CONDOMINIUM OFFERING PLAN FOR

540 WEST 21ST STREET CONDOMINIUM

540 West 21st Street
New York, New York 10011

34 Condominium Residences*	$533,245,000
21 Storage Bin Licenses	$3,035,000
10 Parking Licenses	$3,000,000
Total Offering	$539,280,000

*The Condominium will also have two (2) Non-Residential Units (a Gallery Unit, and a Retail Unit), which are not being offered for sale at this time. Sponsor has licenses to park ten (10) automobiles across the street, which will be offered for sale to purchasers of units.

SPONSOR AND SELLING AGENT:
540 West 21st Street Holdings LLC
c/o Casco Real Estate Development
534 West 21st Street
New York, New York 10011

Date of Acceptance for Filing: _____, 2019.

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

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS AFTER PLAN CONSUMMATION, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. (SEE SPECIAL 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 OFFERING PLAN IS THE SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES THE SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING. THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE (vi).

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PART I

A. SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

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

1. Sponsor's Obligations to Sell. Sponsor will endeavor in good faith to sell all of the Residential Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Residential Units. Sponsor may unconditionally elect to rent rather than sell Residential Units from time to time after the consummation of the Plan, with the consent of Sponsor's Construction Lender. Residents of the Condominium may be comprised of Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant proportion of Residential Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Residential Unit Owners, and a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Further, residents of the Condominium who are not Unit Owners have no investment in their Units and, therefore do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities, and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e. purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may not gain control and management of the Condominium, until the expiration of the Initial Control Period. Sponsor will obtain construction financing from Construction Lender. No Residential Units may be rented by Sponsor without the consent of Lender for so long as the loan remains in place. However, Sponsor's unconditional right to rent rather than sell Units under the Plan shall not be abrogated to the extent Construction Lender gives its consent to rent Units. Construction Lender has not required a minimum number or percentage of Units which must be under contract before the Plan may be declared effective. Construction Lender will release its lien on each Unit being conveyed and its interest in the Common Elements. There are minimum release prices for each Unit set by Construction Lender that must be paid to Construction Lender at Closing in order for Construction Lender to release its lien from the Unit being sold. See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further detail.

2. Use of Units. 540 West 21st Street Condominium (the "Condominium") contains 34 Residential Units and licenses for 21 Storage Bins and 10 Parking Spaces that are being offered for sale under this Offering Plan. The Residential Units may generally be used only for residential purposes and, subject to compliance with the Declaration and the By-Laws, for lawful home occupation as defined in the New York City zoning resolution. There are also two (2) Non-Residential Units, which are not being offered for sale at this time. The Unsold Residential Units may be leased by Sponsor, its designee or by an owner of Unsold Residential Units for any period of time, for any use and on any terms which are consistent with the then-existing certificate of occupancy for the Building.

Sponsor makes no representations whatsoever with respect to the uses to which all or any portion of the Non-Residential Units or their appurtenant Common Elements or any public spaces within the Building may be put at any time; nor does Sponsor make any representation with respect to the identity of the owners or users or future owners of any of the Non-Residential Units at any time. Sponsor will not exercise its control of the board to amend the By-Laws to permit the currently prohibited uses of the Non-Residential Unit.

The Non-Residential Section includes a Gallery Unit and a Retail Unit. It is currently anticipated that the Retail Unit will initially be used as a restaurant (and ancillary uses) and may be used for any legal purpose. The Gallery Unit may not be used for any purpose other than as a first-class art gallery, which may include incidental office use and incidental food and beverage sales. The Gallery Unit will not be open past eight o'clock in the evening (8pm) more than twenty (20) times per year, and Gallery Unit Owner shall exercise good faith efforts to use a lighting system in the Gallery Unit that minimizes the impact upon the Residential Units of light from the Gallery Unit. Other than as provided in the Condominium Declaration, neither the Condominium Board, the Residential Committee, nor the Unit Owners shall impose any restrictions on the use of the Gallery Unit. No amendments to the Declaration or the By-Laws that impose further material restrictions on the use or operation of the Gallery Unit shall be permitted without the written consent of the Gallery Unit Owner.

The Board will have no right to restrict or limit any of the uses of the Non-Residential Units which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration. No representation or warranty is made with respect to such initial or any subsequent uses of such Non-Residential Units or with respect to who the owner or tenant(s) of the Non-Residential Units may be at any time. As a result, in the future the Retail Unit may be used for non-retail purposes. Use of the Retail Unit as a café, restaurant or like use could result in additional noise and food-related smells. The Non-Residential Unit Owners have the right to subdivide the Retail Unit and the Gallery Unit and the right to freely sell the Retail Unit and the Gallery Unit or to freely lease all or part of the Retail Unit and the Gallery Unit, without having to first offer the same for sale or lease to the Condominium Board. The Retail Unit may initially be owned by the Sponsor or affiliates of Sponsor and the Gallery Unit will initially be owned by David Zwirner or an Affiliate. At some time in the future the Retail Unit may be sold by the Sponsor to a third party, in which case the Plan will be amended to disclose the sale of the Retail Unit. At some time in the future the Gallery Unit may also be sold by its initial owner.

The Condominium Board, at the request of a Non-Residential Unit Owner, will enter into a recognition agreement with any tenant with which the Non-Residential Unit Owner has entered into a lease for all or any portion of the Non-Residential Unit. Under the terms of the recognition agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Board will agree that the rights of the tenants under the lease(s) will not be disturbed in the event of a default by the Non-Residential Unit Owner. Refer to the Condominium Declaration in Part II of the Plan.

3. **Financial Crimes Enforcement Network Disclosure**. Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded an earlier issued Geographic Targeting Order ("Order") that applies to any corporation, partnership, limited liability company, or other similar

business entity ("Covered Purchaser") using cash, a cashier's check, certified check, traveler's check, personal check, business check or money order in any form, a funds transfer or virtual currency whether wholly or in part, without a bank loan or other similar form of external financing, to purchase a Residential Unit in the Borough of Manhattan from Sponsor for a total price in excess of $300,000 (a "Covered Transaction"). The Order provides that in the event a Covered Purchaser enters into a Covered Transaction, the Covered Purchaser shall be required to deliver to the Title Company at Closing all documents and information necessary in order for the Title Company to comply with the requirements set forth in the Order, including without limitation the requirement to file a completed FinCEN Form 8300. Any failure by the Covered Purchaser to deliver such documents and information shall be deemed an Event of Default under the Agreement. Purchasers are advised to refer to the text of the Order itself for further details: https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20GENERIC_111518_FINAL.pdf.

4. **Purchase Payments**. The agreement to acquire a Residential Unit is a combination Option Agreement and Purchase Agreement (the "Agreement"). At the time an Agreement is executed, a Purchaser is required to make a payment in an amount equal to at least fifteen percent (15%) of the Purchase Price (the "Initial Option Payment"); and an additional option payment equal to 10% of such Purchase Price (the "Additional Option Payment") is due and payable no later than the earlier to occur of: (x) six months after the date of the Agreement; or (y) 30 days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, but in no event later than the closing of title to the Unit; provided, however, that with respect to Agreements entered into after the Offering Plan has been declared effective, Sponsor reserves the right to require both the Initial Option Payment and the Additional Option Payment due and payable upon execution of the Agreement. The term "Option Payment" or "Payment" as used herein refers to both the Initial Option Payment and, if the same has been paid at the time in question, the Additional Option Payment. At the Closing, the Option Payments will be applied to the Purchase Price of the Residential Unit. In the event the Purchaser fails to close through no fault of the Sponsor, the Sponsor will retain the Option Payment unless the Attorney General's Regulations or this Plan provide to the contrary.

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

Notwithstanding the Payments being called "Option Payments", they will be held in escrow by the Escrow Agent pursuant to the terms of this Offering Plan.

5. **Effectiveness**. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., agreements signed by bona fide Purchasers for fifteen percent (15%) of the Units (6 Units) offered under the

Plan). Sponsor may declare the Plan effective after selling a minimum of fifteen percent (15%) of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than a minimum number of sales if Purchasers counted towards effectiveness do not ultimately purchase a Unit. Please refer to the Section entitled "Effective Date" in Part I of the Plan for further details. Sponsor will endeavor in good faith to sell all of the Residential Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Residential Units. See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

The Plan may, at the option of Sponsor, be abandoned a) at any time before it is declared effective and b) after it is declared effective in the event of: (1) the existence of one or more title defects affecting any one or more Units or the Property that cannot be removed, cured or complied with or without litigation or for less than one-half of one percent of the Total Offering; (2) substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the Closing of the first Unit (the "First Closing") for less than one-half of one percent of the Total Offering; or (3) a taking of all or part of the Property in condemnation proceedings or by eminent domain. See the Sections entitled "Description of Property and Improvements" and the "Rights and Obligations of Unit Owners and the Condominium Board" for further discussion.

