mechanical equipment spaces, other than the portions thereof between the Unit side of such walls and partitions and the

brick work, sheetrock or masonry of such walls, partitions separating Units; the portions of the plaster or equivalent partitions separating Units between the Unit side of the plaster or its equivalent on each side of such partition, the partitions and all concrete floors and concrete ceilings;

6.2.4 all fire stairs located throughout the Building;

6.2.5 the entrance and elevator lobby located on the First Floor and all other entrances and exits to the Building;

6.2.6 the electrical room, the gas meter room, the boiler water service room, and the refuse storage room all located on first floor of the Building;

6.2.7 all passages, including the fire passage, halls and corridors located on the first floor of the Building;

6.2.8 all elevator vestibules, passages, halls and corridors located on the First Floor through the Sixth Floor of the Building;

6.2.9 elevator, elevator shaft and pit;

6.2.10 all central and appurtenant installations for services such as power, light, security system, telephone, television, cable, gas, cold water, heat and air-conditioning and including all pipes, ducts, chutes, wires, cables, and conduits and the enclosures for the same used in connection therewith, whether located in common areas or in Units;

6.2.11 all mechanical equipment and mechanical equipment space including, but not limited to, the meter rooms located in the Building, and elevator equipment;

6.2.12 all tanks, pumps, motor fans, compressors and control equipment;

6.2.13 all sewer pipes;

6.2.14 all areaways and any drains contained therein;

6.2.15 the rooftop mechanical rooms and other areas thereof, which service the Building;

6.2.16 all hallways, mechanical areas, and passages; and

6.2.17 all other parts of the Property and all apparatus, installations, systems, equipment, facilities, pipes, conduits, ducts, chutes, wires and cables and the enclosures for the same existing in the Building or on the Property for common use or necessary or convenient to the existence, maintenance or safety of the Property.

ARTICLE 7

USE OF UNITS

7.1 As more particularly set forth in the By-Laws, Units may be used only as a residence and for ancillary professional use as permitted by law. Not more than one family may occupy a Unit at one time. A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other legal entity, may only be occupied by said individual, or an officer, director, stockholder or employee of such corporation, or a partner or employee of such partnership, or member or employee of such limited liability company, or said fiduciary (including directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries) or the beneficiary of said fiduciary, or a principal or employee of such other entity, respectively, or members of the immediate family (including domestic partners) or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such family members (including domestic partners or guests). Any use of a Unit must conform to the terms and conditions of the then existing certificate of occupancy for the Building and applicable federal, state and local governmental and municipal regulations (including any zoning variance applicable to such Units).

7.2 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant, or a successor owner of the Unsold Units, may, without the permission of the Condominium Board: (a) grant permission for the use of any Unsold Unit (as hereinafter defined) as a professional office or for any other purpose, provided such use is permitted by law, does not violate the then existing certificate of occupancy for such Unit and the user of the Unit complies with all applicable governmental and municipal regulations; and (b) use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations. Anything contained herein to the contrary notwithstanding, if any of such Units are used for commercial office use purposes as herein above provided, they shall nevertheless be deemed Units hereunder and shall be entitled and subject to all of the rights and restrictions provided or imposed hereunder with respect to the Units.

ARTICLE 8

CHANGES IN THE CONDOMINIUM

8.1 Except as prohibited by law, Declarant or its successor shall have the right, without the vote or consent of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior; (b) change the layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, altering the boundary walls between any Unsold Units, or otherwise; (d) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clause and the percentage interests in the Common Elements appurtenant thereto; provided, however, that the percentage interest in the

Common Elements appurtenant to any other Units (other than Unsold Units) shall not be changed by reason thereof unless the Unit Owners of such Units shall consent thereto and, provided further, that Declarant or a successor Unit Owner of the Unsold Units shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

8.2 In the event of any change pursuant to Section 8.1, such change may only be made after Declarant has disclosed such changes in a duly filed amendment to the Offering Plan, if the same is then in effect, no change in size of a Unit or its layout will be made with respect to any Unit for which a Purchase Agreement is then in effect and with respect to which the Purchaser is not in default unless the Purchaser consents thereto. Except for Declarant's right to make certain changes in Unsold Units, as set forth in subparagraphs (a) through (d) of subsection 8.1, once the Declaration is filed and recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of a Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid, or otherwise, nor may the Common Interest of any Unit or the Common Elements be changed, unless the Offering Plan (if the same is then in effect) and the Declaration are amended with the consent of all Unit Owners directly affected. Declarant or its successor shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction, including filing an amendment to the Plan and the Declaration, and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

8.3 The provisions of this Article 8 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its successor. By the written permission of the Condominium Board, which shall not be unreasonably withheld, any Unit Owner may be given, with respect to the Unit belonging to such Unit Owner, the same rights as are set forth in this Article 8 with respect to Unsold Units, except that such Unit Owner may not subdivide his or her Unit into separate Units. In addition to the restrictions set forth above in this Article 8, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the respective Units, the availability of Common Elements for exclusive or shared use and the overall dimensions of the respective Units. The certification referred to in the preceding sentence shall be delivered (a) in the case of any Unsold Unit, at the election of Declarant or its successor, by Declarant, the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board, and (b) in the case of any Unit, by either the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board.

8.4 Any Unit Owner that makes any changes to his or her Unit in accordance with this Article 8 shall be solely responsible for all costs and expenses, including professional fees and expenses, incurred by such Unit Owner and/or Condominium Board in connection therewith.

ARTICLE 9

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated as agent of the Board of Managers upon whom process against it may be served, and the post office address to which the Secretary of State shall mail a copy of any process against it served upon him as President, having an office at 253 East 7th Street, New York, New York. As required by law, the Board of Managers shall notify the Secretary of State of any change in the managing agent or person authorized to receive a copy of any process served against the Secretary of State.

ARTICLE 10

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The respective percentage interests of each Unit in the Common Elements has been determined upon the basis of floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit or, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit and the balcony, yard or terrace appurtenant thereto, if any.

ARTICLE 11

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 encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration or repair to the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board or made by Declarant or its successor in accordance with this Declaration or the By-Laws, or (iii) any repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element or after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

ARTICLE 12

FACILITIES AND ALL OTHER COMMON ELEMENTS

Each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all facilities and all other Common Elements, located in any of the other Units or elsewhere on the Property which serve his or her Unit. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace the facilities and all other Common Elements located in such Unit or elsewhere on the Property that serve other Units.

The Condominium Board shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Property, provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for the permitted purposes thereof. Such entry shall be permitted on not less than one day's notice, except that no notice shall be necessary in the case of an "emergency" (a condition requiring repairs or replacements immediately (i) necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or (ii) required to avoid the suspension of any necessary service in the Building).

ARTICLE 13

EASEMENTS

13.1 Each Unit Owner shall have, in common with all other Unit Owners, an easement, for the exclusive use of the Common Elements, except for those Common Elements that are designated for the exclusive use of certain Unit Owners as set forth herein.

13.2 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement to install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property, and provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for the permitted purposes thereof. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

13.3 Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

13.4 Declarant or its successors and assigns shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property for the purposes of advertising the sale or lease of any Unsold Unit.

13.5 Declarant or its successor and the Condominium Board shall have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easements in any portion of the Property, as Declarant, its successor, or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the 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 the permitted purposes thereof. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of the Units for the permitted purposes thereof.

ARTICLE 14

LIMITED COMMON ELEMENTS

14.1 Certain portions of the Common Elements are limited and restricted in use to the Unit Owners that own the Units to which those Common Elements are appurtenant and by reason thereof are identified as Limited Common Elements. The use of Limited Common Elements by any Unit Owner having exclusive use thereof is subject to the structural repairs or structural replacements to said Limited Common Element and subject to the Rules and Regulations of the Condominium. Included among Limited Common Elements for each Unit are the Unit entrance doors (to and from common hallways), the Unit windows and interior portions of the window frames (but not any Unit skylights or skylight frames), yard, terrace or balcony of which a Unit Owner has exclusive use.

ARTICLE 15

POWER OF ATTORNEY TO THE CONDOMINIUM BOARD

Each Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board, an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine), (a) to acquire or lease any Unit, together with its Appurtenant Interests (as hereinafter defined), whose Unit Owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (b) to convey, sell, lease, mortgage or otherwise deal with (but not to vote the interest appurtenant to) any such Unit so acquired or leased; and (c) to execute, acknowledge and deliver and record in the City Register's Office and elsewhere, if required by law, regulation or administrative practice, such instruments and documents including, without limitation (i) any declaration or other instrument affecting the Condominium 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 Condominium or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements which the Condominium Board deems necessary or appropriate.

ARTICLE 16

ACQUISITIONS OF UNITS BY THE CONDOMINIUM BOARD

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, if applicable, theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in the Common Elements and any other assets of the Condominium (such interests 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; or (b) the

Condominium Board acquires or leases a Unit, together with its Appurtenant Interests, or purchases, at a foreclosure or other similar sale, a Unit, together with its Appurtenant Interests, then, in any such event, title to any such Unit, together with its Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to the interests in the Common Elements appurtenant to their respective Units. 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 the interests in the Common Elements appurtenant to their respective Units.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations (which are annexed hereto and made a part hereof), including, without limitation, the provisions of this Article 18 shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall the same be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as the same 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 or shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time, are accepted and ratified by such Unit Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to provisions of Section 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted pursuant to such applicable law with the same force and effect as if immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

AMENDMENTS OF DECLARATION

18.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or any successor owner of any Unsold Units, except as hereinafter set forth in accordance with Article 9B of the New York Real Property Law, any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66 2/3 percent in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws. Notwithstanding the foregoing, the Board of Managers may approve an amendment to this Declaration without obtaining the approval of the Unit Owners, if the sole purpose of such amendment is to amend the Condominium Plans to either (a) combine two (2) Units or more Units into a single Unit in an instance where a Unit Owner owns Units that are contiguous Units whether or not such Units are located on the same floor, or (b) incorporate the elevator vestibule into a Unit in instances where a Unit Owner owns all of the Units located on a floor. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its successor or any Unsold Units, no amendment, modification, addition or deletion pursuant to the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its successor or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney in fact for the Unit Owners coupled with an interest, which the Condominium Board is hereby authorized by the Unit Owners so to act as their attorney in fact. Subject to the rights of Declarant or its successor pursuant to Articles 7 and 8 of this Declaration, Articles 7 and 8 of this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 100 percent in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, addition or deletion in the manner set forth above.

18.2 If any changes are made by Declarant to the Property, the Condominium, any Units, or the Common Elements in accordance with Article 8 hereof, then Declarant or its successor or the owner of an Unsold Unit shall have the right to execute, or (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 successor deems appropriate to effectuate the same) reflecting such changes.

18.3 Notwithstanding anything contained in this Declaration to the contrary, no change in the Common Interest of any Unit Owner shall be made or effective without the consent of all Unit Owners who own Units as to which the Appurtenant Interests would be affected thereby.

18.4 The provisions of Sections 18.1 and 18.2 may not be modified, amended, added to or deleted, in whole or in part, without the written consent of Declarant or any successor owner of the Unsold Units.

ARTICLE 19

TERMINATION OF CONDOMINIUM

The Condominium shall continue until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80 percent in number and in Common Interest of all Unit Owners. No such vote under clause (b) in the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any. Declarant will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least 80 percent in number and in Common Interest of all other Unit Owners so elect for such withdrawal, at which time Declarant may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to the Common Interest appurtenant to their respective Units, 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 20

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 21

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision thereof.

ARTICLE 22

CERTAIN REFERENCES

22.1 A reference in this Declaration to any gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

22.2 The terms "herein," "hereof," or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used.

22.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 23

SEVERABILITY

Subject to the provisions of Sections 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 24

COVENANT OF FURTHER ASSURANCES

24.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Condominium Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request, to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

24.2 If any Unit Owner or any other party, which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Condominium Board is hereby authorized as attorney in fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

24.3 If any Unit Owner or the Condominium Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which the Condominium Board or Unit Owner or other party is required to execute, acknowledge and deliver or take pursuant to this Declaration at the request of Declarant, then Declarant, is hereby authorized as attorney in fact for the Condominium Board or such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action, in the name of the Condominium Board or such Unit Owner or other party and such document or action shall be binding on the Condominium Board or such Unit Owner or other party, as the case may be.

ARTICLE 25

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Declarant as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or, with consent of Declarant, any transferee of the Unsold Units. Subject to the foregoing, Declarant shall have the rights, at any time, in its sole discretion, to assign or, otherwise transfer its interest herein, whether by merger, consolidation, lease, assignment or otherwise.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ___ day of _____, 2018.

DRK EAST 7TH STREET LLC

By: _____
Name:
Title:

STATE OF NEW YORK)
:ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, 2018, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

253 East 7th Street
New York, New York
Block 377, Lot 61

SCHEDULE A

PROPERTY DESCRIPTION

ALL that certain plot, piece or parcel of land situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 7th Street, distant 397 feet westerly from the corner by the intersection of the westerly side of Avenue D and the northerly side of 7th Street;

RUNNING THENCE northerly and parallel with Avenue D, 97 feet 6 inches to the center line of the block;

THENCE westerly along the center line of the block on a line parallel with 7th Street aforesaid, 24 feet 9 inches;

THENCE southerly on a line parallel with Avenue D aforesaid, 97 6 inches to the northerly side of 7th Street;

THENCE easterly along said northerly side of 7th Street, 24 feet 9 to the point or place of BEGINNING.

253 East 7th Street
New York, New York
Block 377, Lot 61

SCHEDULE B

UNIT SCHEDULE

253 East 7th Street Condominium
253 East 7th Street
New York, NY

Unit #	Bdrms/Bath	Tax Lot No.	Floor Sq. Ft.	Unit Sq. Ft.	Limited Common Element Sq. Ft.	Common Interest Percentage	Location of Property in Building
TH	LL-1/1		LL- 905.22	1,632.31	545.31	19.42%	
	UL-2/2		Fl. 1- 727.09				
2	1/1			709.52		7.68%	
3A	1/1			709.52		7.68%	
3B				727.09	84.0	8.14%	
4	3/3			1,653.75	84.0	18.16%	
5	3/3			1,653.75	60.0	18.16%	
PH	3/3		Fl6– 1,653.75	1,725.85	60.0		
			Roof – 72.19		560.50	20.76%	
Total	15			8,811.79	1,105.81	100.00%	

SCHEDULE C

DEFINITIONS

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

"Balcony" shall mean an individual balcony adjacent and appurtenant to the Third, Fourth, Fifth or Sixth Unit for the use of such Unit Owners and designated as a Limited Common Element (hereinafter defined) of such Units.

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

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

"By-Laws" shall mean the by-laws governing the operation of the Condominium, annexed to the Declaration as Schedule D.

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

"Common Elements" shall mean the Property, other than the Units themselves, being comprised of the General Common Elements and the Limited Common Elements.

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

"Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements, appurtenant to each Unit, as determined in accordance with the Declaration. The total of the Common Interest percentages appurtenant to all Units equals 100 percent. The Common Interest attributable to each Unit is set forth on Schedule B annexed to the Declaration.

"Condominium" shall mean the "253 East 7th Street Condominium" which will be established pursuant to the terms of the Declaration and will be governed pursuant to the terms of the By-Laws.

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

"Condominium Board" or "Board" shall mean the board of managers of the Condominium, who will manage the affairs of the Condominium, after the first meeting of Unit Owners, consisting of three (3) members elected by the Unit Owners.

"Contract Deposit" shall mean all deposits, down-payments, advances or payments made by Purchasers prior to the closing of each individual transaction.

"Declarant" shall mean DRK East 7th Street LLC.

"Declaration" shall mean the Condominium Declaration creating the Condominium to be recorded in the Register's Office, as the same may be amended from time to time.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety or the Property.

"First Floor Residential Terrace" shall mean the terrace located on the ground floor appurtenant to the Building, shown on the Floor Plans as a Limited Common Element appurtenant to Unit A and for the exclusive use of such Unit Owner, its tenants and invitees.

"Floor Plans" shall mean the floor plans of the Units certified by a professional engineer or licensed architect to be filed in the Register's Office simultaneously with the recording of the Declaration, which Floor Plans shall be filed in the Tax Map Unit of the Department of Finance of The City of New York, together with any supplemental floor plans thereto.

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

"Initial Control Period" shall mean the period ending on the earlier of: (i) 90 days after the closing of title with purchasers of all of the Units pursuant to the Plan, or (ii) five (5) years after the First Closing.

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of The City of New York as Block 377, Lot 61, and more particularly described on Exhibit A to the Declaration.

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

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

"Penthouse Terrace" shall mean an individual terrace adjacent to the Penthouse Unit (Unit PH) located on the roof of the Building for the exclusive use of the Unit Owner of the Penthouse Unit and designated as a Limited Common Element (hereinafter defined) of such Unit.

"Penthouse Unit" shall mean the Unit located on Floors 6 and 7 of the Building and designated as Unit PH on the Floor Plans.

"Permitted Mortgage" shall mean a first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws and for so long as Sponsor's construction loan is outstanding shall include Banco Popular.

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

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

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

"Schedule B" shall have the meaning set forth in Article 4 of the Declaration.

"Terrace" shall mean the Penthouse Terrace and the First Floor Residential Terrace, and may be collectively referred to as "Terraces".

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

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

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

SCHEDULE D

BY-LAWS

BY-LAWS OF

253 EAST 7TH STREET CONDOMINIUM

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SCHEDULE A RULES AND REGULATIONS FOR THE UNIT OWNERS OF 253 EAST 7TH STREET CONDOMINIUM

BY-LAWS OF

253 EAST 7TH STREET CONDOMINIUM

ARTICLE 1

GENERAL

1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of 253 East 7th Street Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 2,413 square feet of land (the "Land") located on Lot 61, which forms a part of Block 377 on the Tax Map of the Borough of Manhattan, County, City and State of New York, the building and other improvements now or hereafter to be constructed thereon (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein referred to as the "Declaration") in the New York County Office of the Register of the City of New York ("City Register's Office"), together with these By-Laws. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration.