6. Financing. Although a Purchaser may obtain financing from a lending institution or any other source, his or her obligation to purchase a Unit pursuant to his or her Agreement shall not be contingent on obtaining financing for such purchase. Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to pre-qualify for financing with their lender before signing an Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and it could expire before the Closing Date. In addition, given the current economic climate, a lending institution could withdraw its commitment if, for example, it believes a Purchaser's financial condition has worsened or that the Unit's appraised value has decreased. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

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

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

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

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

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

For purposes of this Plan and the Agreement, the term "TIME BEING OF THE ESSENCE" shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and an Event of Default entitling Sponsor to the remedies set forth in this Plan and the Agreement. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

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

8. Control of the Condominium. The Condominium will have a Condominium Board (the "Board") which will have the powers and duties necessary and incidental to the administration of the affairs of the Condominium. The Board will, after the Initial Control Period, as hereafter defined, consist of elected representatives of the Unit Owners. Sponsor, as the owner of Unsold Units will have control of the Board during the period which continues until the earlier to occur of: (i) the sale by the Sponsor of all of the Residential Units or (ii) five (5) years after the First Closing (unless Sponsor voluntarily relinquishes control prior to the earlier of such dates) (the "Initial Control Period"). During the Initial Control Period, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners. At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each percentage of Common Interests pertaining to the Unit Owner's Unit. Sponsor will not exercise its control of the Board to amend the By-Laws to permit the currently prohibited uses of the Non-Residential Units.

During the Initial Control Period, the Board shall consist of three (3) persons designated by Sponsor, although, Sponsor reserves the right to designate fewer than three (3) persons to the Board. Commencing with the First Annual Meeting, the Board shall consist of three (3) persons chosen by the Residential Unit Owners (including the Sponsor), one (1) person chosen by the Gallery Unit Owner and one (1) person chosen by the Retail Unit Owner.

All determinations with respect to the continuance or discontinuance of any of the services in the Building, will be made by the Board, which will be controlled by Sponsor for so long as there are Units owned by Sponsor or until five (5) years after the First Closing, whichever is earlier. (See the Section entitled "Control by Sponsor"). Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property.

The By-Laws do not include a provision that after the expiration of the Initial Control Period, a majority of the Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the

Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Plan. (See the sections of this Plan entitled "Control by Sponsor" and "Condominium Board" for further discussion.)

9. **Approval of Purchasers**. The Condominium Board does not have the right to approve or disapprove Purchasers, and as a result, there is no limit on the number of owners who may purchase a Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-residents. However, the Board, to the extent permitted by Law, has the right to reject sales and leases to Purchasers and tenants who themselves (or residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal. (See the Sections entitled "Introduction" and "Rights and Obligations of Unit Owners and the Condominium Board".)

10. **Interim Service Period**. Prospective Purchasers are advised that until twenty-four months after the First Closing some of the services and facilities described in the Plan may not be available. However, it is anticipated that at all times after the First Closing, the Residential Lobby will be attended twenty-four (24) hours a day, seven (7) days a week, and there will be at least one (1) elevator servicing every floor on which there are occupied Residential Units. The interim level of staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. During such interim service period when full services and/or facilities are not available, the expenses for such services and/or facilities, as accounted for in Schedule B-1, may not be actually incurred. To the extent that any service or facility provided during such interim period benefits particular Units, to the exclusion of other Units, and the cost of the same is readily identifiable, the Common Charges necessary to provide such service or facility will be borne exclusively by the owners of the benefited Units, in proportion to their respective Common Interests. The amount of the Common Charges necessary to defray the cost of the interim services and facilities described in the preceding paragraph, as well as the manner of allocating such Common Charges among any Unit Owners who are exclusively benefited by any of the same, will be determined by the Board, which will be controlled by Sponsor during such period. However, such allocation will be made in compliance with Section 339-m of the New York State Real Property Law, and in no event will Purchasers be assessed Common Charges during such interim period that are more than the Common Charges listed in Schedule A as the same may theretofore have been amended.

(See the Section entitled "Description of Property and Improvements" for further discussion.)

11. **Sponsor Veto Powers**. Although Sponsor and its designees may exercise veto power over some actions of the Board, Sponsor may not exercise veto power over expenses in Schedule B, or expenses required to remedy any notice of violation, or to remedy any work ordered by an insurer, and may not exercise veto power over any matter affecting the health and safety of the occupants of the Building. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence, for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than twenty five percent (25%) of the Common Interest, whichever is sooner. Until Sponsor and its designees have

conveyed title to seventy-five percent (75%) of the Units, but in no event later than five (5) years after the closing of the first Unit, the Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as it 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 Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium or any matter affecting the health and/or safety of the occupants of the Property (see the Section entitled "Control By Sponsor" for further details).

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

13. **Power of Attorney**. Each Purchaser will be obligated to enter into a power of attorney at the closing of title to a Unit. The form of power of attorney, set forth in Part II of the Plan (the "Power of Attorney"), grants broad powers to the Board to enter into agreements affecting the Common Elements. The Power of Attorney also grants to Sponsor the right to amend the Condominium Declaration with respect to any Unsold Unit. Failure by any Purchaser to deliver the Power of Attorney at closing shall constitute an event of default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement. Please refer to the form of Power of Attorney set forth in its entirety in Part II of the Plan.

14. **Construction**. Construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption and inconvenience. Thus, for a period of time following the First Closing (through, including and beyond the closing of title to any particular Purchaser's Residential Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; (ii) individual Residential Unit Owners within their Residential Units (to perform custom renovations, etc.); and (iii) the Retail Unit Owner and Gallery Unit Owner to complete construction, build-out, furnishing and equipping their Units. During at least the First Year of Condominium Operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time

performing construction work, making adjustments and performing various other tasks related to the completion of construction, fitting out of, and moving into, the Residential Units and other portions of the Building. Various systems, including, but not limited to, water supply, air conditioning, heating, cooling, gas, electric, ventilating and other systems, and elevators, may require more than a year after any particular Residential Unit closing to complete and may be disrupted temporarily and from time to time (systems constituting Common Elements may require more than a year after any particular Residential Unit closing to complete, but all systems within a Residential Unit that must be completed as a requirement for the issuance of a temporary certificate of occupancy covering such Residential Unit will be functioning at the time of closing). Elevators and personnel may be taken out of service and diverted to facilitate construction, and exterior hoists, sidewalk overhead protection, and loading/unloading areas may be in place during at least the year following the First Closing, and from time to time thereafter, as needed, in connection with construction being performed in Units by the Unit Owners thereof, Sponsor and/or tenants of such Units. Various other adjustments, to windows, hoist run units, exterior elements, elevators and other systems, may require eighteen (18) months or more after the First 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, painting, hanging wall coverings or laying flooring finishes and/or carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities, services and benefits anticipated to be available to Residential Unit Owners may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these amenities, services and benefits are delayed, not made available, or discontinued or disrupted. Further, the Board and/or Sponsor may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service 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. (See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

15. **Tenant Protection Plan**. As required under Section 28-104.8.4 of the New York City Building Code (the "New Code" as enacted in 2008), since the Building is expected to be occupied by Unit Owners and/or tenants prior to the time when a permanent certificate of occupancy can be obtained, a tenant protection plan will be distributed to each occupant who will be occupying any dwelling units of the Building during construction.

16. **Delay of Closing**. Based upon the construction schedule anticipated as of the initial filing date of this Plan, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of God or

other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closings of title to Residential Units to begin on or about July 1, 2021. 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 Residential Unit or otherwise be relieved from any obligations under the Option 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, or in the event that any of the conditions described above occur, or in the event of non-completion of any item of construction on any projected date, or compensations for the presence of scaffolding on any portion of the Building or any interruption of services in the Building; 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 Condominium budget with current projections, and (i) if such amended budget exceeds the projected Condominium budget set forth herein by twenty-five percent (25%) or more; or (ii) if the First Closing does not occur within twelve (12) months after July 1, 2021, the date set forth in Schedule B — "Projected Budget for First Year of Condominium Operation" as the commencement date for the projected First Year of Condominium Operation, then in the case of either (i) or (ii) Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Option Agreements, if the Plan has been declared effective) the right to rescind their Option Agreements within fifteen (15) days after the presentation date of the amendment containing such revised budget or after such twelve (12) month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Payment and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Unit offered hereunder will take place prior to the Plan being declared effective.

Purchasers should note that even if the First Closing occurs on or before July 1, 2021 (or such other date projected as the date of commencement of the operation at the time the Purchase Agreement was entered into) or within the twelve month period thereafter, the Closing of subsequent Units may be substantially delayed beyond such dates if a TCO has not been issued for such Units or for the floors on which such Units are located. In such case, provided that Sponsor is diligently pursing completion of construction and the issuance of a Certificate of Occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full Purchase Price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. Unless your Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain.

(See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

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

18. **Certificate of Occupancy**. Sponsor is obligated to procure the permanent certificate of occupancy for the entire building, and shall exercise best efforts to obtain the permanent certificate of occupancy within a two year period while keeping the temporary certificate of occupancy current. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local Codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance or sell Units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building 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 the DOB will issue the FCO within such two year period.

NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FINAL CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit Owners and the Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

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

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

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

The Sponsor as well as the Board may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor.

19. Unit Alterations. 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 Board, or 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 the 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, (c) designate a Common Element as part of the Unit or designate all or part of a Unit as a newly created Common Element and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. Please see the Section of the Plan entitled "Changes in Prices and Units" for further details.