1.2 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as such term is hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 Principal Office of Condominium. The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Manhattan, County of New York reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as such term is hereinafter defined).

ARTICLE 2

BOARD OF MANAGERS

2.1 Number, Term and Qualification.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board" or the

"Board" or the "Board of Managers") which shall be composed of representatives of the Unit Owners. From and after the holding of the first (1st) annual meeting of Unit Owners, the Board shall consist of three (3) persons.

2.1.2 At the first (1st) annual meeting, the Unit Owners shall elect three (3) managers (including Declarant) (subject, however, to Declarant's right to designate certain Board Members (defined herein below) during the Initial Control Period, as hereinafter set forth) (each, a "Board Member" and together, the "Board Members"). Each Board Member elected by the Unit Owners shall serve for a one-year term. Prior to (a) 120 days following the date on which 75 percent of the Units have been conveyed to Purchasers; or (b) the third (3rd) anniversary of the First Unit Closing (as such term is defined in the Offering Plan for the Building (the "Offering Plan")) for so long as Declarant or its successor owns at least fifteen (15%) percent of the Unsold Units, Declarant or the successor owner of the Unsold Units may designate two (2) members of the Board of Managers, and for so long as Declarant or its successors own at least one (1) Unsold Unit, Declarant or its successor, as the case may be, may designate one (1) member of the Board of Managers. Any person who wishes to serve as a member of the Board or wishes to nominate a person to serve as a member of the Board (other than those persons designated by Declarant or its successor) shall give written notice to the managing agent of the Condominium no less than fourteen (14) days prior to the annual meeting at which such election is being held. There shall be no limit on the number of successive terms a Board Member may serve.

2.1.3 Except for Board Members elected or designated by Declarant or its successor, all Board Members shall be either Unit Owners or officers, directors, shareholders, partners, members, principals, employees or beneficiaries of corporations, partnerships, limited liability companies, fiduciaries or any other entities which are Unit Owners, Permitted Mortgagees (as such term is defined as Section 7.1 hereof), or family members (including domestic partners) of any of the foregoing. Other than Board Members designated by Declarant or its successor, no Board Member shall continue to serve after he ceases to be qualified as set forth above.

2.2 Powers and Duties.

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners). All determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

2.2.2 Subject to the provisions of subsection 2.2.1 and without limiting the generality thereof, the Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1 Operation, care, upkeep, maintenance, repair or replacement of the Common Elements, except to the extent that certain Unit Owners are responsible for certain Limited Common Elements designated for their exclusive use, as set forth in the Declaration and in Section 6.9 hereof.

2.2.2.2 Determination and collection of Common Charges (as such term is hereinafter defined).

2.2.2.3 Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

2.2.2.4 Adoption of, and amendments and additions to, the Rules and Regulations (as such term is hereinafter defined).

2.2.2.5 Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating the signatories required therefor.

2.2.2.6 Obtaining and reviewing insurance of the Property, including the Units, pursuant to the provisions of Section 6.2.

2.2.2.7 Making repairs, restorations, additions and improvements to, or alterations of, the Common Elements, except to the extent that certain Unit Owners are responsible for certain Limited Common Elements designated for their exclusive use, as set forth in the Declaration and in Section 6.9 hereof.

2.2.2.8 Levying fines against Unit Owners for violations of the Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owner of the Unit against which they are levied).

2.2.2.9 Adjusting and settling insurance claims and executing and delivering releases in connection therewith, as set forth in Section 6.2.

2.2.2.10 Borrow money on behalf of the Condominium and all Unit Owners when required for major and minor maintenance repairs, additions, improvements, replacements, working capital, bad debt and unpaid Common Expenses, depreciation, obsolescence and similar purposes. Such debt may be incurred no earlier than the fifth (5th) anniversary of the first (1st) conveyance of a Unit by Declarant and the consent of a majority in interest of Unit Owners must be obtained. In order to secure such loans, the Board of Managers may (a) assign the rights to receive future income and Common Charges that it will be entitled to collect from Unit Owners; (b) create a security interest in, assign, pledge, mortgage or otherwise encumber funds or other real or personal property that it holds; (c) agree that to the extent of any amounts due under any of the provisions of the agreements under which the debt was incurred and subject to the provisions of Section 339-jj of the Real Property Law of the State of New York all Common Charges received and to be received by it, and the right to receive such funds shall constitute trust funds for the purpose of paying such debt and the same shall be expended for such purpose before expending any part of the same for any other purpose; and (d) agree that at the lender's direction it will increase Common Charges to the extent necessary to pay any amounts when due under any of the provisions of the agreements under which the debt was incurred.

2.2.2.11 Execution, acknowledgment and delivery of (a) any declaration or other instrument affecting the Property which the Board deems necessary or appropriate to comply

with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Building, or (b) any consent, covenant, restriction, easement or declaration affecting the Property which the Board deems necessary or appropriate.

2.2.2.12 Prepare, execute and record, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Board's reasonable discretion, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.13 Accepting the surrender of any Unit in the name of the Board or its designee, on behalf of all Unit Owners.

2.2.2.14 Purchasing, leasing or otherwise acquiring in the name of the Board or its designee, on behalf of all Unit Owners, Units offered for sale or lease by their owners.

2.2.2.15 Purchasing any Unit, at foreclosure or other similar sale, in the name of the Board or its designee, on behalf of all Unit Owners.

2.2.2.16 Organizing corporations, limited liability companies, or other entities to act as designees of the Board with respect to such matters as the Board may determine, including, without limitation, in connection with the acquisition of title to any Unit the Board on behalf of all Unit Owners.

2.2.2.17 Selling, leasing, mortgaging or otherwise dealing with (but not voting the interest appurtenant to) any Unit, if acquired by the Board or its designee, on behalf of all Unit Owners.

2.2.2.18 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.

2.2.2.19 Any act with respect to a matter determinable by the Board and deemed necessary or desirable by the Board in connection therewith shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board.

2.2.2.20 Filing on behalf of all of the Unit Owners tax certiorari petitions to obtain reductions in the real estate tax assessments for the Units.

2.2.2.21 Sending notices pursuant to Section 339-kk of the Condominium Act to Non-Occupying Unit Owners who fail to pay any Common Charges, assessments and late fees due and payable with respect to their Units. A "Non-Occupying Owner" shall mean a Unit Owner who does not use his or her dwelling unit for occupancy for themselves or members of their immediate family.

2.2.2.22 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or its successor owns or controls at least fifteen (15%) percent in Common Interest of all Units (but only for a maximum period of five (5) years from the date of the first (1st) closing of title to a Unit under a Purchase Agreement pursuant to the Offering Plan), the Board may not, without Declarant's prior written consent: (i) make any addition, alteration or improvement to the Common Elements (unless required by law); (ii) assess any Common Charges for the creation of, addition to, or replacement of, all or part of any reserve, contingency or surplus provided for in Schedule B of the Offering Plan, as the same has been and may from time to time be amended; (iii) hire any additional employee or engage any independent contractor to provide services to the Condominium on a continuing basis; (iv) enter into any service or maintenance contract for work not covered in Schedule B of the Offering Plan, or otherwise provide services in excess of those contemplated by Schedule B or elsewhere in the Offering Plan; or (v) borrow money on behalf of the Condominium.

2.3 Managing Agent and Manager. The Board shall, with respect to decisions on matters which the Board is entitled to make, employ a managing agent and/or a manager at a compensation established by the Board, to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in subsections 2.2.(2.1), (2.3), (2.6), and (2.7). The Board may also delegate to such managing agent or manager other powers granted to it by these By-Laws, except the powers set forth in subsections 2.2.(2.2), (2.4), (2.5), (2.8), (2.9), (2.10), (2.11) and (2.19).

2.4 First Board. Until the first (1st) annual meeting of Unit Owners, the Board shall consist of one (1) person designated by Declarant from time to time. Within 30 days of the first (1st) anniversary of the First Unit Closing (as such term is defined in the Offering Plan), such first (1st) Board shall call the first (1st) annual meeting of Unit Owners in accordance with the provisions of Section 3.1.

2.5 Removal. Subject to the provisions of Section 2.4 and subsection 3.9.3, any Board Member may, be removed, with or without cause, by a vote of Unit Owners present in person or by proxy at a regular or special meeting of Unit Owners at which a quorum is present and any Board Member designated as such by Declarant may be removed, only for cause, by a vote of all Unit Owners, present in person or by proxy at a meeting of all Unit Owners at which a quorum is present. Any Board Member whose removal has been proposed shall be given an opportunity to be heard at the meeting.

2.6 Vacancies. Subject to the provisions of Section 2.4 and subsection 3.9.3, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board for the remainder of the term of the member creating such vacancy and until a successor shall be elected at the next annual meeting of Unit Owners.

2.7 Organization Meeting of Condominium Board. The first (1st) meeting of the Board following each annual meeting of Unit Owners shall be held within ten (10) days after such annual meeting at such time and place in the Borough of Manhattan, as shall be fixed by a majority of the members thereof, and no notice shall be necessary to the newly elected Board Members in order to

legally constitute such meeting, provided that a majority of the members of the Board shall be present thereat.

2.8 Regular Meetings of Condominium Board. Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail or electronic transmission, at least five (5) business days' prior to the day named for such meeting.

2.9 Special Meetings of Condominium Board. Special meetings of the Board may be called by the President, Vice President or Secretary-Treasurer of the Condominium by giving five (5) business days' prior notice to each member of the Board, by personal delivery, mail or electronic transmission, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary-Treasurer of the Condominium in like manner and on like notice on the written request of at least one (1) member of the Board.

2.10 Waiver of Notice. Any Board Member may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the Board members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 Determinations by Condominium Board; Quorum.

2.11.1 Except as otherwise set forth in subsection 2.11.3, all determinations of the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any such Board meeting, a majority of the members thereof shall constitute a quorum and the votes of a majority of such members present shall constitute the decision of the Board.

2.11.2 If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, at which a quorum is present, any business, which might have been transacted at the meeting originally called, may be transacted without further notice.

2.11.3 Members of the Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent in writing to the adoption of a Resolution authorizing such action and the writing is filed with the minutes of the Board.

2.12 Compensation. No member of the Board shall receive any compensation for acting in such capacity.

2.13 Liability of Condominium Board and Unit Owners. To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by any managing agent or manager thereof shall state that it is made by the Board, managing agent or manager only as agent for all Unit Owners, that such Board Members or managing agent or manager shall have no personal liability thereon (except to the extent that they are liable by reason of being a Unit Owner) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the Common Interest appurtenant to the Unit owned by such Unit Owner bears to the aggregate Common Interests of all Units and, unless expressly stated to the contrary in such contract (as determined by the Board in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to the interest in the Unit belonging to such Unit Owner and the interest in the Common Elements appurtenant to such Unit so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit the liability of a Unit Owner for payment of Common Charges attributable to the Unit owned by such Unit Owner. Any such contract or agreement may also provide that it covers the assets, if any, held by the Board in its capacity as agent for the Unit Owners. Board Members shall have no liability to Unit Owners for errors of judgment, negligence or otherwise, except that a Board Member shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of the interests in the respective Units belonging to such Unit Owners and the interests in the Common Elements appurtenant thereto, indemnify each Board Member against any liability or claim except those claims arising out of the bad faith or willful misconduct of such Board Member. The Board may contract or effect any other transaction with any Board Member, any Unit Owner, Declarant or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.14 Fidelity Bonds. The Board may obtain fidelity bonds in amounts deemed appropriate by it for all of its members, officers and employees and of the managing agent or manager, if any, employed by it and the premiums on such bonds shall constitute a Common Expense.

2.15 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint such committees as the Board may deem appropriate, each to consist of one (1) or more members of the Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers of the Board during the intervals between the meetings of the Board insofar as may be permitted by law. Unit Owners who are not members of the Board may be appointed to certain committees at the discretion of the Board.

2.16 Principal Office of Condominium Board. The principal office of the Board shall be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Board.

2.17 Status of Condominium Board. In addition to the status conferred upon the Board pursuant to the provisions of the New York Condominium Act, the Board shall, to the extent

permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of Section 2.18, the provisions of this Section 2.17 shall no longer be applicable.

2.18 Incorporation of Condominium Board. To the extent and in the manner provided in the New York Condominium Act, the Board may, as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and any by-laws adopted in connection therewith.

2.19 Condominium Board as Agent of the Unit Owners. In exercising its powers and performing its duties pursuant to the Declaration and these By-Laws, the Board shall act as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. On a date not later than 30 days after the first (1st) anniversary of the First Unit Closing, the first (1st) annual meeting of Unit Owners shall be held. At such meeting, the incumbent Board shall resign and a new Board shall be elected (as provided herein) consisting of three (3) Board Members elected by the Unit Owners (including Declarant), subject, however, to Declarant's right to designate certain Board Members during the Initial Control Period, as hereinafter set forth. Thereafter, annual meetings of Unit Owners shall be held on a date within 45 days of the anniversary of the first annual meeting. Unit Owners shall receive no less than 20 days written notice of such annual meetings. At each annual meeting, the Unit Owners shall elect the three (3) members of the Board who shall each serve for a one-year term. There shall also be transacted such other business as may properly come before such meeting. Written notices of persons who intend to run for election to the Board of Managers (excluding persons appointed to the Board by Declarant and any successor owner of the Unsold Units) shall be delivered to the managing agent by such person or the persons who wish to nominate such persons no less than fourteen (14) days prior to the annual meeting of Unit Owners.

3.2 Place of Meetings. Meetings of Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the Board.

3.3 Special Meetings. The President of the Condominium shall call a special meeting of Unit Owners if so directed by resolution of the Board or upon a petition signed and presented to the Secretary-Treasurer of the Condominium by not less than 25 percent in common interest of Unit Owners.

3.4 Notice of Meetings. Notice of each annual or special meeting shall be given by the Secretary-Treasurer of the Condominium to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices pursuant hereto shall be given by personal delivery, mail or overnight courier, at least five (5) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address as any Unit Owner has designated by notice in writing to the Secretary-Treasurer at least ten (10) days prior to the giving of notice of the applicable meeting.

3.5 Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 Order of Business. The order of business at all meetings of Unit Owners shall be as follows:

(a) Roll call;

(b) Proof of notice of meeting;

(c) Reading of minutes of preceding meeting;

(d) Reports of officers;

(e) Reports of members of the Board;

(f) Reports of committees;

(g) Election of inspectors of election (when so required);

(h) Election of members of the Board (when so required);

(i) Unfinished business; and

(j) New business.

3.7 Title to Units. Title to Units and the Appurtenant Interests may be taken by any individual, corporation, partnership, limited liability company, association, trust or other entity, or any two (2) or more of such owners as joint tenants, tenants-in-common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 Voting.

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on his or her behalf (who need not be a Unit Owner) shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary-Treasurer of the Condominium and shall be revocable at any time by written notice to such Secretary-Treasurer by the Unit Owner so designating. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board and the Common Interest of such Unit shall be excluded from the total of interests in the Common Elements when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as set forth in Section 3.9, at all meetings of Unit Owners, each Unit Owner (or his or her proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its successor) shall be entitled to cast one vote for each 0.0001 percent of Common Interest attributable to his or its Unit.

3.9 Election of Condominium Board: Rights of Declarant.

3.9.1 All elections of Board Members shall be determined by plurality vote.

3.9.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interest owned by such Unit Owner, and, in addition, the name of the proxy if such ballot is cast by a proxy. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding anything in this Section 3.9 or these By-Laws to the contrary, so long as Declarant or its successor owns at least one (1) Unsold Unit, and whenever there is a vacancy on the Board, Declarant shall have the right to designate, prior to the election of members of the Condominium Board at the annual meeting of Unit Owners, a sufficient number of Board Members so that Declarant or its successor shall have designated the following number of Board Members at any one time: (a) one (1) member, if Declarant owns less than 50 percent in Common Interest of all Units; and (b) two (2) members, if Declarant owns 50 percent or more in Common Interest of all Units and such Board is elect prior to the fifth (5th) anniversary of the First Unit Closing. The number of Board Members may not be increased prior to the fifth (5th) anniversary of the First Unit Closing. After the end of the Sponsor Control Period (as such term is defined in the Offering Plan), the majority of the Board Members must be Unit Owners of the Building who are not affiliated with Declarant. Any vacancy created by removal or by any other cause of the Board Member designated by Declarant shall be filled by a member designated by Declarant.

3.10 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws, the term "Majority of Unit Owners" means those Unit Owners having more than 50 percent of the total authorized votes of all Unit Owners (determined in accordance with the provisions of Section 3.8), who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 50 percent of the Common Interests attributable to all Units shall constitute a quorum at all meetings of Unit Owners.

3.12 Majority Vote. Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

ARTICLE 4

OFFICERS

4.1 Designation. The principal officers of the Condominium shall be a President, Vice-President and Secretary-Treasurer thereof, all of whom shall be elected by the Board. The Board may appoint such other officers as in its judgment may be desirable. None of the officers of the Condominium need be Unit Owners nor have any interest therein nor be Board Members until the first (1st) organizational meeting of the Board after the first (1st) annual meeting of Unit Owners. Thereafter, the President, the Vice-President and Secretary-Treasurer of the Condominium must be members of the Board.

4.2 Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organizational meeting thereof, except that the initial officers of the Condominium shall be elected by the initial Board and shall hold offices at the pleasure of such Board and until their successors are elected.