In such event, the Common Interest appurtenant to any diminished Unit will decrease and such reduced Common Interest will be allocated to and/or among the newly created and/or configured Units. Sponsor expressly reserves the right, from time to time prior to the First

Closing, to effect such changes among the Unsold Residential Units and to amend the Plan so as to reflect the same.

Notwithstanding the foregoing, where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to Purchaser, no material change will be made in a Unit's size, layout or proportionate share of aggregate common interest unless (i) the affected Purchaser consents; (ii) the Purchaser is in default or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Law, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where, in the exercise of sound construction management practices, no practicable alternative exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Agreement(s) and receive a refund of their Payment(s), together with all interest earned thereon. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material.

(See the Sections entitled "Changes in Prices, Residential Units" in Part I of the Plan for further discussion.)

The Sponsor as well as the Board may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor. In addition, certain services, such as cable, computer, and other similar services may be provided by outside suppliers and delays in these services will not be the responsibility of the Sponsor unless such delays are caused by the Sponsor. All alterations to a Unit or the Building or services for a Unit Owner or the Building shall be performed in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees, or other contractors or subcontractors employed in the Units or the Building; and in all events, in compliance with the Declaration, the Condominium Bylaws, the Rules and Regulations, the overall Building standards and applicable laws. In furtherance of the foregoing, the Board may require that the Board also assume and/or subject itself to the applicable union contracts.

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

In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax attorney and, if so, Unit Owners may pay significantly different real estate taxes than those set

forth on Schedule A. Sponsor can only estimate, based on reasonable, professional third party expert assumptions, what the real estate taxes for each Unit will be. Only the New York City tax authorities will make the actual determination upon the filing of tax lots. (See the Sections entitled "Offering Prices and Related Information, Schedule A" and "Real Estate Taxes" in Part 1 of the Plan for further discussion.)

21. **Diplomatic 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) shall expressly and voluntarily waive such immunity and consent to any suit action or proceeding arising out of or relating to the Agreement being brought in any state or Federal Court in the State of New York and shall be required at the time of closing of title to such Purchaser's Unit, to deposit with the Board an amount equal to two years' estimated Common Charges.

22. **Budget Contingency**. The Contingency provided for in the projected budget for the first year of Condominium operation (Schedule B) is intended to provide a fund for unanticipated expenses not included in the budgets and for increases in operating expenses above the amounts projected. This budget line item may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. In the event that capital expenditures for renewal or replacement of Building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. See the Section of the Plan entitled "Working Capital Fund" for further discussion.

23. **Waiver of Common Charges**. Sponsor shall have the right, in its sole and absolute discretion, to cause the Board to waive the collection of some or all of the Residential Common Charges from Residential Unit Owners for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all remaining expenses to operate the Residential Section during the Waiver Period (the "Waiver Period Operating Expenses"). In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor shall provide notice to Residential Unit Owners disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration and shall subsequently disclose the expiration of the Waiver Period in an amendment to the Plan; (iii) during any such Waiver Period, Sponsor or Sponsor and the Residential Unit Owners if the Waiver Period Operating Costs are assessed as provided for herein, as applicable, will timely pay all Waiver Period Operating Costs of the Residential Section, including but not limited to insurance premiums and any reserve fund payments required by lenders to the extent otherwise included in Schedule B – "Projected Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents. The Contingency provided for the first year of Condominium (Schedule B) is $40,000. If additional funds are later needed, Common Charges may increase or a Special Assessment may be imposed. Sponsor will not fund any contingencies during a Waiver Period, which may impact Purchasers' ability to obtain mortgages insured by Fannie Mae and/or FHA. See the section entitled "Control by Sponsor" and

the section entitled "Rights and Obligations of Sponsor" for more information.

24. **Common Interest**. The Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and accordingly based upon a comparison of the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use and the overall dimensions of the particular Unit. Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of Common Interest may justify a minor increase or decrease in the aggregate Common Interest appurtenant to the Units. In such event, the Common Interest appurtenant to each individual Unit would be adjusted (by a minimal amount) pro rata. Sponsor expressly reserves the right, to effect such a change in the Common Interests and to amend the Plan so as to reflect the same, provided that Sponsor obtains a new §339-i opinion letter providing that the Common Interests are in compliance with RPL §339-i. Sponsor will not change the Common Interest associated with a Unit that has already closed without the new owner's consent. In no event, however, will the Common Interest of any Unit be increased as a result of any of the foregoing by more than 5%.

25. **Floor Plans**. The Floor Plans set forth in Part II depict the layouts of the Units. The approximate indoor floor area of each Unit has been measured horizontally from the exterior side of the exterior walls (columns, shear walls, mechanical pipes, shafts, shaftways, chases, chaseways, conduits and floor openings for interior stairways are not deducted from measurement of each Unit) to the centerline of the demising walls separating one Unit from another Unit, or separating one Unit from egress stairs, elevators, and other mechanical equipment spaces and Common Elements not within a Unit and to the outer (corridor side) finished face side of the non-Unit side of the interior walls separating the Unit from public corridors. Apartments are measured vertically from the lowest concrete floor of the Unit (located under the finished flooring and sub-floor materials) to the underside of the highest concrete ceiling atop the Unit.

Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Because the square footages listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and will significantly exceed the actual floor area. Floor area may include columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Each Unit will be measured vertically from the lowest concrete floor of the Unit (located under the finished flooring and sub-floor materials) to the underside of the highest concrete ceiling atop the Unit. Ceiling heights are estimates only. The clearance between the top of the floor slab on one floor and the top of the floor slab on the next floor will vary among the Units and certain Units may have less clearance and all or portions of the ceilings in certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Units. Because dimensions listed are based on measurements from floor slabs, they do not accurately represent the heights of the Units from the finished floor to the finished ceiling and will

significantly exceed the actual floor area. Ceiling heights within any given room may also vary. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings. The Terraces may be used for any legal purpose. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the Common Elements. Please refer to the Notes to Schedule A in Part I of the Plan the "Description of Property" in Part II of the Plan for further details.

26. Transfer Taxes. Purchasers are advised that as more fully discussed in this Plan, Purchasers will be required pursuant to the Agreement to pay the New York City Real Property Transfer Tax (the "RPT Tax") and the New York State Real Estate Transfer Tax (the "State Transfer Tax," and collectively with the RPT Tax, the "Transfer Taxes") due on the sale of the Residential Units. Sponsor is transferring its statutory duty to pay Transfer Tax to Purchaser; absent this contractual provision, Transfer Taxes would be a seller's obligation. If the RPT Tax rate and/or State Transfer Tax rate is increased by New York City or New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Agreement hereunder.

Also, as more fully discussed in this Plan, New York State imposes a transfer tax upon a purchaser of a residential condominium unit (the "Mansion Tax"), which tax shall be the primary obligation of Purchaser. The Mansion Tax is 1% if the Purchase Price is at least $1,000,000, but less than $2,000,000, 1.25% if the Purchase Price is at least $2,000,000, but less than $3,000,000, 1. 5% if the Purchase Price is at least $3,000,000, but less than $5,000,000, 2.25% if the Purchase Price is at least $5,000,000, but less than $10,000,000, 3.25% if the Purchase Price is at least $10,000,000, but less than $15,000,000, 3.5% if the Purchase Price is at least $15,000,000, but less than $20,000,00, 3.75% if the Purchase Price is at least $20,000,000, but less than $25,000,000, and 3.9% if the Purchase Price is at least $25,000,000. For purposes of computing consideration subject to the Transfer Taxes and Mansion Tax, the New York City Department of Finance and the New York State Department of Taxation and Finance include the aggregate of any Transfer Taxes payable by Purchaser under the Agreement and might include other costs payable by Purchaser which, absent a contractual provision making them Purchaser's obligation, could be considered Sponsor's expense. Accordingly, with respect to the Mansion Tax, even though the Purchase Price allocated to a Residential Unit might be less than $1,000,000 (or another applicable threshold), it is possible that the Purchase Price for such Residential Units, when grossed up by the aggregate of all Transfer Taxes and other seller expenses and other amounts payable by Purchaser, might be in excess of $1,000,000 (or another applicable threshold), thereby subjecting the transaction to the Mansion Tax. If the Mansion Tax rate is increased by New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Agreement hereunder.

The Purchaser shall also pay any tax in addition to the Transfer Taxes and Mansion Tax (e.g., including, without limitation, a pied-a-terre tax) payable by transferor or transferee at Closing and imposed on the transaction after the date of this Plan by New York City or New York State ("Additional Tax"). In the event an Additional Tax is imposed, the Sponsor will amend the Plan to disclose the Additional Tax.

27. First Closing. The Sponsor anticipates that the First Closing of a Unit will occur on approximately July 1, 2021. Purchasers will be offered a right of rescission if: (i) the actual date

of closing of title to the first Unit (the "First Closing"); or (ii) the projected date of closing of title to the first Unit occurs later than June 30, 2022, which is twelve months after the projected date for the First Closing, although the actual First Closing may occur prior to July 1, 2021. If the Plan is amended to provide for a later projected date for the First Closing, Purchaser will be entitled to an offer of rescission if the First Closing occurs more than twelve (12) months beyond that amended, later date.

Purchasers should note that even if the First Closing occurs on or before July 1, 2021 (or such other date projected as the date of commencement of the operation at the time the Purchase Agreement was entered into) or within the twelve month period thereafter, the Closing of subsequent Units may be substantially delayed beyond such dates if a TCO has not been issued for such Units or for the floors on which such Units are located. In such case, provided that Sponsor is diligently pursing completion of construction and the issuance of a Certificate of Occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full Purchase Price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. Unless your Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain.

28. **Closing Costs**. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Holland & Knight LLP ("Sponsor's Counsel"), in connection with the closing of title to Purchaser's Unit: (i) the sum of $4,000 to reimburse Sponsor for its legal fees in handling the sale of the Unit; (ii) if the Purchaser requests the Closing to occur other than at the offices of Holland & Knight LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan; (iii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, Purchaser shall pay a fee of $2,500 to Sponsor's Counsel, payable in advance, for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit if there are multiple assignments); (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel an additional fee of $750 to defray the additional costs associated therewith; (v) if the closing is adjourned solely due to the fault of Purchaser, the Purchaser will be required to pay Sponsor's Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (vi) if any custom work is to be done in the Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the additional cost associated therewith for negotiating and preparing the requisite documents on an hourly basis at Holland & Knight LLP's customary rates; (vii) $275 for the preparation of ACRIS transfer documents required by the City of New York; (viii) Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit; and, (ix) Purchaser shall pay Sponsor's counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred

exchange under section 1031 of the Internal Revenue Code. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to Closing upon notice to Purchaser.

Purchasers or any other persons entering into an Interim Occupancy Agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon the execution of the Interim Occupancy Agreement. Such legal fees are estimated to be approximately $2,500 assuming that the Purchaser's counsel does not negotiate the terms of the Interim Occupancy Agreement. Any fees above $2,500 will be billed on an hourly basis at Holland & Knight LLP's customary rates. In connection with the Closing of a Unit subject to an Interim Occupancy Agreement, all other charges or other fees due under an Interim Occupancy Agreement shall be adjusted as of midnight of the day preceding the Closing Date to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Occupancy Agreement for any Unit. Please refer to the Sections of the Plan entitled "Closing Costs and Adjustments" and "Interim Occupancy Agreements" for further details.

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

30. **Easements**. The Sponsor shall have, and the Units and Common Elements shall be subject to, an easement to use the Common Elements of the Building for any lawful purpose including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding restoring and replacing satellite dishes and other communication equipment on the roofs and façade of the Building and elsewhere on the Common Elements and the conduit and other facilities relating thereto provided, however, that no wires or cables shall be hanging on the side of the Building and (b) maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any unit or Common Element in furtherance of such easements shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of any assignee or licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. This easement will be a permanent easement even after Sponsor has sold all of the Unsold Units. Any satellite dishes or other facilities that Sponsor or its assignees or licensees had placed upon the Roof or façade of the Building or elsewhere on the Common Elements shall be the exclusive property of Sponsor or their assignees or licensees and neither the Condominium nor any Unit Owner shall have any rights with respect thereto, regardless of whether Sponsor owns any Unsold Units. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor for the use of the aforesaid easements or equipment. Please see the section of the Plan entitled "Rights and Obligations of Unit Owners and

the Condominium Board" under the subsection entitled "Easements" for further details.

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

32. **Superintendent**. The Building will be attended twenty-four hours a day, seven days a week, and the Condominium will have a Superintendent during the hours of 9:00 AM through 5:00 PM Monday through Friday. In accordance with the Administrative Code of the City of New York, Section 27-2052, et seq., the Condominium Board shall be required to employ a superintendent residing within a distance of one block or 200 feet from the dwelling, whichever is greater, to provide janitorial services, or otherwise engage a third party to perform janitorial services when the Superintendent is not on duty. See the Schedule B in Part I of the Plan for more information.

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

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

35. **Risk of Loss**. If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss not covered by Sponsor's insurance and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or

other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

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

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

36. **Limitations on Advertising, Selling, Leasing and Assignments**. In order to facilitate the Sponsor's sale of the Residential Units, a Purchaser shall not, for a period of twelve (12) months after the Purchaser's closing on its Residential Unit, (a) sell the Unit without Sponsor's written approval, or (b) list the Unit for resale with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale. Any such sale, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

Agreements are not assignable without the prior written consent of Sponsor, which consent may be granted or denied by Sponsor in its sole discretion. (See the Section of the Plan entitled "Assignment of Option Agreements" for details.)

37. **Insurance**. The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, that are exclusive and/or appurtenant to the Unit. Consequently, all Unit Owners are required to obtain and maintain a personal liability policy if the Unit Owner is an individual against claims for personal injury death or property damage occurring in, on or about such Unit Owner's Unit and the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at least $3,000,000 umbrella liability coverage, or as otherwise established by the Condominium Board or the Residential Committee, as the case may be, from time to time. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are urged to obtain personal property insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a

"replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. Further, as a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the Condominium By-Laws. Sponsor does not make any representation that the insurance limits set forth in Schedule B will meet the requirements of a lender who finances the purchase of a Unit. If Purchaser's lender requires additional insurance, Purchaser will be obligated to obtain such supplemental insurance at Purchaser's sole cost and expense. The building is currently located in the Special Flood Hazard Area and is required to have flood insurance. The potential for flooding to occur in the Lower Level and Ground Floor in the event of a 100-year flood is high. The Building will have flood insurance as required by Law (which will not cover the personal property or improvements in the Units). If Purchaser's lender requires any additional flood insurance, Purchaser will be obligated to obtain such supplemental flood policy for Purchaser's Unit, at Purchaser's sole cost and expense.

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

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

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

41. **Disclaimer of Private Right of Action Against Sponsor Principal**. Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al., 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013). (See the Section of the Plan entitled "Procedure to Purchase" and the Option Agreement set forth in Part II of the Plan for details.)

42. **Floor Designations**. Unless otherwise indicated, all references in the Plan and in marketing materials to "Floors" or "floors" are references to their "marketing" designations and may not correspond to the designation given the floors on the plans submitted to the New York City Department of Buildings. The marketing floors do not include the 13th Floor, and therefore, all floor designations above the 12th Floor refer to a marketing floor that is one floor number higher than the construction floor. Please refer to the Description of Property in Part II of the Plan.

43. **Sponsor's Use of the Building for Sales and Promotional Functions**. There will be a sales office located within the Building. Sponsor and its designee(s) shall also have the right, until the tenth (10th) anniversary of the First Closing (or until no Unsold Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions (e.g., with respect to any sales programs for Unsold Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building. See the Section of the Plan entitled "Rights and Obligations of Sponsor".

44. **Sprinklers**. The Building will be fully sprinklered to eliminate fires. Although hidden from view, every ceiling will have sprinkler heads. In order to operate effectively in the event of a fire furniture, furnishings and other equipment in the Units should not be placed in a way that would block the sprinklers from emitting water throughout the area beneath it in the event of a fire. Blocking the sprinklers would be a violation of the Fire Department's Regulations. See the Section of the Plan entitled "Description of Property and Improvements".

45. **Services**. All determinations with respect to the continuance of any of the services in the Building, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor during the Initial Control Period. Neither Sponsor, the Managing Agent, the Board, nor the Residential Committee, in any event, will be liable for the availability, interruption, discontinuance or quality of any services in the Building, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or

agents, except to the extent that any such injury to person or damage to property occurs as a result of the negligence of Sponsor, the Managing Agent, the Board, or the Residential Committee, as the case may be. However, for any such lack of availability, interruption, discontinuance or change in the quality of any service which is material and adverse, a Purchaser will be offered a right of rescission and a Unit Owner may pursue available remedies. (See the Section entitled "Rights and Obligations of Sponsor"). Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property.

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

47. **Terraces and Swimming Pools**. Terraces, balconies or loggias (collectively, "Terraces"), and private swimming pools are appurtenant to certain Units, as identified in Schedule A and in the Floor Plans set forth in Part II of the Plan, and are Residential Limited Common Elements available for the exclusive use of a Unit Owner of the Unit to which such Terrace or swimming pools, as the case may be, are appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations in effect from time to time.

The Terraces and swimming pools are available for the exclusive use of the Unit Owner to whose Unit such Terrace or swimming pools are appurtenant, subject to and in accordance with the Declaration, By-Laws, and Rules and Regulations as in effect from time to time. Each Unit Owner shall be responsible for all ordinary maintenance and cleaning of each Terrace and/or Swimming Pool appurtenant to its Unit, subject to the rights of the Board to regulate its use (including, without limitation, pursuant to the Rules and Regulations regarding the opening, closing, cleaning and maintenance of Swimming Pools), and to enter the Unit to access the Terrace and to access any Limited Common Elements for maintenance, repair and replacement and other uses (including, without limitation, to access any Building mechanical equipment or other Common Elements located on any roof setback adjacent to any Terrace, or to use any Terrace as a platform for window washing equipment). Sponsor is not responsible for, can make no guarantees regarding and shall have no liability to Unit Owners with respect to, the level of noise or vibrations or odors resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Unit Owners on their Terraces. The costs and expenses of any repairs or replacements to a Terrace, structural or otherwise (unless caused by or attributable to the Unit Owner), shall be charged to all Unit Owners as a Common Expense.