4.3 Removal of Officers. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and his or her successor may be elected, at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and at all meetings of the Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as he may in his or her discretion decide are appropriate to assist in the conduct of the affairs of the Condominium.

4.5 Vice President. The Vice President shall take the place of the President under whom such Vice President serves and perform the duties of the President whenever such President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board under whom such President and Vice President serves shall appoint some member of such Board to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the board or by the President under whom such Vice President serves.

4.6 Secretary-Treasurer. The Secretary-Treasurer of the Condominium shall keep the minutes of all meetings of Unit Owners and of the Board and shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Secretary-Treasurer shall have charge of such books and papers as the Board shall direct and shall also be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent appointed by the Board) in such depositories as may from time to time be designated by the Board and shall in general perform all the duties incident to the office of secretary and/or treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) officers thereof or by such other person or persons as may be designated by the Board.

4.8 Compensation of Officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

ARTICLE 5

NOTICES

5.1 Notices. All notices required or desired to be given hereunder to the Board shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested or by reputable overnight courier to the office of the Board or to such other address as the Board may designate from time to time, by notice in writing to all Unit Owners and Permitted Mortgagees, and, if there is a managing agent of the Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner, including notices given by one Unit Owner to another Unit Owner, shall, except as otherwise provided herein, be in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Board. All notices to Permitted Mortgagees shall be sent by certified or registered mail, return receipt requested to their respective addresses, as designated by them from time to time, in writing to the Board. Except as otherwise expressly provided, all notices shall be deemed to have been received on the date of personal delivery or on the fifth (5th) day after mailing.

5.2 Waiver of Service of Notice. Whenever any notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6

OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 Except as otherwise provided herein, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements ("Common Expenses") shall be determined by the Board and as set forth below, shall be borne by the Unit Owners. Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be Common Expenses. Common Expenses may also include such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements (including those portions of the Common Elements described as Limited Common Elements) and such amounts, determined by the Board, as may be required for the purchase, lease or sublease by the Board or its designees, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell, lease, transfer or convey such Unit or which is to be sold at a foreclosure or other sale. The Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners, *pro rata* in accordance with their respective Common Interests (except as otherwise provided in the Declaration or these By-Laws), charges to fund the Common Expenses ("Common Charges"). The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of the budget on which Common Charges are based to all Unit Owners and, if requested, to Permitted Mortgagees thereof. In addition, until the Units are separately assessed for real estate tax purposes, the Board will pay all taxes with respect to the Property and allocate the cost thereof among all Units in proportion to the Common Interest appurtenant to each Unit. Each Unit Owner will reimburse the Board for his or her proportionate share thereof. Such reimbursement shall be allocated and paid as if the same were a Common Charge.

6.1.2 The excess of all rents, profits and revenues derived from the rental or use of any space forming part of or included in any Common Element remaining after the deduction of the expenses in connection therewith shall constitute income of the Unit Owners and be collected on behalf of the Unit Owners by the Board. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.3 Allocations of insurance costs for the Condominium may be made by the Board in accordance with Section 339-bb of the Real Property Law of the State of New York.

6.2 Insurance.

6.2.1 The Board shall be required to obtain and maintain, to the extent obtainable, the following insurance: (a) fire insurance with an all risk endorsement, insuring the entire Building

(including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit or not covered by the insurance policy maintained by the Condominium Board), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board, and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount not less than an amount sufficient to avoid any defense based on co-insurance or other insurance or of any invalidity arising from any acts of the insured and of *pro rata* reduction of liability but in no event greater than the full insurable replacement value of the Building (exclusive of foundation and footings), without deduction for depreciation; each of said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one (1) year; (c) workmen's compensation and New York State disability benefits insurance; (d) water damage legal liability insurance; (e) elevator liability and collision insurance; (f) at the option of the Board, fidelity insurance covering all officers, members of the Board of Managers of the Condominium and employees of the Condominium and of the managing agent or agents who handle funds of the Condominium; and (g) such other insurance as the Board may reasonably determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be borne by the Unit Owners in proportion to their respective Common Interests. If additional coverage or other coverage is added by the Condominium, the premium for such coverage will be increased, thereby increasing the amount of Common Charges payable by all Unit Owners.

6.2.2 All such policies shall provide that adjustment of loss shall be made by the Board. Insurance proceeds with respect to any loss shall be payable to the Board, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000.00, shall be payable to a bank or trust company designated by the Board as Insurance Trustee pursuant to the provisions of Section 12.5.

6.2.3 The amount of fire insurance and all risk extended coverage to be maintained until the first (1st) Board meeting following the first (1st) annual meeting of Unit Owners shall be in an amount of no less than the replacement cost of the Building as determined by the insurance consultant retained by Declarant.

6.2.4 All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of *pro rata* reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all Permitted Mortgagees. Upon request in each instance, duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, shall be delivered to Unit Owners and Permitted Mortgagees at least ten (10) days' prior to expiration of the then current policies.

6.2.5 The Board also shall be required to obtain and maintain comprehensive general liability insurance in such limits as the Board may from time to time determine, covering (a) the Board, the managing agent thereof, each Board Member and each officer and employee of the

Condominium and (b) each Unit Owner, and covering all claims for personal injury or property damage arising out of any occurrence on the Property, except that such policy will not cover liability of a Unit Owner arising from occurrences within his or her own Unit or within the Limited Common Elements, if any, exclusive to the Unit belonging to such Unit Owner. Such insurance shall also cover cross-liability claims of one insured against another. The Board shall review such limits once each year. Until the first (1st) meeting of the Board following the first (1st) annual meeting of Unit Owners, such liability insurance shall have a limit of $1,000,000.00 covering all claims for personal injury or property damage that arises out of one occurrence.

6.2.6 Any insurance maintained by the Board may provide for a deductible in such amounts as the Board may determine.

6.2.7 The Unit Owners, shall each carry, at their expense, insurance on the personal property and improvements contained in their Unit and public liability insurance in an amount of no less than $1,000,000.00 per occurrence. The Unit Owners shall upon request deliver to the Board of Managers a certificate evidence such insurance.

6.2.8 The Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

6.3 Repair or Reconstruction after Fire or Other Casualty.

6.3.1 Except as set forth in the next subsection, in the event that the Building or any portion thereof is damaged or destroyed by fire or other casualty, the Condominium Board will arrange for the prompt repair and restoration thereof (including any damaged Units, but excluding any appliances, fixtures, furniture, furnishings, or other personal property not constituting a part of such Unit or not covered by the Condominium Board's insurance policy and subject to the limitation set forth in the next sentence). The aforesaid restoration obligation of the Condominium Board with respect to the Units shall be limited to solely restoring any damaged Unit to the condition that such Unit was in on the date that Declarant conveyed title to the Unit to the original Unit Owner (*i.e.*, the Closing Date) or the Condominium Board may elect to assign the insurance proceeds attributable to such Unit, in which case such Unit Owner would be responsible for the restoration of the Unit to the condition that the Unit was in on the Closing Date. If the insurance proceeds are insufficient to cover the cost of repairs or restorations, the Condominium Board may assess the deficit as a Common Expense to the Unit Owners in proportion to their respective share of the Common Elements. Any surplus insurance proceeds will be paid to all Unit Owners at the discretion of the Board in proportion to their respective Common Interests, except that no payment may be made to a Unit Owner until there has first been paid, out of his or her share of such funds, such amounts as may be necessary to eradicate unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages (as such term is hereinafter defined) in the order of priority of such liens.

Each Unit Owner should make sure that he or she is adequately insured to the extent of any changes, modifications and/or deletions that he or she may have made to his or her Unit subsequent to the initial transfer of the Unit from Declarant.

6.3.2 If 75 percent or more of the Building is destroyed or substantially damaged and if 75 percent or more of all Unit Owners, both in number and in Common Interest, do not promptly resolve to proceed with the repair or restoration of the same, the Building may not be repaired and will be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of the resulting sale, together with the net proceeds of insurance policies, will be divided among all Unit Owners in proportion to the respective Common Interests attributable to the Units owned by the Unit Owners, 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 eradicate all unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages, as such term is defined in these By-Laws) in the order of priority of such liens. If Declarant or a successor owner of Unsold Units is then a Unit Owner, Declarant or such successor owner of Unsold Units will have the right to vote at any meeting of Unit Owners called for the purpose of deciding whether or not to proceed with the restoration or repair of the Building. As used in this Section 6.3, the words "promptly resolve" shall mean not more than 60 days from the date of such damage or destruction.

6.3.3 Any dispute between Unit Owners or between any Unit Owner and the Board arising under this Section 6.3 shall be determined by arbitration.

6.4 Payment of Common Charges.

6.4.1 All Unit Owners shall be obligated to pay Common Charges assessed by the Board pursuant to the provisions of Section 6.1 at such time or times (but not less than monthly) as the Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first (1st) day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale or other conveyance by him (made in accordance with these By-Laws) of such Unit together with its Appurtenant Interests in the Common Elements. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges; and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit, convey such Unit together with its Appurtenant Interests in the Common Elements, to the Board or its designee, corporate or otherwise, on behalf of all Unit Owners and in such event be exempt from Common Charges thereafter accruing. However, in no event shall Declarant or a successor owner of the Unsold Units be permitted to convey any Unsold Unit to the Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgagee, which holds a first mortgage lien, 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 holding a first mortgage lien, the Unit Owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges and assessments, which accrued prior to such sale. Except to the extent prohibited by law,

the Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit in proportion to their respective Common Interests.

6.4.3 All liens provided for in subsection 6.4.2, to the extent permitted by applicable law, shall be subordinate to liens for real estate taxes and any first mortgage liens on the Unit. As used in these By-Laws, the term "Permitted Mortgage" means only a mortgage of a Unit or Units permitted to be placed thereon pursuant to the provisions of these By-Laws.

6.5 Collection of Common Charges. The Board shall take prompt action to collect any Common Charges due to the Board that remain unpaid for more than ten (10) days after the due date for payment thereof, including, without limitation, the institution of such actions for the recovery of interest and expenses as provided in this Article 6.

6.6 Default in Payment of Common Charges. In the event any Unit Owner fails to make payment of Common Charges, such Unit Owner shall be obligated to pay (a) a "late charge" of $.04 for each dollar of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) interest at the rate of two (2%) percent per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (less any "late charges" theretofore collected on such amounts) computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by its managing agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. If a Non-Occupying Unit Owner rents any dwelling unit to a tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within sixty (60) days of the expiration of any grace period after the same are due, the Condominium Board may issue a notice to the tenant of such Unit demanding that all rental payments payable by such tenant to the Unit Owner shall be payable directly to the Condominium. A "Non-Occupying Owner" shall mean a Unit Owner who does not use his or her dwelling unit for occupancy by themselves or a member of their immediate family.

6.7 Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Board, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to such Unit). A suit to recover a money judgment for unpaid Common Charges may be maintained without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 Statement of Common Charges. The Board shall promptly provide any Unit Owner who so requests with a written statement of all unpaid Common Charges due to it from such Unit Owner.

6.9 Maintenance and Repairs.

6.9.1 Except as otherwise provided in the Declaration or these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (including any portion of the Limited Common Elements appurtenant thereto and maintained as a part of such Unit pursuant to subsection 6.15.4, but excluding other Common Elements included therein) and the interior side of entrance doors thereto shall be made by the Unit Owner of such Unit at such Unit Owner's sole cost and expense and (b) in or to the Common Elements, shall be made by the Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense. The Unit Owners shall each be responsible for the cleaning and general maintenance of the Terraces and the Balconies that are Limited Common Elements appurtenant to their respective Units.

6.9.2 Notwithstanding the provisions of subsection 6.9.1 hereof:

6.9.2.1 In the event that any painting, decorating, maintenance, repairs or replacements to the Property or any portion thereof is required and the same is not the responsibility of a Unit Owner pursuant to Section 6.9.1, the cost thereof shall be borne by Board and the cost thereof shall be charged to all Unit Owners as a Common Expense, except to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions of these By-laws, provided however, in the event that such painting, decorating, maintenance or replacement is necessitated due to the negligence, misuse or neglect of any portion of the Property by any Unit Owner, the entire cost thereof shall be borne by such Unit Owner.

6.9.2.2 Neither the interior nor the exterior glass surfaces of all windows located in any Unit shall be colored or painted. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the owner thereof at such Unit Owner's sole cost and expense. The exterior surfaces of the windows in the Units shall be cleaned from time to time by the Board of Managers. All normal maintenance, repairs and replacements made to a particular Unit shall be made by the Unit Owner owning such Unit at his or her own cost and expense. Any structural or extraordinary repairs or replacements made to a Unit (or the Limited Common Elements appurtenant thereto), which the Board determines are not caused by the acts or negligence of the Unit Owner owning such Unit, shall be made by the Board, and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. Notwithstanding the foregoing, any and all replacements of glass windows or glass portions of Terraces appurtenant to any Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the Unit Owner of such Unit.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any yard, roof or any part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Board, as the case may

be, shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (a) the Board with respect to such parts of the Building required to be maintained by it and (b) each Unit Owner with respect to the interior surfaces of windows and window treatments in or appurtenant to his or her Unit

6.10 Violations of Maintenance Obligations.

6.10.1 In the event that any Unit Owner, after receipt of written notice from the Board, fails or neglects in any way to perform any such Unit Owner's obligations with respect to the painting, decorating, maintenance, repair or replacement of his or her Unit, as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible pursuant to the Declaration or these By-Laws, the Board shall perform or cause to be performed such painting, decorating, maintenance, repairs or replacements unless such Unit Owner, within five (5) days after receiving notice of such default by the Board, cures such default, or in the case of default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repairs or replacements in such Unit Owner's Unit, together with interest thereon at the rate of two (2%) percent per month (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.11 Structural Alterations, Additions, Improvements and Repairs of Units.

6.11.1 Except as otherwise provided in the Declaration and in this subsection 6.11.1, no Unit Owner shall make any structural alteration, addition, improvement or repair in or to his or her Unit without the prior written approval of the Board of Managers, which approval shall not be unreasonably withheld, conditioned or delayed. The Board of Managers shall not unreasonably withhold, condition or delay its consent to a proposed alteration that would combine two (2) or more Units in instances in which a Unit Owner owns contiguous Units. Non-structural alterations and any interior decorating which do not affect the Building systems may be performed without the prior approval of the Board, provided however, such Unit Owners shall be required to have such work performed by license contractors which shall carry liability insurance in amounts that may be determined by the Board from time to time. The Board shall have the obligation to respond to any written request by a Unit Owner for approval of a proposed structural alteration, addition, improvement or repair in or to such Unit Owner's Unit within 30 days after the receipt of such request, and failure to do so within the stipulated time shall constitute the Board's consent to the proposed alteration, addition, improvement or repair. Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the Board may, at its option, require the Unit Owner to execute an agreement, in form and substance satisfactory to the Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work shall be performed (an "Alteration Agreement"). Prior to the commencement of any alterations being performed in their Unit, all Unit Owners will be required to obtain their own

individual work permits and file separate alteration applications with the appropriate authorities. Such Unit Owners shall be responsible for the cost and expense of obtaining all required "sign offs" or a "certificate of completion" from the appropriate governmental authorities in connection with any open building permits or alteration applications filed with respect to the Unit. Notwithstanding anything to the contrary contained in this subsection 6.11.1, in no event shall any provision contained in this subsection requiring the approval of the Board apply to Declarant, a successor owner of Unsold Units, a transferee who has the written consent of the Declarant or a successor owner of Unsold Units (as applicable) for any structural alteration, addition, improvement, or repair to any Unit or Units, including, without limitation, any work to (a) combine two (2) or more Unsold Units in instances where a Unit Owner owns contiguous Units; or (b) to subdivide any Unit. In addition, Declarant, a transferee of a Unit who has the written consent of the Declarant or a successor owner of Unsold Units (as applicable) shall not be required to enter into an Alteration Agreement with the Board.

6.11.2 All structural alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any structural alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Board and all other Unit Owners harmless from any liability arising therefrom.

6.11.3 Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the Board shall be executed by the Board, provided that the Board shall not incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, material man, architect or engineer retained by the Unit Owner on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, in no event shall Declarant or a successor owner of the Unsold Units or persons who are permitted transferees of Unsold Units as defined in Article 25 of the Declaration be required to pay any amounts (a) to architects, engineers or other professionals retained by the Board in connection with such alterations or (b) to the Board for the execution of any such applications.

6.12 Alterations, Additions or Improvements to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions or improvements in or to any Common Element shall be made either by the Board or Unit Owner required to maintain such Common Element and the cost and expense thereof shall be charged either to all Unit Owners as a Common Expense or to the Unit Owner responsible therefor, as the case may be. Whenever in the judgment of the Board the cost of any such alteration, addition or improvement would exceed $500,000.00 in the aggregate in any calendar year, then such proposed alteration, addition or improvement shall not be made unless first approved by a Majority-in-Interest of the Unit Owners who shall be required to bear the cost and expense thereof as aforesaid and by the Mortgage Representatives (as such term is hereinafter defined), if any. The foregoing limitation shall not apply in the event such work is required to conform to applicable legal requirements. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions or improvements costing in the aggregate $500,000.00 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners or said Mortgage Representatives.