Landscaped areas will be provided on the Terraces, as shown on the Floor Plans. Additional areas designated to support future landscaping are also indicated on the Floor Plans. Please refer to the Description of Property in Part II of the Offering Plan for maximum weights and loads of the future landscaping areas. If the Building is LEED certified, irrigation systems will not be permitted. 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 if the Board determines, in its sole discretion that such plantings or other installations may adversely affect the integrity of

the roof or other portion of the Building or are otherwise unsafe. In addition, the Board shall have the right, in connection with any construction, repair or maintenance work in the Building, to erect scaffolding temporarily on any Terrace. In no event shall any Unit Owner having a Terrace be permitted to enclose or erect any structure on such Terrace. The Board or the Residential Committee 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.

Moreover, areas that are exposed to the elements (e.g., Terraces and Swimming Pools) must be kept free of snow, ice and accumulations of water to the extent failure to do so could cause damage to the Building and/or other Units therein. In particular, each Unit Owner with a Swimming Pool (as shown on the Floor Plans) is responsible for maintaining such Swimming Pool and must contract with a pool maintenance company, reasonably acceptable to the Residential Committee, to provide ongoing cleaning and maintenance of the Swimming Pool. In the event a Unit Owner fails to comply with any of its maintenance obligations, the Residential Committee may, at the expense of the Unit Owner and without liability to the Residential Committee or the Board, enter the Unit and perform such acts as are necessary to cure the Unit Owner's default. All Swimming Pools must be drained, closed (i.e., winterized) and covered by October 1st of each year, and may be refilled commencing on May 1st of each year.

See the Section entitled "Description of the Property and Improvements" in Part II of the Plan for further discussion.

48. **Homeowners Association**. Sponsor anticipates that the Condominium will not qualify as a homeowners association. Assuming the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election as discussed below, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly the membership, income described in Section W of this Plan less expenses related to such income) is subject to federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. The budget for the first year of Condominium operation, Schedule B, does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996. Please refer to the Attorney's Income Tax Opinion and the Sections entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" and "Real Estate Taxes" in Part I of the Plan for further discussion.

49. **Lot Line Windows**. The Building has lot line windows on the South façade in Units 5B through 18B. The lot line windows in Units 5B through 12B are not operable and do not provide code-required legal light or ventilation. They are fire-rated and would not need to be locked-in regardless of nearby construction. The lot line windows in Units 14B through 18B could need to be blocked-in by the Unit Owner if a neighboring building is altered or constructed

to come within 60 feet of the Building's South property line. If a lot line window in any of these Units must be blocked-in, the cost to the Unit Owner is expected to be approximately $800 per regular window and $2,000 per glass box window. The rooms that the lot line windows serve do not rely on these windows for legally required light and air. Please refer to the Section of the Plan entitled "Description of Property" in Part II of the Plan for further details.

50. **Roof Rights**. Sponsor has, with respect to the roof of the Building, the exclusive right (and such easements as shall be required) at any time and from time to time at its sole cost and expense, to exclusively erect, use, maintain, repair, replace, relocate and operate for Permitted Roof Platform Purposes, as hereinafter defined, one or more platforms, supports or structures on any portion of the roof (other than those portions of the roof which are Residential Limited Common Elements for the exclusive use of a particular Unit Owner) for the purpose of erecting, using, maintaining, repairing, replacing, relocating and operating for Permitted Roof Platform Purposes, antennae, satellite dishes and other communications equipment thereon (including, without limitation, the running of conduit wiring and/or cabling throughout the Building as necessary); provided, however, that Sponsor shall give prior notice to the Board for information purposes only of the type and location of any such equipment before installation. Such easement shall also include the right of Sponsor to use, lease and license such equipment, and to retain any profits therefrom for so long as the Condominium shall remain in existence. All of the foregoing shall at all times be used, installed and maintained in compliance with all Laws and Insurance Requirements. The word "equipment" as used in this paragraph shall be deemed to include fiber optic cable and other communications lines, wires, risers, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies, needed for the proper operation of the communications installations. Each easement and other right granted under this paragraph must be exercised, and all such platforms, supports, structures, installations and equipment must be used in such a way so as to minimize, to the extent reasonably practicable, interference with the exercise of the other easements and other rights granted under this paragraph. As used herein, "Permitted Roof Platform Purposes" shall mean all businesses, operations and activities of Sponsor and its affiliates, including the business of renting out or otherwise providing satellite dishes and/or other communications equipment, services and/or space for satellite dishes and/or other communications equipment or services to third parties, and any operations or activities in connection with such business. See the Section of the Plan entitled "Rights and Obligations of Sponsor".

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

52. **Sponsor's Obligations**. Sponsor reserves the right to sell ten (10) or more of the Units and to designate the purchaser of such block(s) of Units as a "sponsor" or a "sponsor-designee" under this Plan and the Declaration or to not designate the purchaser as a sponsor. A party designated as a "sponsor" or a "sponsor-designee" will have those additional rights and obligations of a "Sponsor" as more fully described in the Plan, including the assumption of the status and all of the obligations of the Sponsor for those Units under the offering plan, applicable

laws or regulations. Purchaser of ten (10) or more Units who are not designated as a Sponsor or Sponsor designee will be required to amend the Offering Plan before they can sell their Units. Notwithstanding the foregoing, in the event of a foreclosure by Sponsor's mortgagee or its designee, Sponsor's mortgagee or its designees shall be deemed designated as a "sponsor" or a "sponsor-designee." Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

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

54. **Windows**. The Units will have large glass windows, which should be covered during the portions of the day when the sun is strongest in order to maintain the temperature of the Units' rooms at comfortable levels and to conserve energy. Should a Purchaser elect to install shades on other windows, the shade fabric must match the fabric specified for the Building to maintain visual consistency from the exterior. The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted. The interior glass surfaces of all windows located in any Unit and the exterior glass surfaces of windows, which can be washed from Terraces, shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof as such Unit Owner's sole cost and expense. The exterior of other Residential Section windows shall be washed by the Condominium and the cost thereof shall be charged to the Residential Unit Owners as a Residential Common Expense. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the owner of such Unit (unless such breakage is caused by the Residential Committee, or the 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 Board, the Residential Committee or such negligent Unit Owner, as the case may be). Please refer to the Section of the Plan entitled "Description of Property" in Part II of the Plan for further details.

It is not unusual for there to be distortion in the peripheral portions of large windows. The distortion can be caused by changes in temperature, changes in elevation from where the insulating glass units were fabricated, changes in barometric pressure, wind loads, glazing pressure around the periphery of the glass and the heat treatment process used for heat-strengthened and tempered glasses. Distortion is very subjective and the degree of distortion can change due to environmental conditions as listed above. Due to the shape of the curved glass windows, there is the risk of audible reflections occurring within the area, from a person speaking, for example. To mitigate the audible reflections, acoustic ceilings will be installed and retractable window drapes and tracks will be provided at each curved glass corner within each Unit.

55. **Wood Materials**. Purchasers are advised that Residential Units will feature finished in place wood flooring. Wood flooring should not be washed with water and should be maintained in accordance with the manufacturer's recommendations. Sponsor makes no representation as to the number of times such floors can be sanded. Sponsor is not responsible for: (i) variations in floor level and slight separation between base and floor; (ii) variations in width, length or tone of wood floor strips or normal shrinking or expansion of wood flooring due to

changes in moisture content of wood; or (iii) scratches and dents in flooring. Nearly every wood floor will have some seasonal separation between the individual boards, which is normal. However, excessive shrinkage from humidity can cause more serious, irreparable issues such as cracking, cupping, delamination, and even buckling.

Purchasers should also note that wood materials used as finishes have certain inherent risks associated with such use. Risks associated with wood products (including, but not limited to wood flooring, furniture, cabinetry, interior of cabinetry, moldings, etc.) include, but are not limited to: appearance of cracks between floor boards, gaps, squeaks, variation in color, variation in wood grain, texture, occurrence of knots, and cupping. Cracks, gaps, occurrence of knots and grain variation are more noticeable in light colored wood flooring. Furthermore, wood flooring is sometimes affected by sunlight and often fades and changes with use and age. Some woods darken and some lighten when exposed to light. Sponsor makes no representation or warranty that the wood floors will maintain their appearance after they are subject to wear and tear. Wood flooring can also dent. Protective felt pads and protective material should be used when placing furniture or appliances. A wet mop should never be used on wood flooring because it can cause warping and cracking. Standing water will cause cupping, swelling and subsequent gapping. (See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

56. **Stone Surfaces**. Certain surfaces in the Residential Units may consist of natural stone, such as marble or limestone. Purchasers are advised that natural stone can be porous, calciferous, with the potential to absorbed and/or chemically react to certain substances. Purchasers should note that special care will be necessary in the maintenance and cleaning of certain materials in the Residential Units. Natural stones such as marble or limestone have natural variations in colors and markings which require cleaning with neutral cleaners that are free of acidic or alkaline solutions, bleach, ammonia or abrasives that can break down sealers and damage or stain the stone surface. Such stone surfaces may be sealed so as to prevent absorption, etching discoloration and/or staining.

To reduce (but not eliminate) the possibility of absorption, etching discoloration and/or staining, Sponsor may apply a sealer to the stone surfaces in the Residential Units prior to delivery of such Residential Unit to Purchaser. Such stone surfaces may require sealing and resealing at some point in the future, and any such sealing will help with water absorption and staining which may alter colorations. Purchasers are advised that impregnating sealants and using daily stone cleaners, which have been specially developed for cleaning stone, are recommended for proper maintenance. Purchasers are advised that the application of a sealer to stone surfaces does not in any way guarantee that future absorption, etching, discoloration and/or staining will not occur. Furthermore, it will be each Residential Unit Owner's obligation to maintain the stone surfaces, including the engagement of a professional to reapply the sealer at regular intervals. Purchasers should consult a professional regarding the proper care and maintenance necessary to preserve the appearance of any stone surfaces in their Residential Units.

57. **Purchase of Multiple Units**. If a Purchaser has entered into Purchase Agreements to purchase more than one Unit, a default by Purchaser in the payment or performance of any obligations under any of such Agreements, beyond any applicable grace periods, shall be deemed a default under all of the Purchaser's Purchase Agreement. In the event of a such a default, Sponsor

may, at its option, cancel each such Agreements and retain, as liquidated damages, all Down Payment(s) made by Purchaser, together with any interest earned thereon, if any, under each of such Agreement(s).

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

Notwithstanding the foregoing, where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to Purchaser, no material change will be made in a Unit's size, layout or proportionate share of aggregate common interest unless (i) the affected Purchaser consents; (ii) the Purchaser is in default or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Law, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where, in the exercise of sound construction management practices, no practicable alternative exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Agreement(s) and receive a refund of their Option Payment(s), together with all interest earned thereon. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material.

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

59. **Storage Licenses**. The Sponsor will be selling licenses to use the Storage Bins which are in the Lower Level of the Building. Subject to their availability, the Purchaser of any Unit will have the right to purchase a Storage Bin License (a "License"). Storage Bins may only be owned by Unit Owners. A Unit Owner who owns a Storage Bin License will only be permitted to sell it to another Unit Owner or the Purchaser of a Unit. There is no certainty that when a Unit Owner sells his or her Unit there will be another Unit Owner, who may want to purchase the Storage Bin License if the Unit Owner's Purchaser is not interested in purchasing it, in which event the Unit Owner will have to surrender it to the Board. A temporary certificate of occupancy is not required for the sale of use rights with respect to Storage Bin Licenses. Purchasers may be required to consummate their purchase of use rights with respect to a license simultaneously with their Unit(s)' closing even though a temporary certificate of occupancy has not been issued (and access may not be available) for the areas of the Building designated for the Storage Bins. Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license fee to the Condominium in an amount of $1.50 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the

license fee is subject to change from time to time as the Board deems necessary in its discretion.

(See the Sections of the Plan entitled "Offering Prices and Related Information, Schedule A" and "Closing of Title to Units" for further details.)

60. **Storage Bins**. Although the Storage Locker Area is located within the Residential Common Elements, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell Storage Locker Licenses to use the Storage Lockers installed therein. The Storage Bins may only be used for storage purposes, and in no event may the Storage Bins be used as dwelling spaces. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein, and Storage Bins may not be used to store toxic, inflammable or combustible items as defined in the Building Code of the City of New York. Failure of a Residential Unit Owner to comply with the use limitations set forth in the immediately preceding sentence may result in issuance by the New York City Department of Buildings of a violation against the Building along with imposition of an associated fine, which fine shall be paid by the violating Residential Unit Owner as more particularly set forth in By-Laws. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any purpose permitted by Legal Requirements (as hereinafter defined) or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration. If at any time the licensee of a Storage Bin sells its Residential Unit, it shall simultaneously assign its license of the Storage Bin to another owner of a Residential Unit, and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee. The area in which the Storage Bins are located is not climate controlled. See the "Description of Property and Improvements" Section of Part I of the Plan.

61. **Sponsor's Right to Substitute Storage Bins**. At or prior to delivery of the Storage Bin License to Purchaser, Sponsor has the right, with or without prior notice to Purchaser, to substitute the Storage Bin designated in the Storage Bin License (the "Original Storage Bin") or in the Storage Bin rider therefor for an alternate Storage Bin (the "Substituted Storage Bin"), provided that such Substituted Storage Bin is of equal or larger size than the Original Storage Bin and provided further fees payable by Purchaser to the Condominium in connection with such Substituted Storage Bin are comparable per square foot to those payable in connection with the Original Storage Bin. Any exercise of Sponsor's rights to designate a Substituted Storage Bin shall not result in an increased purchase price or monthly license fee for the Storage Bin and shall not afford Purchaser any abatement in Purchase Price or excuse Purchaser from its obligations under the Storage Bin License. Please refer to the Section of the Plan entitled "Introduction – Offering of Storage Bin Licenses" for further discussion.

62. **Interim Use and Occupancy Agreements**. Sponsor may, in its sole discretion, permit occupancy of a Unit pursuant to an Interim Occupancy Agreement or other written rental agreement. In the event a Purchaser occupies a Residential Unit pursuant to an interim lease with Sponsor, and such Purchaser rescinds its Option Agreement due to an amendment to the Plan which discloses a material adverse change to the Plan and offers Purchasers the right to rescind, such Purchaser shall be obligated to surrender the Residential Unit within thirty (30) days thereafter, free of all occupants and in broom clean condition. If a Purchaser fails to timely vacate the Residential Unit before the First Closing has occurred, the Purchaser shall be liable for use and occupancy in an amount equal to twice the rent under an interim lease. If a Purchaser fails to timely

vacate the Residential Unit after the First Closing has occurred, the Purchaser shall be liable for twice the costs of carrying the Residential Unit (such as Residential Common Charges and the allocable portion, based on Residential Unit, of debt service on any loan covering Unsold Residential Units) as calculated by Sponsor. In addition, irrespective of when such failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for the following: (i) loss of profit and (ii) all costs and expenses incurred by Sponsor to obtain possession of the Residential Unit, including the cost of litigation and reasonable attorneys' fees and expenses.

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

See the Section entitled "Interim Use and Occupancy Agreements" for more information.

63. **Time Is of the Essence**. After the Plan is declared effective, Purchasers will receive at least thirty (30) days' prior notice of the scheduled Closing Date and, in the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after notice within which to cure, time being of the essence, such default, following which Sponsor shall have the remedies set forth in "Procedure to Purchase" in Part I of the Plan. Time is of the essence with respect to the Purchaser's obligation to close title on the date set for closing and to pay, perform or observe all of his or her other obligations under the Agreement, and to cure a default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default. Therefore, a Purchaser who defaults under his or her Agreement and who does not cure such default within such 30-day period may not be permitted any additional time to cure such default. TIME IS OF THE ESSENCE TO PURCHASER AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE PURCHASE PRICE. See the Section entitled "Procedure to Purchase" for more information.

64. **Option Agreement**. The agreement that Purchaser will execute in connection with the purchase of Residential Units is referred to as an "Option Agreement." A form of the Option Agreement is contained in Part II of the Plan. An Option Agreement (as opposed to a purchase agreement) permits Sponsor to defer the reporting of income from the sale of the Residential Units until the year in which the sale closes. Were the agreement to be re-characterized by the Internal Revenue Service ("IRS") or Sponsor as a purchase agreement in connection with Sponsor's income tax filings, there would not be adverse tax or other consequences to Purchaser. The term

"Option Agreement" does not mean that Purchaser is receiving any optional upgrades to the Residential Unit, except as may be specifically stated in the Option Agreement. Sponsor must sell to a Purchaser who exercises the option under the Option Agreement (which Purchaser does by electing to close and paying the Exercise Price at Purchaser's Residential Unit Closing), and performs all of Purchaser's obligations under the Option Agreement. Purchaser has the right of specific performance against Sponsor in the event of Sponsor's breach of the Option Agreement. See Part I, Section L of the Plan, entitled "Procedure to Purchase and Close," for additional details.

65. Development Rights. All excess air or developmental rights otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan will be retained by the Sponsor. As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation, the Sponsor or successor owner of the Development Rights may transfer or sell such Development Rights to the owner(s) of adjoining properties or offsite and in such case such properties may be increased as a result of such transfer or sale. The Development Rights will not be used to add additional floors to the top of the Building or to physically expand the Building. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties or offsite, a Unit Owner's views and exposure to light may be affected. The Board will be obligated to execute any required documents confirming the rights of the Sponsor or a subsequent owner of the Development Rights to obtain and utilize such Development Rights. See the Section entitled "Development Rights" for more information.

66. Delivery of Closing Documents. Each Purchaser's title underwriter must agree (i) to timely submit the Unit Deed, all Transfer Tax forms and checks for payment of such Transfer Taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser; and (ii) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event the title underwriter (or its abstract company) fails to file such Unit Deed and Transfer Tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency. If said title underwriter does not execute an indemnification substantially in the form set forth as Exhibit A to the Agreement in Part II of the Plan, Purchaser must, as more fully set forth in the Agreement, agree to indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) if its title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed, transfer tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency, and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. (Please refer to the "Closing Costs and Adjustments" Section of Part I of the Plan and a copy of the Agreement set forth as an Exhibit in Part II of the Plan.)