6.13 Special Alterations of Certain Common Elements.

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by a Unit Owner is required as a condition precedent to any alteration, addition or improvement to a Common Element (collectively sometimes referred to in this Section 6.13 as a "Special Alteration") proposed to be made by Declarant, or a successor owner of an Unsold Unit, or a permitted transferee of an Unsold Unit, or the Board (collectively sometimes referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by said Unit Owner (referred to in this Section 6.13 as the "Consenting Party"). The Proponent shall give to the Consenting Party notice setting forth in reasonable detail the material aspects of such proposed Special Alteration. If the Consenting Party does not give notice of any objection to the Proponent within 20 days after the Proponent gives its notice, then the Consenting Party shall be deemed to have consented to the making of the proposed Special Alteration. If the Consenting Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Consenting Party) within such 20-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Consenting Party unreasonably withheld its consent. If in such Arbitration it is determined that the Consenting Party unreasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Special Alteration to be paid by it and (ii) that all costs and expenses for maintaining and repairing such Special Alteration after its completion will not be charged to the Consenting Party, (b) the proposed Special Alteration would not unreasonably or unnecessarily interfere with the use and enjoyment of the owners, tenants and occupants of those Units affected by the Special Alteration and (c) the proposed Special Alteration would not materially threaten or weaken the structure of the Building.

6.13.2 Nothing contained in subsection 6.13.1 hereof shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it pursuant thereto in such a manner as the Proponent believes will meet the objections of the Consenting Party or of any arbitrator or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any alteration to other Common Elements without the Consenting Party's approval (unless otherwise expressly provided elsewhere herein or in the Declaration).

6.13.3 Except as set forth hereinabove, alterations to be made to any Terrace or Balcony that is a Limited Common Element may not be made without the consent of the Board, which consent may be withheld in the Board's sole discretion.

6.14 Restrictions on Use of Units.

6.14.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

6.14.1.1 Each Unit shall be used only as set forth in this Section 6.14, Unit may be owned by an individual, corporation, partnership, limited liability company, fiduciary or any other legal entity and may only be occupied by (a) the individual Unit Owner (or members of his or her family or guests), (b) an officer, director, stockholder or employee of such corporation (or

members of his or her family or guests), (c) a partner or employee of such partnership (or members of his or her family or guests), (d) a member or employee of such limited liability company (or members of his or her family or guest), (e) the fiduciary or beneficiary of such fiduciary (or members of his or her family or guests) or (vi) a principal or employee of such other entity (or members of his or her family or guests), as the case may be. Unless otherwise consented to by the Board, occupants of a leased Unit must be (i) an individual lessee (or members of his or her family or guests), (ii) an officer, director, stockholder or employee of a corporate lessee (or members of his or her family or guests), (iii) a partner or employee of a partnership lessee (or members of his or her family or guests), (iv) a member or employee of a limited liability company lessee (or members of his or her family or guest), (v) a fiduciary or beneficiary of a fiduciary lessee (or members of his or her family or guests), or (vi) a principal or employee of such other entity that is a lessee (or members of his or her family or guests). Notwithstanding anything contained in this subsection 6.14.1.1, in no event shall transient occupancy agreements or arrangements be permitted. "Members of his or her family" or words of similar import whenever used herein shall be deemed to mean spouse, domestic partner, parents, parents-in-law, brothers, sisters, children and grandchildren and nothing contained herein shall be deemed to prohibit the exclusive occupancy of any Unit by such family members or guests. Notwithstanding the foregoing, the Board may consent to occupancy of a Unit by persons other than those set forth above.

6.14.1.2 The Units may be used for dwelling purposes, in conformance with the terms and conditions of the then existing certificate of occupancy for the Building and applicable federal, state and local governmental and municipal laws, rules and regulations.

6.14.1.3 No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this subsection 6.14.1) may be accommodated therein without the prior consent of the Board, which consent may be withheld in the absolute discretion of the Board.

6.14.1.4 Notwithstanding the provisions of this subsection 6.14.1, Declarant may, without the permission of the Board (a) grant permission for the use of any Unsold Unit as a professional office or for any other purpose provided such use is permitted by law, does not violate the then existing certificate of occupancy for such Unit and the user of such Unit complies with all applicable governmental regulations; and (b) use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations.

6.15 Use of Common Elements.

6.15.1 Subject to the provisions of subsection 6.15.4 hereof, Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.15.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other part of the Common Elements without the prior consent of the Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.15.3 The provisions of subsection 6.15.1, (.2) and (.3) hereof shall not apply to Declarant or its successor so long as there are any Unsold Units, provided, however, that no such party shall use such Common Elements in such a manner as will unreasonably interfere with the use of the other Units for the permitted purposes thereof.

6.15.4 The Terraces and the Balconies, including, without limitation, the Common Roof Terrace, shall be used by the Unit Owners in accordance with the provisions of applicable law. The Terraces and the Balconies that are Limited Common Elements (a) may be used for passive recreational use only (*e.g.* walking, reading and quiet personal enjoyment), (b) may not be used for any commercial purpose, and (c) must be used in accordance with the Rules and Regulations of the Condominium.

6.15.5 Unit Owners are prohibited from affixing loud speakers and TV monitors on or to any Limited Common Element. In the event that TV monitors or speakers are affixed to a demising partition between Units, the Unit Owner thereof shall be required to install sound-rated material to ameliorate noise transmission. In the event that electronic equipment is affixed to a non-demising partition, such mounting shall include appropriate resilient fasteners in order to limit sound transmissions to adjoining Units.

6.16 General Provisions as to Use.

6.16.1 No nuisance shall be allowed in the Property nor shall any use or practices be allowed in the Property that interferes with the peaceful possession or proper use of the Units by the respective Unit Owners or the occupants thereof. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation to maintain or repair such portion of the Property.

6.16.2 The Board may, in its discretion, grant permission for the use of a Unit for a use other than its original intended use, provided such use is permitted by law or court order, does not violate the then existing Certificate of Occupancy for such Unit, these By-Laws or the Declaration, and the Unit Owner thereof complies with all Legal Requirements. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in the title to such Unit shall be required to obtain the prior written approval of the Board before using such Unit for any purpose other than those expressly set forth above.

6.16.3 No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased.

6.16.4 Declarant or a successor owner of Unsold Units (as applicable),without the permission of the Board, may (a) use or grant permission for the use of any Unsold Unit for any purpose (including, without limitation, use for a home occupation), provided that such use is permitted by applicable law or court order, does not violate the then existing Certificate of Occupancy for such Unit, and the user of such Unit complies with all applicable Legal Requirements; (b) use of any one (1) or more Unsold Units as models and sales and/or leasing offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable Legal Requirements; and (c) lease Unsold Units to any party(ies).

6.16.5 Each Unit Owner shall promptly comply with all Legal Requirements applicable to its Unit. No Unit Owner shall use or permit the use of Hazardous Materials on, about, under, or in its Unit or the Property. Each Unit Owner agrees to indemnify and hold harmless the Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought hereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property. As used herein, the term "Hazardous Materials" means petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identifies in, or regulated by, any Environmental Law; and "Environmental Laws" means all federal, state and local laws, rules, regulations, ordinances, requirements and orders whether now existing or hereafter enacted, promulgated or issued, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material and/or the protection of human health and the environment.

6.17 Other Provisions as to Use. No nuisance shall be allowed on the Property, nor shall any use or practice be allowed which is a source of annoyance to its residents or occupants or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Property or any portion thereof and all valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the expense of the respective Unit Owners or the Board, whichever shall have the obligation to maintain or repair such portion of the Property.

6.18 Right of Access.

6.18.1 Each Unit Owner shall grant a right of access to his or her Unit, including, without limitation, any Terrace or Balcony appurtenant thereto, to the Board, the managing agent, manager, superintendent and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations (as such term is hereinafter defined) by such Unit Owner or correcting any conditions originating in his or her Unit or on the Terrace and/or Balcony appurtenant thereto, or threatening another Unit, Terrace, Balcony or all or any portion 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 or the Limited Common Elements within or adjacent to such Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the Common Elements, his or her Unit, Terrace or Balcony or any other Unit, Terrace or Balcony in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than one day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the use of the Units, Terraces or Balconies for the permitted purposes thereof. In case of an emergency (*i.e.*, a condition requiring repairs or replacements immediately necessary for the

preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building), such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.18.2 A Unit Owner shall grant a right of access to his or her Terrace (including, without limitation, any Terrace or Balcony appurtenant thereto) and the Board shall grant rights of access to the Common Elements, to Declarant and its contractors, subcontractors, agents and employees, for the purposes of fulfilling Declarant's obligations as set forth in the Offering Plan, provided that access thereto shall be exercised in such a manner as will not unreasonably interfere with the use of a Terrace or Balcony for its permitted purposes.

6.19 Rules and Regulations. Annexed hereto as Exhibit A and made a part hereof are the Rules and Regulations for the Unit Owners of 253 East 7th Street Condominium ("Rules and Regulations of 253 East 7th Street Condominium" or the "Rules and Regulations") concerning the use of the Units and the Limited Common Elements. The Board may from time to time modify, amend or add to such Rules and Regulations, except that a majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition. Copies of any newly adopted, or any modifications, amendments or additions to the Rules and Regulations shall be furnished by the Board to each Unit Owner not less than 30 days prior to the effective date thereof.

6.20 Real Estate Taxes, Water Charges and Sewer Rents.

6.20.1 Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Board shall promptly pay such taxes, charges and rents as a Common Expense, and the Unit Owners shall be required to reimburse the Board, as a Common Expense, for their proportionate share of such taxes. In the event of a proposed sale of any Unit, the Board (so long as the Board is still paying such real estate taxes), on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such owner's Unit to the date of the closing of title to such Unit.

6.20.2 Water for the Building shall be supplied by the City of New York. Water charges and sewer rents for the water used in the Units and the Limited Common Elements shall be paid by the Board of Managers and charged to the Unit Owners as a Common Expense.

6.21 Gas. The charges for cooking gas, the operation of gas clothes dryers and the gas for the operation of the equipment that provides heat and hot water used in the Units shall be paid by the Board of Managers and charged to the Unit Owners as a Common Expense.

6.22 Electricity. Electricity shall be supplied to the Condominium through one (1) or more electrical meters and that the cost thereof shall be borne by each Unit Owner. Each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit either to the Condominium or to the utility company as directed by the Condominium.

6.23 Utilities Serving the Common Elements. The cost and expense of water and electricity serving or benefiting any Common Element shall (a) be considered part of the expense of

maintaining such Common Element, (b) be determined by the Board, and (c) be charged to the Unit Owners as a Common Expense. Any disputes as to the apportionment of such cost or expense shall be determined by arbitration.

6.24 Abatement and Enjoinment of Violations by Unit Owners.

6.24.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to such other rights set forth in these By-Laws, to (a) enter any Unit or Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any matter of trespass, or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.24.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant, or a successor owner of the Unsold Units shall give to Declarant and its successor the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings either at law or in equity, the continuance of any such violation or breach.

6.25 Vault Charges. All license fees, and all periodic taxes and charges, for vaults or other protrusions beyond the building line, if any, shall be paid by the Board and charged to the Unit Owners as a Common Expense.

ARTICLE 7

MORTGAGES

7.1 Permitted Mortgages. As used herein the term "Permitted Mortgagee" means the holder of any Permitted Mortgage encumbering a Unit or Units which is permitted to be placed thereon pursuant to this Article 7. As more fully set forth in this Article 7, each Unit Owner may mortgage his Unit to a bank, trust company, insurance company, savings and loan association or any institutional or non-institutional lender, including, without limitation, the seller of a Unit, as a Permitted Mortgagee, provided that (a) the mortgage be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan, (b) the Condominium Board is notified in writing of the making of such mortgage, and (c) the owner making such mortgage first satisfies all unpaid liens against his Unit, other than Permitted Mortgages.

7.2 Notice to Condominium Board. A Unit Owner who mortgages his Unit or the holder of such mortgage shall notify the Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board. A Unit Owner who satisfies a mortgage covering his Unit shall so notify the Board and shall file a conformed copy of the satisfaction of

mortgage with the Board. The Board shall maintain such information in a book entitled "Mortgages of Units."

7.3 Notices to Permitted Mortgagees.

7.3.1 Whenever so requested in writing by a Permitted Mortgagee, the Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws which may to the Board's knowledge then exist. The Board, when giving notice to a Unit Owner of any such default, shall, if requested, also send a copy of such notice to any Permitted Mortgagee thereof.

7.3.2 Whenever so requested in writing by a Permitted Mortgagee, the Board shall promptly report to such Permitted Mortgagee any condemnation or casualty which affects a material portion of the Project or materially affects the Unit which secures such mortgage.

7.4 Performance by Permitted Mortgagees. The Board shall accept payment of any sum or performance of any act by any Permitted Mortgagee of a Unit Owner required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.5 Examination of Books. The Board shall keep detailed, accurate records, in chronological order, of the receipts and expenditures arising from the operation of the Property. Such records and the vouchers authorizing the payments shall be available for examination by the Unit Owners at convenient weekday hours. A written report summarizing such receipts and expenditures shall be rendered by the Board to all Unit Owners at least once annually.

7.6 Representatives of Mortgagees.

7.6.1 In the manner more particularly set forth in subsection 7.5.2 hereof, the holders of Institutional Mortgages (as such term is hereinafter defined) may, at their election, designate one or more (but not more than three (3)) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Institutional Mortgages with respect to any matter requiring their consent or approval pursuant to the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the Board, the act of any such representative (or a majority of such representatives if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages. As used herein, the term "Institutional Mortgage" means any first mortgage covering a Unit or Units (a) which is a Permitted Mortgage, and (b) the initial holder of which is (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

7.6.2 Any designation of a Mortgage Representative by the holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages shall be binding upon the holders of all Institutional Mortgages. Any such designation of any Mortgage

Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof and (b) notice of such subsequent designation is given to the Board. Unless otherwise permitted by law, all Permitted Mortgagees other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but shall be subject to all determinations made by such Mortgage Representatives pursuant to the Declaration or these By-Laws.

7.7 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to the determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against its mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Selling and Leasing. No Unit Owner other than Declarant, or a successor owner of the Unsold Units or a transferee who has the written consent of Declarant or a successor owner of Unsold Units (as applicable) may sell or lease his Unit, except by complying with the following provision:

8.1.1 Any Unit Owner who receives a *bona fide* offer to (a) purchase his Unit together with its Appurtenant Interests in the Common Elements or (b) lease his Unit (such offer to purchase or lease a Unit, as the case may be, is called a "*Bona fide* Offer," the party making any such *Bona fide* Offer is called a "*Bona fide* Offeror" and the Unit Owner to whom the *Bona fide* Offer is made is called an "Offeree Unit Owner"), which he intends to accept shall give notice in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested, to the Board of the receipt of such *Bona fide* Offer. Said notice shall also state the name and address of the *Bona fide* Offeror, the terms of the proposed transaction as set forth in an executed contract of sale or lease (which is made subject to approval by the Condominium Board) made with the prospective purchaser or lessee and such other information as the Board may reasonably require. The giving of such notice to the Board shall constitute an offer by such Unit Owner to sell his Unit together with the interest in the Common Elements appurtenant thereto or to lease his Unit to the Board, or its designee, corporate or otherwise, on behalf of all other Unit Owners, upon the same terms and conditions as contained in such *Bona fide* Offer and shall also constitute a representation and warranty by the Unit Owner who has received such *Bona fide* Offer, to the Board on behalf of all Unit Owners, that such Unit Owner believes the *Bona fide* Offer to be *bona fide* in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may reasonably request. Not later than 20 days after receipt of such notice together with such further information as may have been requested, the Board may elect, by sending written notice to such Offeree Unit Owner before the expiration of said 20-day period, by delivering personally or sending certified or registered mail, return receipt requested, to purchase such Unit together with the interest in the Common Elements appurtenant thereto or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners, upon the same terms and conditions as contained in the

Bona fide Offer and as stated in the notice from the Offeree Unit Owner, provided that such election to purchase said Unit is not being exercised in violation of Federal laws which prohibit discrimination or on the basis of race, color, national origin, religion, sex, family status or disability.

8.1.2 In the event the Board shall timely elect to purchase such Unit together with its appurtenant interests in the Common Elements or to lease such Unit, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or a lease shall be executed at the office of the attorneys for the Board, in accordance with the terms of the *Bona fide* Offer, within 45 days after the giving of notice by the Board of its election to accept such offer. If, pursuant to such *Bona fide* Offer to purchase said Unit, the *Bona fide* Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit together with the interests in the Common Elements appurtenant thereto is to be sold, shall convey the same to the Board, or to its designee, on behalf of all other Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed to the Unit), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in such *Bona fide* Offer.

8.1.3 In the event the Board or its designee shall fail to accept such offer within 20 days after receipt of notice as aforesaid, said contract of sale or lease, as the case may be, shall be deemed approved by the Condominium Board. In the event the sale or lease pursuant to the said contract of sale or lease is not consummated for any reason, then, should such Offeree Unit Owner thereafter elect to sell or lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1.

8.1.4 Any deed to a *Bona fide* Offer or shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any *Bona fide* Offer to lease a Unit shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Board, that the tenant shall not assign his or her interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the New York Condominium Act.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Board or a *bona fide* Offer or shall be the then current form of condominium apartment lease

recommended by The Real Estate Board of New York, Inc., any form of "Rider" to a lease, as may be required by the Board from time to time, and shall contain such other modifications as shall be approved in writing by the Board. Any lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 Any purported sale or lease of a Unit in violation of this Section 8.1 shall be voidable at the election of the Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the purported landlord. Said Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.1.8 The foregoing restrictions contained in this Section 8.1 shall not apply to any sale being conducted by a lender as part of a foreclosure proceeding or any transaction in any subsequent sale of such Unit acquired by a lender or its designee in a foreclosure or by deed-in-lieu of foreclosure.

8.1.9 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units. Declarant or any successor owner of the Unsold Units shall have the right to freely sell Unsold Units or to freely lease all or any part thereof without having to first offer the same for sale or lease to the Board.