67. Stack Effect. "Stack Effect" is a phenomenon that can exist in all buildings and is caused by a difference in temperature between the inside and outside of a building, resulting in different air densities. Stack Effect may generate uncontrolled airflows throughout the Building, which could result in, among other things, noise conditions. The Building has been designed to

minimize the potential impact of Stack Effect, however Sponsor makes no guarantee or warranty as to the effectiveness of such mitigation measures.

68. **Restriction on Hanging Electronic Equipment**. TELEVISIONS, AUDIO SPEAKERS AND OTHER NOISE GENERATING EQUIPMENT MAY NOT BE HUNG ON DEMISING WALLS SEPARATING RESIDENTIAL UNITS AS THIS COULD TRANSMIT NOISE FROM ONE RESIDENTIAL UNIT TO THE NEXT. MOREOVER, RESIDENTIAL UNIT OWNERS SHALL NOT BE PERMITTED TO MAKE ANY ATTACHMENTS OR PENETRATIONS TO DEMISING WALLS SEPARATING RESIDENTIAL UNITS SO AS TO AFFECT THE FIRE RESISTANCE AND/OR SMOKE RATING OF SUCH WALLS, AS REQUIRED BY APPLICABLE LEGAL REQUIREMENTS.

69. **Model Residential Unit**. Purchasers are advised that there may be certain design elements included in a model Residential Unit that are not offered for sale and not included in the Residential Units being sold. Specifically, the furniture, furnishings, materials, equipment, hardware, installations, lighting or decorations displayed in a model Residential Unit should not be deemed to be included in the sale of a Residential Unit, except as otherwise described in this Plan. The materials, appliances and finishes, etc. in the Building and/or Residential Units are described in this Plan and are subject to modification as provided herein, and may vary from those displayed in a model Residential Unit. All dimensions in a model Residential Unit are approximate and subject to normal construction variances and tolerances. Purchasers should consult the Floor Plans appearing as Exhibit 7 in Part II of the Plan and consult Sponsor with any questions as to precisely what design elements their Residential Unit will include.

70. **Marketing Material**. In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like ("FFE") in any portion of the Building or Residential Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Residential Units imply or represent that any such FFE will be located within any portion of the Building or Residential Units. The presence of FFE in such marketing materials is for illustrative purposes only. Purchasers should note that references on the Floor Plans to galleries within Units can also be termed hallways or corridors. Similarly the term media room does not imply that the room is pre-wired or particularly suited to presentation of media or limited to such use but rather is a suggestion of how the room might be used. That same room might also be used in other ways, including as a sitting room, study, office or bedroom. 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.

71. **Dispute Resolution**. The Option Agreement contains a clause requiring that any dispute arising out of or relating to the Option Agreement including, without limitation, regarding the disposition of Option Payment funds, be submitted to "Expedited Arbitration". Expedited Arbitration means a binding arbitration proceeding held in New York County administered by JAMS, or if JAMS is no longer providing such service to another private alternative dispute resolution provider selected by Sponsor which is not affiliated with Sponsor (the "ADR Provider") and conducted, to the extent consistent with the Option Agreement, in accordance with the then prevailing rules and expedited procedures of the ADR Provider (the "ADR Rules").

The Arbitration forum shall be JAMS. The Arbitration shall be conducted in accordance with JAMS Streamlined Arbitration Rules and Procedures (the "JAMS Streamlined Rules"). The JAMS Streamlined Arbitration Rules and Procedures may be accessed at: http://www.jamsadr.com/rules-streamlined-arbitration. See the Subsection entitled "Dispute Resolution" in the Section entitled "Procedure to Purchase" for further discussion.

By submitting to Expedited Arbitration the parties to the Option Agreement waive the right to bring suit in court concerning disputes under the Option Agreement and agree to accept the Arbitrator's decision as final; there is generally no right to appeal. The right of the parties to be represented by counsel and to submit data, memoranda and similar material in support of their respective positions, and the ability of the parties to obtain documents, witness statements and other discovery may be more limited in Expedited Arbitration than in court proceedings. After hearing the dispute, the Arbitrator shall be obligated to render a determination (the "Award") within the applicable time period under the ADR Rules for the rendering thereof. The Award shall be final and binding upon the parties. Any motion to confirm or vacate the Award must be filed in a federal or state court located in the City, County and State of New York.

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

Except as prohibited by law, the parties to the Option Agreement waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement, the Offering Plan, or the relationship created thereby. 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. No party to the Option Agreement shall seek or receive consequential or punitive damages against the other.

(See the Section entitled "Procedure to Purchase" in Part I of the Plan, as well as the form of Option Agreement, annexed as Exhibit 1 in Part II of the Plan, for further discussion.)

72. **Safety Devices**. Residential Units will be equipped with certain safety devices including fire and carbon monoxide alarms, which have to be checked regularly to make certain that they are operating properly. See the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board".

73. **Façade**. This Project is enclosed by a slab edge anchored curtain wall system designed to withstand thermal movement within the curtain system as well movement of the structure itself. As the Building moves due to environmental influences (wind, thermal, etc) , the curtain will move accordingly as it is designed. This movement will result in noises which will be audible. These noises could range from a "creak" to a "pop" and typically will occur with drastic changes in temperature or during a wind event. Neither Sponsor, the CM nor the curtain wall supplier will be responsible to investigate or mitigate this noise. See the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board".

74. **Leed Gold Certification**. Sponsor is attempting to have the Building receive LEED Gold Certification LEED (Leadership in Energy and Environmental Design) is a framework to create healthy, highly efficient and cost-savings green building, which is awarded by the U.S. Green Buildings Council. Sponsor will use reasonable efforts to obtain the certification but there is no certainty that it will be achieved. See the Section of the Plan entitled "Description of Property and Improvements" and the "Description of Property" in Part II of the Plan.

75. **Parking Licenses**. Sponsor owns ten (10) parking licenses for parking ten (10) automobiles in the garage at 551 West 21st Street. Sponsor is offering the ten (10) licenses for sale to Purchasers of Residential Units pursuant to the Parking Space License Purchase Agreement included in Part II of this Plan. Such sales will be effectuated by Sponsor and the Purchaser entering into an Assignment and Assumption of Parking Space License (the "Parking License") the form of which is set forth in Part II of this Plan as Exhibit 17. Purchasers may only use the garage at 551 West 21st Street for the parking of passenger automobiles and motorcycles. The garage is a public garage with a maximum capacity of 53 vehicles. The garage will not be a self-park garage. Vehicles will be parked by the staff of the company engaged by the 551 West 21st Street Condominium to operate the garage. Therefore, the Parking License will not be attributable to any particular parking space but rather entitles the Purchaser the right to use the garage for the parking of one (1) vehicle. No representation or guaranty of the availability of any particular parking space is made. Further, the Parking Licenses are being sold as is; Sponsor makes no representations or warranties with regard to the Parking Licenses or the garage.

A holder of a Parking License will be required to pay its pro-rata share (i.e., 1/53rd) of the projected costs incurred by the 551 West 21st Street Condominium attributable to the operation of the garage (e.g. real estate taxes, labor, electricity, insurance, management fee, cleaning, maintenance and other associated costs, collectively the "Parking Garage Operating Costs"). Such pro-rata share will be billed to the Purchaser by the 551 West 21st Street Condominium. Failure to pay such Parking Garage Operating Costs will be deemed a default under the Parking License. An adjustment will be made as of midnight of the day preceding the Closing Date with respect to the monthly license fee and assessments for the month in which the Parking License is issued.

Prospective Purchasers will be required to deliver a deposit in the amount of fifteen percent (15%) of the purchase price of the Parking License upon execution of the Parking Space License rider to the form of Agreement and an additional deposit in the amount of ten percent (10%) of the purchase price of the Parking License concurrently with the payment of the Additional Option Payment. Sponsor reserves the right to offer as many Parking Licenses as it determines in its sole discretion. Sponsor shall offer the Parking Licenses to Purchasers of Residential Units on a first-come, first-served basis until such time as all of the Parking Licenses have been purchased. Sponsor reserves the right to limit the number of Parking Licenses sold to any one Purchaser or to make bulk sales, as it determines in its sole discretion. The right to use the garage may be sub-licensed by the holder of a Parking License, but parking spaces may not be licensed on an hourly, daily or similar short term or transient basis for a term of not less than thirty (30) days. See the Sections entitled "Introduction" and "Description of Property and Improvements" for further details.

76. **Mortgage Recording Tax**. If Purchaser obtains a mortgage loan for the purchase

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

77. **Mold.** Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for and Purchaser hereby waives any claim for any actual, special, incidental or consequential damages based on strict liability, or breach of express or implied warranty, unless caused by the negligence or misconduct of Sponsor. The provisions of this paragraph shall survive closing of title or the termination of the Option Agreement. See the Option Agreement, set forth as Exhibit 1 in Part II of the Plan, for more information.