8.2 Consent of Unit Owners to the Purchase or Lease of Units by Condominium Board. The Board shall not exercise any option herein above set forth to purchase or lease any Unit without the prior approval of 75 percent in number of the members of the Condominium Board. Further, no Unit acquired by the Condominium Board or its designee pursuant to this Article 8 shall carry voting rights as long as such Unit is so held.

8.3 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein the interest in the Common Elements appurtenant thereto, 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. The lease of any Unit shall be deemed to include the interest in the Common Elements appurtenant thereto.

8.4 Release by Condominium Board of Right of First Refusal. The right of first refusal contained in Section 8.1 may be released or waived by the Board only in the manner provided in Section 8.5. In the event the Board shall release or waive its right of first refusal as to any Unit, such Unit may be sold, conveyed or leased, free and clear of the provisions of Section 8.1.

8.5 Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary-Treasurer or other officer of the Condominium stating that the provisions of Section 8.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board, and that as a result thereof the rights of the Board thereunder have terminated, shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith. The Board shall furnish, without charge, such certificate upon request to any Unit Owner with respect to whom the provisions of Section 8.1 have, in fact, terminated and, upon request, shall furnish to the Declarant, or successor Holder of Unsold Units a certificate that the provisions of this Article 8 are not applicable to such Units.

8.6 Financing of Purchase of Units by Condominium Board. The purchase of any Unit by the Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit Owner, in proportion to the Common Interest appurtenant to their respective Unit, as a Common Charge, and/or the Board may, in its discretion, obtain financing for 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 the interests in the Common Elements appurtenant thereto.

8.7 Exceptions. The provisions of Section 8.1 shall not apply with respect to any lease, sale or conveyance of any Unit by (a) the Unit Owner thereof to his or her spouse, domestic partner, adult children, parents, parents-in-law, adult siblings or to any one or more of them or to any related or controlled entity of the Unit Owner thereof, (b) Declarant or its successor with respect to the Unsold Units, (c) the Board, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or (e) a Permitted Mortgagee or his or her nominee, who has acquired title to any Unit at any foreclosure sale of his or her 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 or her Unit subject to, the provisions of this Article 8.

The term "related or controlled entity" shall mean an entity which owns more than 50 percent of the legal and beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than 50 percent of the legal and beneficial interest thereof.

8.8 Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will or have his or her Unit pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit subject to, the provisions of this Article 8.

8.9 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners as tenants in common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired unit and the entire Property as herein provided.

8.10 Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his or her Unit unless and until he shall have paid in full to the Board all unpaid Common Charges theretofore assessed against such Unit and until such Unit Owner shall have satisfied all unpaid liens against his or her Unit, other than Permitted Mortgages.

8.11 Mortgage of Units. Subject to Article 7 and Section 8.10 hereof, each Unit Owner shall have the right to mortgage his or her Unit without restriction, provided that any such mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required in order to permit a particular bank, trust company, insurance company, savings and loan association or other institutional or non-institutional lender to make the mortgage loan and the Board is notified in writing of the making of such mortgage.

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, the Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the Common Elements so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by the Board. The award made for any such taking shall be payable to the Board, provided, however, that if any such award exceeds $1,000,000.00, such award shall be payable to the Insurance Trustee and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be borne and shared by all Unit Owners to the extent that the taking involves the Common Elements shared by all of the Unit Owners in accordance with the Common Interests appurtenant to their respective Units. Notwithstanding any provisions contained herein to the contrary, in the event that 75 percent or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of the Common Elements, such repairs or restorations shall not be made and the proceeds of any such award with respect thereto will be divided among the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units other than mortgages which are not Permitted Mortgages. As used in this Article 9, the words "promptly resolve" shall mean not more than 60 days from the date of such taking.

ARTICLE 10

RECORDS AND AUDITS

10.1 Records. The Board or the managing agent thereof shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board shall keep a separate

account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 Audits. Within four (4) months after the end of each fiscal year, an annual report of receipts and expenditures prepared by an independent certified public accountant, shall be submitted by the Board to all Unit Owners and if so requested, to any Permitted Mortgagee. The cost of such report submitted by the Board shall be paid by the Unit Owners as a Common Expense.

10.3 Availability of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE 11

ARBITRATION

11.1 General Procedure. Any arbitration provided for in these By-Laws shall be conducted before one (1) arbitrator in the Borough of Manhattan by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in the Borough of Manhattan before one (1) arbitrator appointed, on application of any party, by any Justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his or her appointment. All expenses of arbitration hereunder, including the fees and expenses of counsel and experts, shall be Common Expenses. Any arbitrator appointed or selected in connection with any arbitration hereunder shall be a member of a law firm whose principal office is in the Borough of Manhattan and which has at least five (5) members.

11.2 Agreement by Parties. The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 hereof with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1 Waiver. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision hereof.

12.3 Certain References.

12.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.4 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Insurance Trustee. The Insurance Trustee shall be a bank or trust company designated by the Board and having a capital surplus and undivided profits of $100,000,000.00 or more. Any holder of Institutional Mortgage liens (as further qualified by this Section 12.5) on more than three (3) Units shall have the right to require the Board to appoint such Institutional Mortgagee as Insurance Trustee. In the event the Insurance Trustee resigns or is replaced by the Board, the Board shall appoint a new Insurance Trustee which shall be a bank or trust company having a capital surplus and undivided profits of $100,000,000.00 or more. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense.

12.6 Successors and Assigns. The rights and/or obligations of Declarant as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or, with the consent of Declarant, upon any transferee of all of the then Unsold Units.

12.7 Covenant of Further Assurances.

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner or other party, which is subject to the terms of these By-Laws, fails to execute, acknowledge or deliver any instrument, or fails or refuses within ten (10) days after request therefor, to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Board is hereby authorized, as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

12.7.3 If the Board, any Unit Owner or other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which the Board, such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant, then Declarant is hereby authorized, as attorney-in-fact for the Board, such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board, such Unit Owner or other party and such document or action shall be binding on such Unit Owner, Board or other party.

ARTICLE 13

AMENDMENTS TO THE BY-LAWS

13.1 Amendments by Unit Owners. Subject to the provisions contained herein or elsewhere in the Declaration with respect to amendments affecting Declarant or its successor or any Unsold Units or a transferee who has the written consent of Declarant or a successor owner of Unsold Units (as applicable), any provision of these By-Laws may be amended, modified, added to or restated by affirmative vote of at least 66 2/3 percent in number and in Common Interest of all Unit Owners, provided, however, that the Common Interest appurtenant to each Unit, as expressed in the Declaration, shall not be altered without the written consent of the Unit Owners affected thereby. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its successor-in-interest or any Unsold Unit or a transferee who has the written consent of Declarant or a successor owner of Unsold Units (as applicable), any such amendment, modification, addition or deletion shall be executed by the Board, as attorney-in-fact for the Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its successor-in-interest or any Unsold Units or a transferee who has the written consent of Declarant or a successor owner of Unsold Units (as applicable), (i) no amendment, modification, addition or deletion pursuant to the provisions set forth above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (ii) the provisions of Section 6.14 hereof may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, as set forth above) 75 percent in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, deletion or addition in the manner set forth above.

13.2 Amendments Affecting Declarant or Unsold Units. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way against (a) Declarant, or a successor owner of any Unsold Unit or a transferee who has the written consent of Declarant or a successor owner of Unsold Units (as applicable) unless Declarant or said affected successor owner or permitted transferee (as applicable) has given its prior written consent thereto or (b) the holder of an existing mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

13.3 Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 7 or Sections 6.2, 6.4.2 or 8.7(d) or (e) hereof shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto.

13.4 Amendments to be made by Declarant. Notwithstanding any provision contained herein to the contrary, Declarant or a successor owner of the Unsold Units may, without the consent of the Unit Owners, amend the By-Laws.

EXHIBIT A

RULES AND REGULATIONS FOR THE UNIT OWNERS OF 253 EAST 7TH STREET CONDOMINIUM

1. Subject to the rights of Unit Owners with respect to those Common Elements reserved for the exclusive or shared use, the sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the halls or on any of the staircase or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows, and roofs or placed upon the window sills of the Building.

3. Subject to the rights of Unit Owners with respect to those Common Elements reserved for the exclusive or shared use, neither occupants nor their guests shall play in the entrances, passages, public halls, elevators, vestibules, corridors, stairways or on the public roof decks of the Building.

4. Except as otherwise provided in the By-Laws, no public hall or public elevators of the Building shall be decorated or furnished by any Unit Owner in any manner. Except as otherwise provided in the By-Laws, the style, finish and hardware of the exterior side of the corridor doors shall not be altered.

5. Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

6. Other than as required by law, no window guards or other window decorations shall be used in or about any Unit except such as shall have been approved in writing by the Board or the managing agent thereof, which approval shall not be unreasonably withheld or delayed.

7. No radio, television aerial or satellite dishes shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of the Building except such as are permitted pursuant to the Declaration or By-Laws or shall have been approved in writing by the Board or the managing agent thereof; nor shall anything be projected from any window of a Unit without similar approval.

8. No ventilator, window screens or air-conditioning device shall be installed in any Unit without the prior written approval of the Board, which approval may be granted or refused in the sole discretion of the Board. Units are to be delivered by Sponsor with uniform, custom-made window treatments. In order to preserve the design of the exterior of the Building, no window treatments may be visible from the exterior of the Building other than the Building standard window treatments. Any replacement of the window treatments shall be subject to the approval of the Board of Managers which may be withheld in the sole and absolute discretion of the Board.

9. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit Owner's Unit.

10. No baby carriages, shopping carts, bicycles, scooter and luggage shall be allowed to stand in the public halls, passageways or other public areas of the Building. The aforementioned items shall be allowed in the elevator only in such a manner so as not to cause damage to the Building. Motorcycles, velocipedes or any similar vehicles which require any petroleum motor fuel are strictly prohibited from the Building. The use of roller blades and skateboards in the Building is prohibited.

11. No Unit Owner shall make or permit any disturbing noises or activity in the Building, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a phonograph or radio or television set or other loud speaker in such Unit Owner's Unit between 10:00 p.m. and the following 8:00 a.m., if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 p.m. and the following 8:00 a.m. Construction, repair work or other installation involving noise shall be conducted only on weekdays (Monday through Friday, not including legal holidays) and only between the hours of 8:00 a.m. and 5:00 p.m., unless such construction or repair work is necessitated by an emergency.

12. Unit Owners shall have the right to keep and harbor pets in their Units; however, such Unit Owner's right shall be subject to the Board's right to revoke such Unit Owner's right at any time in its sole discretion. Notwithstanding the provisions of the immediately preceding sentence, certain tenants in the Building who have Units leased from Declarant, shall be granted the right to keep and harbor pets in the Building by act of the Board at its first (1st) duly convened meeting. In no event shall any bird, reptile or animal be permitted in the elevators of the Building, or in any of the public portions of the Building, unless carried in a cage or on leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Building or on the sidewalk or street adjacent to the Building.

13. Water closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water closets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

14. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent thereof out of the Building on any private business.

15. The agents of the Board or the Managing Agent thereof, and any contractor or workman authorized by the Board or the Managing Agent thereof, may enter any room, Unit at any reasonable hour of the day, on at least one (1) day's prior notice to the Unit Owner. Agents of the

Board or Managing Agent shall also have the right to enter any unit at any time in the event of an emergency.

16. The Board or the managing agent thereof may retain a passkey to each Unit. If any lock is altered or a new lock is installed, including any elevator lock, the Board or the managing agent thereof shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to the Board or the managing agent thereof, then the Board or such managing agent or their agents in an emergency, and when specifically authorized (by an officer of the Condominium or an officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care is given to such Unit Owner's property).

17. No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be left unattended on any sidewalk surrounding the Building or in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

18. The Board or the managing agent thereof may from time to time curtail or relocate any portion of the Common Elements devoted to service purposes in the Building.

19. Complaints regarding the service of the Condominium shall be made in writing to the Board or to the managing agent thereof.

20. Any consent or approval given under these Rules and Regulations may be added to, amended or repealed at any time by resolution of the Board.

21. Clothes and other articles shall not be dried or aired on the Terraces or Balconies of the Building or on any other public area of the Property.

22. Unit Owners shall not cause or permit any unusual or objectionable noises or odors to be produced upon or to emanate from their Units. Smoking is strictly prohibited in all Building Common Areas.

23. No Unit Owner or any of his or her 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, except as shall be necessary and appropriate for the permitted uses of such Unit.

24. If any key or keys are entrusted by a Unit Owner or by any member of his or her family or by his or her agent, servant, employee, licensee or visitor to an employee of the Condominium or of the managing agent thereof, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner and neither the Board nor the managing agent thereof shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

25. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

26. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements.

27. No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the consent of the Board or its Managing Agent, which consent may be withheld in the Board's sole discretion.

28. In the event that any Unit is used for home occupation purposes which are permitted by law, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

29. The following additional rules and regulations shall apply with respect to any Terrace or Balcony appurtenant to the Units: All furniture must be "patio/terrace" furniture that is rust-proof. Any planting/landscaping must comply with all Legal Requirements. Plants may not exceed the total weight allowance of 100 pounds and must be planted in water-proof containers so as not to prevent water leakage. Any damage caused by the Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. All Terraces and Balconies must be kept clean and free from snow, ice, leaves, and debris and all screens and drains must be kept in good repair. The Unit Owner shall not remove any of the above items by putting them over the Terrace walls or the Balcony railings, but shall remove said items either through the Unit or through drainage where appropriate. No hanging of any items, including but not limited to banners, laundry, decorations, etc., from any Terrace wall, structure, railing or other temporary or permanent structure is permitted. No items, including but not limited to climbing equipment, bikes, pools, children's toys, etc., may be stored on any Terrace or Balcony; any appropriate furniture including table, chair cushions and umbrellas may be left on the Terraces or Balconies only if properly secured. No items can be placed on the Terrace parapet wall and/or the railings of the Sixth Floor Unit Terrace or any Balcony. In no event shall any Unit Owner be permitted to enclose any Terrace (except to the extent that such Terrace was enclosed by Declarant) or Balcony or erect any structure on any Terrace or Balcony. No portion of any Terrace or Balcony may be painted, cemented or changed in any fashion from its original appearance. No carpeting may be placed on any Terrace or Balcony. Lighting fixtures may only be plugged into regulation electrical sockets. No satellite dishes may be placed on any Terrace or Balcony. No animals, which include but are not limited to dogs, cats, birds, are allowed on any Terrace or Balcony. The Board shall have the right to require a Unit Owner to remove plantings, roof surfaces and other installations which have been placed on the Terraces or a Balcony if the Board so determines, in its sole discretion that such plantings or other installations may adversely affect the integrity of the roof or other portion of the Building or are otherwise unsafe. In addition, the Board shall have the right, in connection with any repair or maintenance work in the Building, to erect scaffolding temporarily on any Terrace or Balcony, including, without limitation, the Common Roof Terrace. The Board may establish such other rules and regulations it deems necessary to protect the

Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

30. There will be no barbecuing in the Units, on the Terraces, the Balconies or in the Common Elements (including, without limitation, any Limited Common Elements).

31. In the event that the Condominium Board receives complaints about noise emanating from any of the Units, the Board may request that, substantially all (which shall mean at least 70 percent) of the floor area be covered with carpeting or equally effective noise-reducing material (excepting areas similar to kitchens, pantries, bathrooms, closets, and foyers in such type Unit and also excepting work areas).

32. All Unit Owners and/or tenants shall comply with all requirements of law and regulations of the Condominium regarding recycling of trash. All Unit Owners and/or tenants shall separate their trash into "recyclable" and "non-recyclable" materials. The Condominium may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by Unit Owners and/or tenants for the disposal of designated recyclable materials, and the locations where designated recyclable materials shall be deposited. The Condominium may also establish other regulations regarding recycling of trash. Any costs incurred by the Condominium in the enforcement against Unit Owners and/or tenants of recycling requirements imposed by law or by the Condominium, including but not limited to, legal fees and fines or penalties imposed on the Condominium by any government agency, shall be payable by the Unit Owner and/or tenant and shall be deemed a fine under the By-Laws.

33. The Condominium Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Unit when, in the judgment of the Condominium Board, the Condominium Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or the operation or maintenance of the Condominium, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

34. Except as permitted under the Declaration and the By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors or licensees shall not at any time nor for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

35. The use of radios (including stereos and boom boxes) are not permitted on the Terraces or the Balconies by any Unit Owner, their families, guests, servants, employees, agents, visitors or licensees.

36. The Terraces and the Balconies shall be used for passive recreational use only *(i e.,* eating, reading and quiet personal enjoyment).

37. Visitors must be admitted by a resident by using the intercom system and "unlocking" the door of the Building electronically. Residents may only admit persons for the sole purpose of visiting such resident's Unit. Residents shall not admit persons to the Building for the purpose of calling upon or visiting other residents. Non-residents who are not accompanied by a resident of the Building will not be allowed into the Building without authorization from a resident. Unit Owners are required to register the names of regular or repeat domestic employees with the Board of Managers.

38. The Board of Managers must be notified prior to the commencement of any alteration work. Written approval must be obtained from the Board of Managers before alterations (other than painting, wallpapering and carpeting) may be made to a Unit. After plans have been approved, there is a time limit of six (6) months for the completion of the construction or renovation work unless the time limit is extended by the Board. After receiving written approval for the proposed alteration, and at least two (2) business days prior to the commencement of work, residents are required to inform the Managing Agent in writing of the nature and extent of the work, installation, or proposed repair, the number of personnel involved and the estimated time for completion. Unit Owners will also assume financial responsibility and will indemnify the Condominium for any damage done to any other Unit, or to any Common Element. Construction personnel may work only between the hours of 8:00 a.m. and 5:00 p.m. from Monday through Friday, excluding national holidays. Prior to the commencement of work, Unit Owners are required to provide certificates of insurance for all contractors and subcontractors, naming the condominium and the Managing Agents as additional insureds, as well as any required building permits.

39. No moving company will be permitted to enter the building without first providing the Managing Agent with a Certificate of Insurance.

40. Commercial film, video, and photographic shoots are prohibited in the Building.

BICYCLE STORAGE SPACE LICENSE AGREEMENT

THIS BICYCLE STORAGE SPACE LICENSE AGREEMENT, made this ____ day of _____, 201__ (this "Agreement"), by and between the Condominium Board of 253 East 7th Street Condominium (the "Licensor"), having an office care of BSD Realty Management Corp., 174 Fifth Avenue, Suite 200, New York, New York 10010, and _____ (the "Licensee"), having an address at 253 East 7th Street, Unit _____, New York, New York;

WHEREAS, pursuant to that certain condominium declaration and by-laws for the condominium known as 253 East 7th Street Condominium (hereinafter the "Condominium") dated _____, 201__, recorded on _____, 201__ as CRFN _____ (the "Declaration") for the property having the street address 253 East 7th Street, New York, New York (the "Property"), the Property was submitted to a condominium regime;

WHEREAS, in accordance with the terms of the Declaration, Licensor is responsible for the administration of the Condominium, including, without limitation the "Bicycle Storage Spaces" located in the Building as such term is more particularly defined and described in the Declaration;

WHEREAS, Licensee, owns or simultaneously herewith, Licensee is acquiring a Unit in the Condominium and;

WHEREAS, Licensee desires the right to the exclusive use of the Bicycle Storage Space No. _____ (the "Space"), located in the bicycle storage room located on the first floor of the Condominium (the "Bicycle Storage Room"), for so long as Licensee owns a Unit in the Condominium.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the parties hereto agree as follows:

1. Subject to and in accordance with the terms and conditions of this Agreement, Licensor hereby grants to Licensee, its successors and assigns and Licensee hereby accepts from Licensor, a license (the "License") to use the Space during the term hereof for storage of one (1) bicycle (the "Permitted Use") and for no other purpose. Licensee shall not store any (i) animals or food, (ii) inflammable, combustible, explosive or other dangerous items, (iii) items which have an objectionable odor or which may spoil or decay or (iv) valuable items. Licensee shall not (a) interfere with another Unit Owner or tenant of Licensor, (b) store any property in the Building outside of the Space, (c) allow any other person to use the Space, except in accordance with the terms hereof, or (d) deface, damage or alter the Space, the Building or Licensor's equipment. Licensee shall keep the bicycle locked to the rack provided in the Space at all times that the bicycle is being stored therein. In no event shall the Board of Managers have any liability for any bicycle stored in the Bicycle Storage Room.

2. The term of this License shall commence on date first set forth above, and shall continue thereafter for so long as Licensee shall own a Unit in the Condominium or until Licensee gives written notice of termination, or unless otherwise terminated, as provided herein.

3. The License shall automatically terminate at such time when the Licensee no longer owns a Unit in the Condominium, provided however, this License may be simultaneously assigned to and assumed by another Unit Owner. In the event this License terminates without being assigned by the Unit Owner, the Board of Managers of the Condominium shall have the right to designate the successor licensee and retain any payment made for the License from the new licensee. In the event this License is terminated, Licensee shall vacate and surrender possession of the Space, broom clean, in the condition that existed as of the date of the commencement of this Agreement, subject to reasonable wear and tear, except in the event of a casualty or condemnation. Any property not removed from the Space at expiration or other termination of this Agreement shall be considered abandoned and may, at Licensor's option, be retained as Licensor's property or disposed of at Licensee's cost and without any liability to Licensee. Licensee's obligation to observe or perform this covenant shall survive the expiration or other termination of this Agreement.

4. Licensee shall indemnify and save harmless Licensor and Licensor's agents against and from any and all liability, loss, damage and expense (including, without limitation, reasonable attorney fees and expenses) arising from injury to person or property occasioned by failure of the Licensee to comply with any provision in this License, or due wholly or in part to any act, default or omission of Licensee or of permitted user of the Space (as provided in the By-Laws of the Condominium).

5. Neither Licensor nor its agents or employees shall be liable for any theft or damage to any property stored in the Space unless due to the act or gross negligence of the Licensor. Licensee stores property in the Space at Licensee's own risk, including, without limitation, the possibility that the Space may be damp or have water infiltration. Licensor undertakes only to act as a licensor, and under no circumstances shall the Licensor or its agents be deemed to act as Licensee's bailee.

6. Licensee represents that it has made a thorough inspection of the Space and agrees to take same in its condition "as is" as of the commencement of this Agreement. Licensee shall, throughout the term of this Agreement, take good care of the Space. Licensee shall repair all damage to the Building and the Space by the moving of its bicycle.

7. Licensor shall not provide any services to the Space, except lighting. Licensee shall have access to the Bicycle Storage Room 24 hours a day, seven (7) days a week.

8. This Agreement shall inure to the benefit of the Licensor's successors and assigns and may not be modified except by writing signed by the party to be charged.

9. If Licensee shall default beyond notice and a reasonable period to cure (no less than 15 days, subject to extension if Licensee has commenced and is diligently proceeding to cure) in fulfilling any of its covenants or obligations hereunder, in addition to any other rights and remedies available to Licensor, Licensor may (i) deny access to the Space until Licensee cures such default (provided that such denial does not render it impossible to cure said default), or (ii) terminate this Agreement by giving of written notice to Licensee, whereupon this Agreement shall terminate on the date set forth in such notice.

10. Licensee shall, at all times, use the Space only in a manner which is in full compliance with all present and future laws, orders, rules and regulations of all state, federal, municipal and local governments, departments, commissions and boards (including the New York Board of Fire Underwriters or any similar body) asserting jurisdiction therefor, or any direction of any public officer pursuant to law, including, without limitation, the police and fire departments of the City of New York, which may require the removal or destruction of items stored in the Space. Licensee, its servants, employees, agents, visitors and licensees shall observe faithfully, and comply strictly with the Declaration and any and all rules and regulations for the Building as Licensor or its agents may from time to time adopt.

11. Licensor or its agents shall have the right (but not the obligation) to enter the Bicycle Storage Room at any time, to inspect and examine the same and to make such repairs, replacements and improvements as Licensor shall deem necessary or desirable to the Space or any portion of the Building, all without any liability to Licensee whatsoever as a result thereof, except due to the willful act or gross negligence of Licensor.

12. The failure of Licensor to seek redress for violation of, or to insist upon the strict performance of any covenant or condition of this Agreement or of any of the rules or regulations adopted by Licensor, shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effect of an original violation.

13. Notwithstanding anything to the contrary set forth herein, in the event Licensee desires to assign this Agreement, such assignment shall comply with the then requirements of Licensor to effectuate such assignment, including, without limitation, the obligation to enter into a new license agreement with the assignee. Any sale or "sublicense" of the Space by Licensee shall be subject to the terms and conditions contained in Section 8.1 of the By-Laws. At no time may the Space be used by persons who are not Unit Owners or residents of a Unit in the Building.

14. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Declaration.

15. This Agreement shall inure to the benefit of and be binding upon the heirs, executors, successors and assigns of the parties.

[signature page follows]

IN THE WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

BOARD OF MANAGERS OF
253 EAST 7TH STREET CONDOMINIUM

By: _____
Name:
Title:

LICENSEE:

_____

_____

Title Number: CT17-00488-NY

CERTIFICATE FOR TITLE INSURANCE

Issued by

Chicago Title Insurance Company

Chicago Title Insurance Company, a Florida Corporation, herein called the Company, certifies to the Applicant named herein that an examination of title to premises described in Schedule A has been made in accordance with its usual procedure and agrees to issue the ALTA (6/17/06) Owner's or Lender's form of insurance policy as modified by the New York Coverage Endorsements in the amount and for the transaction set forth herein and subject to the exclusions from coverage and the conditions and stipulations therein contained.

After the closing of the transaction, in conformance with the requirements and procedures of the Company, the Company will issue the policy and except (i) all loss or damage by reason of the estates, interests, defects, objections, liens, encumbrances and other matters set forth in Schedule B herein that are not disposed of to the satisfaction of the Company prior to such closing or issuance of the policy (ii) any questions or objections coming to the attention of the Company before the date of closing, or if there be no closing, before the issuance of the policy

IN WITNESS WHEREOF, Chicago Title Insurance Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the date shown in Schedule A.

Questions concerning the within Certificate should be directed to:
Underwriter's Name and Phone Number: Kristen Simat, Esq.
Underwriting Counsel
Direct: (212) 880-1222 Fax: 212-880-1400
kristen.simat@ctt.com

CHICAGO TITLE INSURANCE COMPANY

Issued by:
Chicago Title Insurance Company
711 Third Avenue
New York, NY 10017

By:



Raymond R. Quirk
President

By:

Michael L. Gravelle
Secretary

Dated: October 2, 2017

Certified by: Kristen Simat

Redated
By: _____

This certificate is intended for lawyers only. Such exceptions as may be set forth herein may affect marketability of title. Your lawyer should be consulted before taking any action based upon the contents of this certificate. The Company's representative at the closing hereunder may not act as legal advisor to any of the parties or draw legal instruments for them. Such representative is permitted to be of assistance only to an attorney. It is advisable to have your attorney present at the closing.

CHICAGO TITLE INSURANCE COMPANY

CONDITIONS AND STIPULATIONS

Title Number CT17-00488-NY

1. This Certificate shall be null and void

   (A) if the fees therefore are not paid;

   (B) if the prospective insured, his attorney or agent makes any untrue statement with respect to any material fact, or if any untrue answers are given to material inquiries by or on behalf of the Company;

   (C) when the policy shall issue or nine months after effective date hereof, whichever first occurs, provided that the failure to issue such policy is not the fault of the Company;

   (D) until the amount of the policy or policies requested is inserted in Schedule A hereof by the Company, either at the time of the issuance of this Certificate or by subsequent endorsement.

2. If the title, interest or lien to be insured was acquired by the prospective insured prior to delivery hereof, the Company assumes no liability except under its policy when issued.

3. The liability of this Company under this Certificate shall not exceed the amount stated in Schedule A hereof and such liability is subject to the insuring provisions, the Exclusions from coverage and the Conditions and Stipulations of the form of policy or policies shown in Schedule A hereof in favor of the proposed insured which are hereby incorporated by reference and made a part of this Certificate except as expressly modified herein.

This Certificate of Title has been prepared in accordance with the information and instructions received. If any changes or additions are desired, please notify the Company promptly.

Chicago Title Insurance Company

KEY PERSONNEL

Thank you for placing your title order with the Chicago Title New York Commercial Operations. Set forth below is a list of key personnel who will assist you with any questions you may have.

CUSTOMER SERVICE

Susan Quinn
Telephone: 914-684-3625
Susan.Quinn@CTT.com

STATUS OF A TITLE ORDER

Marion Latham, Production Manager
Telephone Number: 914-684-3610
Marion.Latham@CTT.com

LEGAL OR CLEARANCE QUESTIONS

Please refer to the name of the underwriter appearing on the cover of your Title Certificate

TO SCHEDULE A CLOSING

Tracey Argenzio, Closing Department Coordinator
Telephone Number: 212-880-1290
Tracey.Argenzio@CTT.com

POST CLOSING INQUIRIES

Derek Brown, Closing/Post Closing Manager
Telephone Number: 212-880-1453
Derek.Brown@CTT.com

GENERAL QUESTIONS

Please email NYCommOps@CTT.Com

*****THANK YOU FOR YOUR BUSINESS*****

Joneth L. Mancini, Vice President and Branch Manager
Telephone Number: 212-880-1414
Joneth.Mancini@CTT.com

CHICAGO TITLE INSURANCE COMPANY

National Commercial Services
Nationwide Coverage. Personal Commitment.

711 THIRD AVENUE
NEW YORK, NY 10017
PHONE: 212-880-1200
FAX: 212-880-1400

Order Confirmation

Title Number: CT17-00488-NY
Date of Application: 05/17/2017
Estimated Reporting Date: 05/25/17

Sales Representative:
Patricia Lopinski
212-880-1314
Patricia.Lopinski@ctt.com

TRANSACTION INFORMATION

Notes:

Owner Liability:
Fee: TBD

Loan Liability:
TBD

Purchaser/Borrower: Future Unit Purchasers

Seller: DRK East 7th Street LLC

Lender: Future Unit Lenders, its successors and/or assigns as their interests may appear

Property: **TBD**
253 East 7th Street, New York, NY
Block 377 Lot 61
Unit Various
New York County
======

Survey Instructions: Condominium Language

Searches Ordered: Emergency Repair;

PARTIES TO THE TRANSACTION:

Applicant
Lisa R. Radetsky, Esq.
Phillips Nizer LLP
666 Fifth Avenue, 28th Floor
New York NY 10103

E-MAIL: lradetsky@phillipsnizer.com
PHONE: 212-841-0739 FAX: 212-262-5152

If this is a refinance within ten (10) years, you may be entitled to a reduced premium. Contact this company immediately for details.

Please be advised that CTIC has implemented a rate calculator for your convenience to enable you to calculate your title insurance rates. The website can be accessed at http://nyrates.ctic.com.

Thank you for placing this order with Chicago Title Insurance Company. Please review the information contained herein and let us know of any corrections that need to be made.

Chicago Title Insurance Company

*****PLEASE READ AND CONSIDER THIS INFORMATION CAREFULLY*****

THIS REPORT IS NOT A TITLE INSURANCE POLICY!

THIS REPORT MAY SET FORTH EXCLUSIONS UNDER THE TITLE INSURANCE POLICY AND MAY NOT LIST ALL LIENS, DEFECTS, AND ENCUMBRANCES AFFECTING TITLE TO THE PROPERTY.

SCHEDULE A

TITLE NO. CT17-00488-NY EFFECTIVE DATE: October 2, 2017

ALTA Owner's Policy - 6/17/06 with New York Endorsement
FEE TO BE DETERMINED

PROPOSED INSURED: Future Unit Purchasers

ALTA Loan Policy - 6/17/06 with New York Endorsement TO BE DETERMINED

PROPOSED INSURED: Future Lender

The estate or interest in the land described or referred to in this certificate and covered herein is:

Fee Simple

Title to said estate or interest in said land at the effective date hereof vested in:

DRK East 7th Street LLC

Title acquired under Deed dated 08/03/2016, recorded 08/22/2016 in CRFN 2016000289324, made by JKM 7 LLC.

(EXHIBIT A)

Chicago Title Insurance Company

Title Number: CT17-00488-NY

SCHEDULE A
(Continued)

The land referred to in this certificate is described as follows: **-SEE ATTACHED DESCRIPTION-**

Chicago Title Insurance Company

Title Number: CT17-00488-NY

SCHEDULE A DESCRIPTION

The Condominium Unit (in the Building located at and known as _____ and by Street Number 253 East 7th Street New York NY, designated and described as Unit _____ (hereinafter called the "Unit") in the Declaration (hereinafter called "Declaration") made by the Sponsor under the Condominium Act of the State of New York (Article 9-B of the Real Property Law of the State of New York), dated _____ and recorded _____ in the Office of the Register of the City of New York, County of New York in CRFN 2017000_____ establishing a plan for Condominium ownership of said Building and the land upon which the same is erected (hereinafter sometimes collectively called the "Property") and also designated and described as Tax Lot No._____ Block 377 Borough of Manhattan on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans of said Building certified by _____ on_____ and filed as Condominium Plan No._____ on _____ in CRFN 2017000_____ in the aforesaid Register's Office.

TOGETHER with and undivided _____% interest in the common elements of the property as described in the Declaration (hereinafter called the "Common Elements") recorded in CRFN 2017000_____.

The land upon which the Building containing the Unit is erected is described as follows:

ALL that certain plot, piece or parcel of land situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 7th Street, distant 397 feet westerly from the corner formed by the intersection of the westerly side of Avenue D and the northerly side of 7th Street;

RUNNING THENCE northerly and parallel with Avenue D, 97 feet 6 inches to the center line of the block;

THENCE westerly along the center line of the block on a line parallel with 7th Street aforesaid, 24 feet 9 inches;

THENCE southerly on a line parallel with Avenue D aforesaid, 97 feet 6 inches to the northerly side of 7th Street;

THENCE easterly along said northerly side of 7th Street, 24 feet 9 inches to the point or place of BEGINNING.

SCHEDULE A DESCRIPTION
(Continued)

CHICAGO TITLE INSURANCE COMPANY

ALTA 6-17-06 LOAN COVERAGE

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, Chicago Title Insurance Company, a Florida corporation (the "Company") insures as of Date of Policy and, to the extent stated in Covered Risks 11, 13, and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
   (a) A defect in the Title caused by
      (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
      (ii) failure of any person or Entity to have authorized a transfer or conveyance;
      (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
      (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
      (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
      (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
      (vii) a defective judicial or administrative proceeding.
   (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
   (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (a) the occupancy, use, or enjoyment of the Land;
   (b) the character, dimensions, or location of any improvement erected on the Land;
   (c) the subdivision of land; or
   (d) environmental protection

   if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. The invalidity or unenforceability of the lien of the Insured Mortgage upon the Title. This Covered Risk includes but is not limited to insurance against loss from any of the following impairing the lien of the Insured Mortgage.
   (a) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
   (b) failure of any person or Entity to have authorized a transfer or conveyance;
   (c) the Insured Mortgage not being properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
   (d) failure to perform those acts necessary to create a document by electronic means authorized by law;
   (e) a document executed under a falsified, expired, or otherwise invalid power of attorney;
   (f) 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
   (g) a defective judicial or administrative proceeding.
10. The lack of priority of the lien of the Insured Mortgage upon the Title over any other lien or encumbrance.
11. The lack of priority of the lien of the Insured Mortgage upon the Title
   (a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory lien for services, labor, or material arising from construction of an improvement or work related to the Land when the improvement or work is either
      (i) contracted for or commenced on or before Date of Policy; or
      (ii) contracted for, commenced, or continued after Date of Policy if the construction is financed, in whole or in part, by proceeds of the loan secured by the Insured Mortgage that the Insured has advanced or is obligated on Date of Policy to advance; and
   (b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.
12. The invalidity or unenforceability of any assignment of the Insured Mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the Insured Mortgage in the named Insured assignee free and clear of all liens.
13. The invalidity, unenforceability, lack of priority, or avoidance of the lien of the Insured Mortgage upon the Title
   (a) resulting from the avoidance in whole or in part, or from a court order providing an alternative remedy, of any transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction creating the lien of the Insured Mortgage because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
   (b) because the Insured Mortgage 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.
14. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 13 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 Insured Mortgage in the Public Records.

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 - LOAN

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 11, 13, or 14); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
   (a) a fraudulent conveyance or fraudulent transfer, or
   (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. 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 Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

CHICAGO TITLE INSURANCE COMPANY

ALTA 6-17-06 OWNER'S COVERAGE

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, Chicago Title Insurance Company, a Florida corporation (the "Company") insures, as of Date of Policy and against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
   (a) A defect in the Title caused by
      (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
      (ii) failure of any person or Entity to have authorized a transfer or conveyance;
      (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
      (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
      (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
      (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
      (vii) a defective judicial or administrative proceeding.
   (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
   (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (a) the occupancy, use, or enjoyment of the Land;
   (b) the character, dimensions, or location of any improvement erected on the Land;
   (c) the subdivision of land; or
   (d) environmental protection

   if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
   (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
   (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
      (i) to be timely, or
      (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.
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.

EXCLUSIONS FROM COVERAGE - OWNER'S

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.

Provision is made in the rate manual of this company filed with the Superintendent of Insurance of the State of New York for continuation of liability to grantees of the insured in certain specific circumstances only. In no circumstance provided for in this sub-section shall this company be deemed to have insured the sufficiency of the instrument of conveyance or to have assumed any liability for the sufficiency of any proceedings after the date of this policy.

Chicago Title Insurance Company

Title Number: CT17-00488-NY

SCHEDULE B-1
(REQUIREMENTS)

The following are requirements to be complied with for a title policy to issue:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by the Certificate.

2. Deeds and mortgages must contain the covenant required by Section 13 of the Lien Law and such covenant must be absolute and not conditional. The covenant is not required in deeds from referees or other persons appointed by a court for the sole purpose of selling property.

3. All parties will be required to provide photo identification and social security numbers to the Company's representative at closing.

4. This Company will no longer accept a check over the amount of $5,000.00 which is not **certified** unless prior arrangements have been made.

5. Taxes, tax liens, tax sales, sewer and assessments set forth herein. See attached.

6. Mortgage returned herein: (3). Detailed statement within.

7. Rights of tenants or persons in possession.

8. The transaction contemplated in connection with this Commitment is subject to the review and approval of the Company's Corporate Underwriting Department. The Company reserves the right to add additional exceptions or notes and to make further requirements after such review.

9. Any municipal, departmental and street searches or returns contained herein are furnished **FOR INFORMATION ONLY**. They will not be insured, and the Company assumes no liability for the accuracy thereof. They will not be continued to the date of closing.

10. For information only, as required by law, Patriot Searches have been run against the following name(s):

    DRK East 7th Street LLC

11. Closing Deed must contain a statement of the use for which the unit is intended, as required by Section 339-o, Subdivision 3 of the Real Property Law.

12. The Mortgage(s) and other lien(s) must be released of record pursuant to Section 339-r of the Real Property Law.

SCHEDULE B-1 REQUIREMENTS
(Continued)

13. The Mortgage(s) and UCC-1 Financing Statement(s) returned herein must be unconditionally subordinated to the Declaration of Condominium dated_____ , recorded _____, in _____.

14. Power of Attorney as set forth in the purchase agreement from the insured to the Members of the Board of Managers of the Condominium and their successors in office must be submitted for recording.

15. If the Condominium Declaration and By-Laws contain a provision requiring prior approval of the sale or mortgage by the Board of Managers or a Right of First Refusal, then upon a conveyance, devise or mortgage of the unit, a certificate, executed and acknowledged by the Board of Managers, stating that compliance has been made by the owner with provisions for the approval of any sale or mortgage, or right of first refusal, or that said provisions have been duly waived by the Board, should be furnished.

16. Upon a conveyance or mortgage of a condominium unit, a certificate from the Board of Managers that there are no unpaid common charges or other liens against the unit through the date of closing, arising by reason of the nonpayment of common expenses should be furnished.

17. The Declaration of Condominium must be recorded, pursuant to § 339-n of the Real Property Law, together with the By-Laws, as required by RPL § 339-v. Prior to recording, the declaration and by-laws must be reviewed by the Company, and additional exceptions may be raised.

    Before the first conveyance, a unit floor plan must be filed in the County Clerk's office pursuant to RPL § 339-p, which contains the unit designation certified by the appropriate taxing authority as conforming to the official tax lot number.

    Tax lot numbers for each unit in the condominium must be separately apportioned.

    The terms, conditions and provisions of the declaration and by-laws of the condominium are excepted.

18. Searches, including Bankruptcy, have been run against the name DRK East 7th Street LLC and returns, if any appear herein: No Returns.

19. Proof is required that DRK East 7th Street LLC has been validly formed and that it has not been dissolved.

    NOTE: This may be established by an affidavit from a member, manager or attorney representing the LLC with knowledge of the facts and should include the submission to this Company of a status letter or other evidence from the Secretary of State to the effect that the LLC remains in existence.

20. With respect to DRK East 7th Street LLC the following proofs and documents must be submitted to this Company:

SCHEDULE B-1 REQUIREMENTS
(Continued)

a. Articles of Organization, together with any amendments thereto;
b. Operating Agreement, together with any amendments thereto, and proof of adoption of same as the current version;
c. Resolution of the LLC executed by a duly authorized member or manager approving the subject transaction, which resolution identifies the person(s) authorized and directed to act for said LLC together with proof that the resolution was adopted in accordance with the Operating Agreement and the Articles of Organization. If the subject transaction involves the sale, exchange, lease or mortgage of all or substantially all of the assets of said LLC, then absent provisions to the contrary in the Operating Agreement, such resolution must also be adopted by the vote of at least two-thirds in interest of the members entitled to vote thereon.

21. In advance of scheduling the closing, the Company must be advised as to the identity of the proposed insured and other interim grantee(s), if any, and additional exceptions may then be added.

22. The nature of the mortgage transaction to be insured herein must be disclosed to this Company prior to closing of title. Title may be subject to such additional exceptions as may be appropriate after disclosure of the type of transaction has been made.

23. NOTE: The address of the premises must be set forth on the first page of every Mortgage instrument or the City Register will not accept same for recording.

24. Satisfactory proof by affidavit must be furnished whether any work has been done upon the premises by the City of New York, or any demand made by the City for any work, which may result in charges being imposed by:

a) the New York City Department of Rent and Housing Maintenance, Emergency Services;

b) the New York City Department of Environmental Protection for Water Tap closing or any related work; and

c) by the New York City Department of Health;

whether or not such charges are liens against which this policy protects.

25. Satisfactory proof by affidavit must be furnished showing whether any fee for an inspection, re-inspection, examination or service performed by the Department of Buildings or permit issued by the Department of Buildings have been levied, charged, created or incurred, which may become a lien upon the premises, whether or not such charges are liens against which this policy insures.

SCHEDULE B-1 REQUIREMENTS
(Continued)

Chicago Title Insurance Company

Title Number: CT17-00488-NY

SCHEDULE B-2
(EXCEPTIONS)

The policy will include as exceptions to title the following matters unless they are disposed of to the satisfaction of the Company:

1. Survey Reading - See attached.

2. Terms, Provisions, Covenants, Restrictions, Conditions and Options contained in and rights and easements established by the Declaration of Condominium and By-Laws dated _____, recorded _____ in CRFN 2017000_____, but policy will insure against loss or damage occasioned by the premises not being a part of a condominium validly created pursuant to Article 9-B of the Real Property Law, as amended.

3. Assignment of Leases and Rents from DRK East 7th Street LLC to Esquire Bank dated as of 08/03/2016, recorded 08/22/2016 in CRFN 2016000289326;
Given to secure the Mortgage recorded in CRFN 2016000289325.

4. Assignment of Leases and Rents from DRK East 7th Street LLC to Esquire Bank dated as of 01/13/2017, recorded 01/27/2017 in CRFN 2017000038818;
Given to secure the Mortgage recorded in CRFN 2017000038817.

5. Assignment of Leases and Rents from DRK East 7th Street LLC to Esquire Bank dated as of 01/13/2017, recorded 01/27/2017 in CRFN 2017000038820;
Given to secure the Mortgage recorded in CRFN 2017000038819.

6. UCC Financing Statement:

   CRFN 2016000289327 - Filed: 08/22/2016
   Debtor: DRK East 7th Street LLC
   Secured Party: Esquire Bank

7. Building Loan Agreement between DRK East 7th Street LLC and Esquire Bank Filed 01/20/2017, Index No. 23, in the amount of $3,300,000.00.

8. The following sidewalk violation(s) must be canceled of record:

   No. 84341 - Filed: June 4, 2013

   NOTE: This item involves a notice of a defect which appears in the public record which may result in a future lien. (See New York City Administrative Code Section 19-152) The policy will not provide

SCHEDULE B-2
(Continued)

protection against this future lien. This exception cannot be omitted unless a Certificate of Withdrawal has been obtained from the Department of Transportation.
This Company will consider removing this exception on a loan refinancing on delivery of the borrower's undertaking and indemnity, in form and content acceptable to this Company and subject to Underwriter review and approval.

9. Tax search discloses water meters that have been read to the date indicated thereon. You will note that some of the readings are either minimum, average or estimated readings. Policy will except subsequent meter readings from the date of the last reading including but not limited to subsequent adjustments to minimum, average, and estimated water and sewer reading amounts which have been reported herein.

   NOTE: To omit this exception an actual meter reading should be ordered from the Department of Environmental Protection that covers prior minimum, average and estimated reading periods.

10. For Information Only:

   a) Zoning Lot Description and Ownership Statement recorded 12/24/2014 in CRFN 2014000423286.

   b) Zoning Lot Certification recorded 12/24/2014 in CRFN 2014000423287.

   c) Zoning Lot Certification recorded 09/13/2016 in CRFN 2016000317374.

   d) Zoning Lot Description and Ownership Statement recorded 09/13/2016 in CRFN 2016000317375.

CHICAGO TITLE INSURANCE COMPANY
COMMON EXCEPTIONS AFFIDAVIT

State of New York)
)ss.
County of _____)

STRIKE OUT ALL PARAGRAPHS OR PROVISIONS WHICH ARE INAPPLICABLE

_____ being duly sworn, deposes and says:

1. That I make this affidavit in respect to real property known as _____(the "Premises") and that I make this affidavit in response to certain Exceptions contained in Title Report No. CT17-00488-NY issued by Chicago Title Insurance Company (the "Title Report"), knowing that Chicago Title Insurance Company will rely upon the truthfulness of the statements thereof.

2. The Premises are owned by _____ (the "Fee Owner"). I make this affidavit as the _____ of the Fee Owner.

3. That the Fee Owner acquired title by deed dated _____ and recorded on _____ in Liber/Reel _____ page _____.

4. That none of the (judgments,) (federal tax liens,) (Parking Violation Bureau judgments,) (Environmental Control Board liens,) (State Tax Commission Warrants,) (New York City Tax Warrants) set forth as Exceptions(s) _____ in the captioned title report are against the Fee Owner, and that the Fee Owner has never resided at or conducted business at any of the addresses set forth in said judgments, warrants and liens.

5. That there has been no work done upon the Premises by the City of New York, nor has the City of New York made any demand for any such work that may result in charges by the New York City Department of Rent and Housing Maintenance, or charges by the New York City Department of Environmental Protection for water tap closing or any related work, whether or not such charges are liens against the captioned property.

6. That no fees for inspection, reinspection, examination or services performed by the Department of Buildings have been levied, charged or incurred that may become a lien on the captioned premises.

7. That there are presently _____ tenants in the Premises, and that each of the tenants is

   _____ In possession under a lease containing a standard subordination clause fully and unconditionally subordinating the lease to all existing and future mortgages; or

   _____ In possession as tenant only and there are no options or rights of first refusal contained in the lease or in any separate agreement with any such tenant.

   That there are no tenants in possession of the captioned premises.

8. That none of the current fee owner(s) has been known by any other name in the past ten years other than:

   _____
   _____

9. That, for purposes of compliance with Section 265-a of the Real Property Law (Home Equity Theft Prevention Act), Affiant states of his/her own knowledge that there are no lawsuits or proceedings pending to foreclose a mortgage or tax lien affecting the Premises; and that the Premises is not subject to a mortgage which is in default (more than two months in arrears).

_____

Sworn to before me this _____ day of _____, 20_____.

_____
Notary Public

Chicago Title Insurance Company

Title Number: CT17-00488-NY

SURVEY READING

Any state of facts which an accurate survey and inspection would show, but this policy insures that any encroachment of a portion of the unit structure upon other units or upon the common elements may remain undisturbed as long as same shall stand.

Chicago Title Insurance Company

Title Number: CT17-00488-NY

MORTGAGE SCHEDULE

1. Mortgage, Security Agreement and Assignment of Leases and Rents made by DRK East 7th Street LLC -to- Esquire Bank dated 08/03/2016, recorded 08/22/2016 in CRFN 2016000289325 in the amount of $2,700,000.00.
(Mortgage tax paid: $75,600.00)

   The above Mortgage may be satisfied or assigned by:

   Esquire Bank

2. Building Mortgage, Security Agreement and Assignment of Leases and Rents made by DRK East 7th Street LLC -to- Esquire Bank dated 01/13/2017, recorded 01/27/2017 in CRFN 2017000038817 in the amount of $3,300,000.00.
(Mortgage tax paid: $92,400.00)

   The above Mortgage may be satisfied or assigned by:

   Esquire Bank

3. Project Mortgage, Security Agreement and Assignment of Leases and Rents made by DRK East 7th Street LLC -to- Esquire Bank dated 01/13/2017, recorded 01/27/2017 in CRFN 2017000038819 in the amount of $500,000.00.
(Mortgage tax paid: $14,000.00)

   The above Mortgage may be satisfied or assigned by:

   Esquire Bank

This certificate does not purport to show all the terms and provisions of the preceding mortgage(s). Interested parties should communicate with the holder(s) thereof to consider the terms thereof, the obligation(s) secured and the effect of any unrecorded agreements in modification thereof.

REAL ESTATE TAXES - NEW YORK CITY

TAX	FISCAL YEAR BEGINS	DUE DATES	LIEN DATES
City Assessed Valuation of $40,000 or less*	July 1	July 1, October 1, January 1 & April 1	July 1, October 1, January 1 & April 1
Assessed Valuation of over $40,000	July	**July 1 & January 1	**July 1 & January 1
Annual Water (non-metered) Annual Sewer	June 30	June 30	June 30

*Includes real property held in cooperative form where the assessed valuation for such property divided by the number of dwelling units equals $40,000 or less

**Taxes are liens and are due and payable in semi-annual installments on July 1 and January 1. NOTE: Local Law requires owners of real estate assessed at more than $40,000 to pay real estate taxes in semi-annual installments while continuing quarterly payments for properties assessed at $40,000 or less.

CITY TAX	The grace period on taxes is through the 15th day of the month beginning with the due date. Interest form the due date is added at the rate of 9% per annum provided the property is improved and the annual tax is $2750 or less. If the property is improved and the annual tax is more than $2,750.00 or if the property is vacant or unimproved land, interest is calculated at 18% per annum. NOTE: If any taxes are paid by a lending institution, the interest is calculated at 18% from the due date.
WATER METER CHARGES AND SEWER CHARGES	Water and sewer charges are now administered by the New York City Department of Environmental Protection (Bureau of Water and Energy Conservation) located at 59-17 Junction Blvd., Corona, New York. Telephone #718-595-4600. They have developed a new computer system (the Customer Information System, or CIS) for processing and issuing water and sewer charges. The charges generated through this new system will not be posted in the New York city Department of Finance's computer systems, where water and sewer charges have been posted in the past. Any search for unpaid water and sewer charges must include both the Department of Finance (for charges established before CIS was implemented and the Department of Environmental Protection (Bureau of Water and Energy Conservation). The charges are based on water meter readings. Sewer charges are calculated on the quantity of industrial wastes discharged into the sewer and becomes liens on the date of entry. If not paid within thirty days following the date of entry, interest at the rate of 18% per annum, from the date of entry is added to date paid. NOTE: To obtain a special meter reading, the home-owner should contact the New York City Department of Environmental protection (Bureau of Water and Energy Conservation) at the above address for an appointment on payment of a fee of $55.00. If for any reason the homeowner fails to keep the appointment, the fee paid is non-refundable. The homeowner will then have to make another appointment of payment of the required fee of $55.00

<table>
<tr><td>WATER AND SEWER CHARGES (FRONTAGE)</td><td colspan="2">If annual charges are not paid by the last day of the month following the month of entry, interest at 18% per annum from the due date is added to date paid.</td></tr>
<tr><td>WATER METER CHARGES AND SEWER CHARGES

(FOR QUEENS COUNTY ONLY)</td><td colspan="2">In certain areas of Queens County, metered water charges are paid to the Jamaica Water Company (a Private Co). The meter is read approximately every 90 days and a bill mailed 7 days later.

To obtain a special meter reading, the homeowner should contact the Jamaica Water Company (Telephone # 718-298-8100) to set up an appointment at no charge to the customer.

New York City Dept. of Environmental Protection bills all Queens residents for sewer charges (except areas where a cesspool is located). Sewer charges are based upon a percentage of water consumption. Jamaica Water Company supplies its Queens customers records to the City once a year so that they may bill for sewer charges. Jamaica Water Co. is not responsible for calculating any sewer charges. Any questions regarding sewer bills, contact the Bureau of Water and Energy Conservation at (718) 295-4600.

NOTE: The New York City Bureau of Water and Energy Conservation now has access to Jamaica Water Company computer system and therefore can readily obtain information from them.</td></tr>
<tr><td rowspan="2">ASSESSMENTS</td><td>LIEN DATE
When entered</td><td>DUE DATE
When entered</td></tr>
<tr><td colspan="2">LAST DAY TO PAY WITHOUT PENALTY
Within 90 days of entry (within 30 days on assessments for emergency repairs or services and Department of Heal Pest Control charges).

INTEREST PENALTY FOR LATE PAYMENT
Assessments accrue penalty at the same rate as a City Tax upon the premises to which they relate (except assessments based upon emergency repairs made or services performed pursuant to Department of Housing Preservation and Development authorization which accrue penalty at the rate of 10% per annum).</td></tr>
<tr><td rowspan="2">BOILER AND ELEVATOR</td><td>LIEN DATE
When entered</td><td>DUE DATE
When entered</td></tr>
<tr><td colspan="2">LAST DAY TO PAY WITHOUT PENALTY
Within 30 days of entry.

INTEREST PENALTY FOR LATE PAYMENT
Interest on all Boiler and Elevator charges. . . . . 18% per annum.</td></tr>
<tr><td rowspan="2">VAULT</td><td>LIEN DATE
June 1</td><td>DUE DATE
June 1</td></tr>
<tr><td colspan="2">LAST DAY TO PAY WITHOUT PENALTY
Within 30 days of entry.

INTEREST PANALTY FOR LATE PAYMENT
Interest rates on all Vault charges
March 1, 1989 to date. . . . . 8.0% per annum.</td></tr>
</table>

NOTES

1. Your canceled check is your receipt. Receipted wills will not be returned unless written request accompanies payment.

2. General information call: Taxpayer Assistance (718) 935-9500

3. Interest computation: (For Real Estate Taxes call N.Y.C. Department of Finance (718) 935-6000.) Due to possible fluctuation in the interest rate and the complexity of interest calculations, it is recommended that an official bill be obtained form the appropriate Borough Office of the Department of Finance, requesting an interest calculation to the contemplated date of payment. (For water and sewer charges, call the Department of Environmental Protection (718) 595-7000.)

4. Information regarding In Rem: Call (718) 935-6535, 6533, 6534.

5. Information regarding refunds: Call (718) 935-9500.

6. Certain assessments may be paid in installments by arrangement. Delinquent taxes and other charges may also be paid in installments by arrangement. Contact the local office of the Department of Finance to determine whether such an arrangement can be made.

7. Checks should be made payable to New York City Department of Finance.

8. Effective July 1, 1990, interest due on late payments is calculated using dialing compounding rather than simple interest. The interest rate is fixed annually by the City Council.

9. To obtain a receipt upon payment, you must pay by cash or certified check.

FIDELITY NATIONAL FINANCIAL
PRIVACY NOTICE

At Fidelity National Financial, Inc., we respect and believe it is important to protect the privacy of consumers and our customers. This Privacy Notice explains how we collect, use, and protect any information that we collect from you, when and to whom we disclose such information, and the choices you have about the use of that information. A summary of the Privacy Notice is below, and we encourage you to review the entirety of the Privacy Notice following this summary. You can opt-out of certain disclosures by following our opt-out procedure set forth at the end of this Privacy Notice.

Types of Information Collected. You may provide us with certain personal information about you, like your contact information, address demographic information, social security number (SSN), driver's license, passport, other government ID numbers and/or financial information. We may also receive browsing information from your Internet browser, computer and/or mobile device if you visit or use our websites or applications.	**How Information is Collected.** We may collect personal information from you via applications, forms, and correspondence we receive from you and others related to our transactions with you. When you visit our websites from your computer or mobile device, we automatically collect and store certain information available to us through your Internet browser or computer equipment to optimize your website experience.
Use of Collected Information. We request and use your personal information to provide products and services to you, to improve our products and services, and to communicate with you about these products and services. We may also share your contact information with our affiliates for marketing purposes.	**When Information Is Disclosed.** We may disclose your information to our affiliates and/or nonaffiliated parties providing services for you or us, to law enforcement agencies or governmental authorities, as required by law, and to parties whose interest in title must be determined.
Choices With Your Information. Your decision to submit information to us is entirely up to you. You can opt-out of certain disclosure or use of your information or choose to not provide any personal information to us.	**Information From Children.** We do not knowingly collect information from children who are under the age of 13, and our website is not intended to attract children.
Privacy Outside the Website. We are not responsible for the privacy practices of third parties, even if our website links to those parties' websites.	**International Users.** By providing us with you information, you consent to its transfer, processing and storage outside of your country of residence, as well as the fact that we will handle such information consistent with this Privacy Notice.
The California Online Privacy Protection Act. Some FNF companies provide services to mortgage loan servicers and, in some cases, their websites collect information on behalf of mortgage loan servicers. The mortgage loan servicer is responsible for taking action or making changes to any consumer information submitted through those websites.	
Your Consent To This Privacy Notice. By submitting information to us or by using our website, you are accepting and agreeing to the terms of this Privacy Notice.	**Access and Correction; Contact Us.** If you desire to contact us regarding this notice or your information, please contact us at privacy@fnf.com or as directed at the end of this Privacy Notice.

Effective May 1, 2015; Last updated March 1, 2017

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FIDELITY NATIONAL FINANCIAL
PRIVACY NOTICE

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing title insurance, real estate- and loan-related services (collectively, "FNF", "our" or "we") respect and are committed to protecting your privacy. We will take reasonable steps to ensure that your Personal Information and Browsing Information will only be used in compliance with this Privacy Notice and applicable laws. This Privacy Notice is only in effect for Personal Information and Browsing Information collected and/or owned by or on behalf of FNF, including Personal Information and Browsing Information collected through any FNF website, online service or application (collectively, the "Website").

Types of Information Collected

We may collect two types of information from you: Personal Information and Browsing Information.

Personal Information. FNF may collect the following categories of Personal Information:

- contact information (*e.g.*, name, address, phone number, email address);
- demographic information (*e.g.*, date of birth, gender, marital status);
- social security number (SSN), driver's license, passport, and other government ID numbers;
- financial account information; and
- other personal information needed from you to provide title insurance, real estate- and loan-related services to you.

Browsing Information. FNF may collect the following categories of Browsing Information:

- Internet Protocol (or IP) address or device ID/UDID, protocol and sequence information;
- browser language and type;
- domain name system requests;
- browsing history, such as time spent at a domain, time and date of your visit and number of clicks;
- http headers, application client and server banners; and
- operating system and fingerprinting data.

How Information is Collected

In the course of our business, we may collect *Personal Information* about you from the following sources:

- applications or other forms we receive from you or your authorized representative;
- the correspondence you and others send to us;
- information we receive through the Website;
- information about your transactions with, or services performed by, us, our affiliates or nonaffiliated third parties; and
- information from consumer or other reporting agencies and public records maintained by governmental entities that we obtain directly from those entities, our affiliates or others.

If you visit or use our Website, we may collect *Browsing Information* from you as follows:

- Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain browsing information about each visitor. The Browsing Information includes generic information and reveals nothing personal about the user.
- Cookies. When you visit our Website, a "cookie" may be sent to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive. When you visit a website again, the cookie allows the website to recognize your computer. Cookies may store user preferences and other information. You can choose whether or not to accept cookies by changing your Internet browser settings, which may impair or limit some functionality of the Website.

Effective May 1, 2015; Last updated March 1, 2017

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Use of Collected Information

Information collected by FNF is used for three main purposes:

- To provide products and services to you or any affiliate or third party who is obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services.
- To communicate with you and to inform you about our, our affiliates' and third parties' products and services, jointly or independently.

When Information Is Disclosed

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) and Browsing Information to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Please see the section "Choices With Your Personal Information" to learn how to limit the discretionary disclosure of your Personal Information and Browsing Information.

Disclosures of your Personal Information may be made to the following categories of affiliates and nonaffiliated third parties:

- to third parties to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure;
- to our affiliate financial service providers for their use to market their products or services to you;
- to nonaffiliated third party service providers who provide or perform services on our behalf and use the disclosed information only in connection with such services;
- to nonaffiliated third party service providers with whom we perform joint marketing, pursuant to an agreement with them to market financial products or services to you;
- to law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoena or court order;
- to lenders, lien holders, judgment creditors, or other parties claiming an interest in title whose claim or interest must be determined, settled, paid, or released prior to closing; and
- other third parties for whom you have given us written authorization to disclose your Personal Information.

We may disclose Personal Information and/or Browsing Information when required by law or in the good-faith belief that such disclosure is necessary to:

- comply with a legal process or applicable laws;
- enforce this Privacy Notice;
- investigate or respond to claims that any material, document, image, graphic, logo, design, audio, video or any other information provided by you violates the rights of a third party; or
- protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep your Personal Information secure. When we provide Personal Information to our affiliates or third party service providers as discussed in this Privacy Notice, we expect that these parties process such information in compliance with our Privacy Notice or in a manner that is in compliance with applicable privacy laws. The use of your information by a business partner may be subject to that party's own Privacy Notice. Unless permitted by law, we do not disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent.

We reserve the right to transfer your Personal Information, Browsing Information, and any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets, or in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors. You expressly agree and consent to the use and/or transfer of the foregoing information in connection with any of the above described proceedings. We cannot and will not be responsible for any breach of security by a third party or for any actions of any third party that receives any of the information that is disclosed to us.

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Choices With Your Information

Whether you submit Personal Information or Browsing Information to FNF is entirely up to you. If you decide not to submit Personal Information or Browsing Information, FNF may not be able to provide certain services or products to you. The uses of your Personal Information and/or Browsing Information that, by law, you cannot limit, include:

- for our everyday business purposes - to process your transactions, maintain your account(s), to respond to law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders, or report to credit bureaus;
- for our own marketing purposes;
- for joint marketing with financial companies; and
- for our affiliates' everyday business purposes - information about your transactions and experiences.

You may choose to prevent FNF from disclosing or using your Personal Information and/or Browsing Information under the following circumstances ("opt-out"):

- for our affiliates' everyday business purposes - information about your creditworthiness; and
- for our affiliates to market to you.

To the extent permitted above, you may opt-out of disclosure or use of your Personal Information and Browsing Information by notifying us by one of the methods at the end of this Privacy Notice. We do not share your personal information with non-affiliates for their direct marketing purposes.

For California Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties, except as permitted by California law. Currently, our policy is that we do not recognize "do not track" requests from Internet browsers and similar devices.

For Nevada Residents: You may be placed on our internal Do Not Call List by calling (888) 934-3354 or by contacting us via the information set forth at the end of this Privacy Notice. Nevada law requires that we also provide you with the following contact information: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; Phone number: (702) 486-3132; email: BCPINFO@ag.state.nv.us.

For Oregon Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties for marketing purposes, except after you have been informed by us of such sharing and had an opportunity to indicate that you do not want a disclosure made for marketing purposes.

For Vermont Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties, except as permitted by Vermont law, such as to process your transactions or to maintain your account. In addition, we will not share information about your creditworthiness with our affiliates except with your authorization. For joint marketing in Vermont, we will only disclose your name, contact information and information about your transactions.

Information From Children

The Website is meant for adults and is not intended or designed to attract children under the age of thirteen (13).We do not collect Personal Information from any person that we know to be under the age of thirteen (13) without permission from a parent or guardian. By using the Website, you affirm that you are over the age of 13 and will abide by the terms of this Privacy Notice.

Privacy Outside the Website

The Website may contain links to other websites. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites.

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International Users

FNF's headquarters is located within the United States. If you reside outside the United States or are a citizen of the European Union, please note that we may transfer your Personal Information and/or Browsing Information outside of your country of residence or the European Union for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information and/or Browsing Information, you consent to our collection and transfer of such information in accordance with this Privacy Notice.

The California Online Privacy Protection Act

For some FNF websites, such as the Customer CareNet ("CCN"), FNF is acting as a third party service provider to a mortgage loan servicer. In those instances, we may collect certain information on behalf of that mortgage loan servicer via the website. The information which we may collect on behalf of the mortgage loan servicer is as follows:

- first and last name;
- property address;
- user name and password;
- loan number;
- social security number - masked upon entry;
- email address;
- three security questions and answers; and
- IP address.

The information you submit through the website is then transferred to your mortgage loan servicer by way of CCN. **The mortgage loan servicer is responsible for taking action or making changes to any consumer information submitted through this website. For example, if you believe that your payment or user information is incorrect, you must contact your mortgage loan servicer.**

CCN does not share consumer information with third parties, other than (1) those with which the mortgage loan servicer has contracted to interface with the CCN application, or (2) law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders. All sections of this Privacy Notice apply to your interaction with CCN, except for the sections titled "Choices with Your Information" and "Access and Correction." If you have questions regarding the choices you have with regard to your personal information or how to access or correct your personal information, you should contact your mortgage loan servicer.

Your Consent To This Privacy Notice

By submitting Personal Information and/or Browsing Information to FNF, you consent to the collection and use of the information by us in compliance with this Privacy Notice. Amendments to the Privacy Notice will be posted on the Website. Each time you provide information to us, or we receive information about you, following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you submit to us in any manner that we may choose without notice or compensation to you.

Accessing and Correcting Information; Contact Us

If you have questions, would like to access or correct your Personal Information, or want to opt-out of information sharing with our affiliates for their marketing purposes, please send your requests to privacy@fnf.com or by mail or phone to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354

Effective May 1, 2015; Last updated March 1, 2017

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SPONSOR'S CERTIFICATION

New York State Department of Law
120 Broadway
New York, New York 10271
Attention: Real Estate Financing Bureau

Re: 253 East 7th Street
New York, New York

Gentlemen:

We are the Sponsor and the principals of Sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we: (a) knew the truth, (b) with reasonable effort could have known the truth, (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representation or statement made.

This certification is made under the penalty of perjury for the benefit of all persons to whom this offer is made. We understand the violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

DRK EAST 7TH STREET LLC

By: _____
Amir Nechmad, Manager

PRINCIPALS OF SPONSOR:

_____
Amir Nechmad

Sworn to before me this
2nd day of February, 2018

_____
Notary Public

MICHELLE PATALANO
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01PA6348560
QUALIFIED IN NEW YORK COUNTY
MY COMMISSION EXPIRES OCTOBER 3, 2020

CERTIFICATION OF SPONSOR'S ARCHITECT

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

Re: 253 East 7th Street, Street, New York, NY (the "Property")

The sponsor of the offering plan to convert the Property to condominium ownership retained our firm, Isaac & Stern Architects, P.C., to prepare a report describing the construction of the Property (the "Report"). We prepared the plans and specifications for the Property on [____March 29 2017_____] and the Report dated [_____April 2018________], a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely upon it.

We are licensed architects in the State in which the Property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as the same are applicable to this Report.

We have prepared and reviewed the entire Report. Furthermore, we have investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire Property as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the Property as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the Sponsor and that our compensation for preparing this Report is not contingent on the conversion of the Property to a condominium or the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the Property.

ISAAC & STERN ARCHITECTS, P.C.

By: _____
Name: _Ramy Issac_____
Title: ___President_____

Sworn to before me this
__5__ day of ____April_____, 2018

_____
Notary Public

MARTIN AUSTIN DAVID
Notary Public, State of New York
Registration #01MA6341019
Qualified In Suffolk County
Commission Expires May 2, 2020

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CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET PURSUANT TO SECTION 20.4(d) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A AS AMENDED

July 17th, 2017

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

Re: 253 East 7th Street Condominium
253 East 7th Street, New York, New York

The undersigned hereby certifies as follows:

The sponsor of the Condominium Offering Plan for the referenced property retained our firm to prepare Schedule B to the Offering Plan containing projections of income and expenses of Condominium operation for the fiscal year July 1, 2018 through June 30, 2019.

The principals of BSD Realty Management have been engaged in the management of residential and commercial real estate for more than ten (10) years. The principals have managed more than 25 buildings. The undersigned principal is a licensed Real Estate Broker in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B.

We have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential and mixed-use buildings.

We certify that the projection in the Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses of the Condominium for the fiscal year July 1, 2018 through June 30, 2019.

We certify that Schedule B:

(i) sets forth in detail the projection of income and expenses of Condominium operation for the fiscal year July 1, 2018 through June 30, 2019;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the projected operation of

the condominium during the fiscal year July 1, 2018 through June 30, 2019;

(iii) does not omit any material facts;

(iv) does not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew that the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have the knowledge concerning the representations made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this Certification is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on it. This statement is not intended as a guarantee or warranty of the income and expenses for the operation of the Condominium during the fiscal year July 1, 2018 through June 30, 2019.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that the violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

BSD REALTY MANAGEMENT

By: _____
Charles Glatter

Sworn to before me this
17TH day of JULY, 2017

Lawrence S. Siben
Notary Public

LAWRENCE S SIBEN
Notary Public, State of New York
No. 01SI4728748
Qualified in New York County
Commission Expires October 12, 2018

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