78. **Rebates to Unit Owners of Surplus of Annual Receipts.** Notwithstanding the various Common Charges required to meet the expenses set forth in the projected Budget for the first year of Condominium operation in connection with the Budget provided in this Plan or until the expiration of the Initial Control Period, if the actual expenses of operating the Condominium are less than the projected expenses set forth in the Budget for the first year of Condominium operations then, to the extent such excess was paid by such Unit Owner, the difference between the actual expenses and the full Common Charges will be refunded to all Unit Owners (including the Sponsor) on a pro-rata basis in the form of either a credit against future Common Charges or as a cash reimbursement if the Unit Owner (including the Sponsor) has sold the Unit prior to the receipt of the full credit. Sponsor makes no warranty or representation that the operating expenses during this period will be less than the actual Common Charges or as to the amount of nay credit that may be available as a result of such computation.

Notwithstanding the foregoing, if a refund is contemplated for the first or any subsequent year of Condominium operation, such refund may only be effectuated if an independent certified public accountant, as part of its preparation of the yearly annual statement for the Condominium has determined that a refund is warranted based on an excess payment of Common Charges by Unit Owners over actual expenses for the Condominium and has determined the amount of such refund as part of its annual review. For purposes of this Plan, an "excess

payment of Common Charges" shall mean the actual expenses of the Condominium (or specific sections of the Condominium as applicable) were less than the projected expenses set forth in the Budget of the Condominium (or the applicable section). No refund may be given unless all expenses of the Condominium are paid, including but not limited to, insurance premiums and reserve funds required by lenders. Additionally, if income taxes are owed, the refund will be reduced by the income taxes owed to the Condominium with respect to the surplus. During the budget year following a year for which a refund was effectuated, no special assessment or increase in Common Charges shall be instituted to pay for any item which was set forth in the previous year's budget and which was refunded to Unit Owners as per the foregoing. While Sponsor controls the Board it is required to regularly update and provide budgets to Unit Owners.

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

79. **Smoking Policy**. Unless and until changed by an amendment of the By-Laws, the Condominium's Smoking Policy is that smoking is not permitted in the Common Elements. Subject to law, smoking is permitted in the individual Units, provided that the smoke does not enter into other Units or the Common Elements. The Residential Committee or the Board shall have the right to obtain a court order enjoining the occupant of a Unit from smoking in the Unit or the Common Elements if the smoke escapes the Unit and the Residential Committee or the Board shall have the right to seek the eviction of a tenant, who smokes in a Unit or the Common Elements if the smoke escapes form the Unit. In addition to all other remedies available to the Residential Committee or the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Residential Committee and (ii) reimbursement of any fees or expenses incurred by the Condominium to cause the smoke infiltration into the Common Elements or another Unit to cease (including legal fees) in enforcing this provision. See the By-Laws in Part II of the Plan.

80. **Right of First Refusal**. Each Residential Unit Owner may sell or lease his or her Unit provided such Unit Owner (the "Transferor") first gives the Residential Committee, on behalf of all Residential Unit Owners, notice of his or her intention to sell or lease such Unit accompanied by a fully executed copy of the contract of sale, lease or other transfer or occupancy agreement together with a completed copy of the Condominium's standard form of Purchase Application or Lease Application, as the case may be (the "Offering Notice") 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 8 of the By-Laws. The Residential Committee does not have the right to approve or disapprove a purchaser of a Residential Unit. With certain exceptions (for example, Sponsor and its designee, or a Permitted Mortgagee, are not required to give the Residential Committee or the Board a right of first refusal with respect to any Unsold Units), any sale or lease of a Residential Unit will be subject to a right by the Residential Committee or the Board to acquire or lease such Residential 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. The Residential Committee or the Board has the right to reject sales and leases to purchasers and tenants who themselves (or residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal. Please refer to the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board."

81. **Façade Inspections**. Building facades in New York City are inspected pursuant to Local Law 11 of 1998 known as Façade Inspection Safety Program ("FISP"). All exterior walls must be inspected with the exception of walls that are less than twelve inches from the exterior wall of an adjacent building. FISP inspection reports must be filed every five years by a Registered Architect or Professional Engineer. The condition of the Building is classified as Safe, Safe with Repair and Maintenance Items (SWARMP), or Unsafe. A Safe building needs no further action, a SWARMP building must be repaired in the time frame listed by the Engineer or Architect in the report, and an Unsafe building must provide immediate protection of the public and be repaired within 30 days. Any item that jeopardizes safety of pedestrians below is an unsafe condition. The Board will be responsible for managing and paying for the Local Law 11 work. Compliance with Local Law 11 for newly constructed buildings begins five years after obtaining the initial TCO for the Building and inspections are performed during certain "cycles". It is anticipated that the first inspection for this Building will not occur until the cycle after the next cycle, which has not yet been calendared, and, therefore, the filing window for this Building has not been determined yet. Please refer to the Description of the Property and Building Condition in Part II of the Plan.

82. **Broker**. Sponsor will pay the commission earned by the brokers listed in the Agreement pursuant to a separate agreement. Per the Agreement, Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the brokers listed in the Agreement, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. Please refer to the Purchase Agreement attached as Exhibit 1 in Part II of the Plan.

83. **Sub-soil Environmental Conditions**. The results of a remedial investigation consisting of 11 soil borings, 5 groundwater monitoring wells, and 7 soil vapor probes are summarized in the January 25, 2018 Remedial Investigation Report. Historic fill exhibiting evidence of petroleum-like impacts in soil was identified from 6 to 11 feet below ground surface across the central and eastern portions of the site. Several contaminants of concern, including volatile organic compounds, semi-volatile organic compounds, pesticides, and metals, were detected above Unrestricted Use Soil Cleanup Objectives and/or Residential Use Soil Cleanup Objectives. Lead was detected in one sample at a concentration exceeding the Resource Conservation and Recovery Act hazardous limit for lead. In groundwater, contaminants of concern were detected at concentrations exceeding the Technical and Operation Guidance 1.1.1. Ambient Water Quality Standards for Class GA waters. In soil vapor, trichloroethene and tetrachloroethene were detected at concentrations exceeding the New York State Department of Health Air Guideline Values at concentrations requiring mitigation. A New York State Department of Environmental Conservation Spill was registered (Spill No. 1505292) when petroleum-like odors, staining, and photoionization detector readings were observed during the remedial investigation.

The site is being enrolled into the New York City Office of Environmental Remediation (OER) Voluntary Cleanup Program and a Remedial Action Work Plan (RAWP) was submitted to OER on May 2, 2018. The proposed remedial action consists of a Community Air Monitoring Program during construction activities involving the disturbance of site soils, selection of site-specific Track 4 Soil Cleanup Objectives, site-wide excavation of soil/fill down to the proposed development cellar depth and removal of soil/fill exceeding the selected Track 4 Soil Cleanup Objectives, collection and analysis of endpoint samples to confirm the performance of the remedy,

construction of a concrete slab beneath all building areas, installation of a waterproofing membrane/vapor barrier at least 20 mils thick and capable of preventing the intrusion of soil vapors, and several other remedial actions as described in the RAWP. Upon completion of remediation, a Remedial Action Report (RAR) will be submitted and a Notice of Completion will be issued by OER upon approval of the RAR. The RAWP shall be submitted to Unit Purchasers.

The Remedial Action Report (RAR) will be provided after completion of the remediation. The remedial action includes the removal of all soil exceeding Track 4 Site-Specific Soil Cleanup Objectives throughout the development depth; therefore, no hazardous materials will be left in soil. Soil vapors will be mitigated by the construction and installation of a engineered composite cover consisting of an 18- to 20-inch concrete slab underlain by a waterproofing membrane/vapor barrier. Because Track 1 Soil Cleanup Objectives will not be achieved, the E designation will remain on the property. Further monitoring and remediation will not be required; however, future periodic inspections shall be conducted in accordance with a Site Management Plan (SMP) to be established for long-term effectiveness of all engineering and institutional controls. The engineering controls to be inspected and maintained include the composite cover and vapor barrier. The institutional controls impose the following restrictions: continued registration of the E-Designation for the property; submittal of a Site Management Plan in the RAR for approval by OER; vegetable gardens and farming on the Site are prohibited when in contact with residual soil; use of groundwater underlying the Site is prohibited without treatment rendering it safe for its intended use; all future activities on the Site that will disturb residual material must be conducted pursuant to the soil management provisions in the approved SMP; the Site will be used for residential and commercial use and will not be used for a higher level of use without prior approval by OER.

The SMP shall be provided Unit Purchasers. All of the above information is provided in detail in the May 2018 Remedial Action Work Plan, which shall be submitted to Unit Purchasers.

Site management is the last phase of remediation and begins with the approval of the RAR and issuance of the Notice of Completion for the Remedial Action. The SMP describes appropriate methods and procedures for implementation of engineering and institutional controls that are required by this RAWP. The SMP is submitted as part of the RAR but will be written in a manner that allows its use as an independent document. Site management continues until terminated in writing by OER. The property owner is responsible to ensure that all site management responsibilities defined in the SMP are implemented. The SMP will provide a detailed description of the procedures required to manage residual soil/fill left in place following completion of the remedial action in accordance with the Voluntary Cleanup Program. This includes a plan for: implementation of engineering and institutional controls; operation and maintenance of engineering controls; and inspection and certification of engineering and institutional controls.

Site management activities and engineering and institutional control certification will be scheduled by OER on a periodic basis to be established in the RAR and the SMP and will be subject to review and modification by OER. The SMP will be based on a calendar year and certification reports will be due for submission to OER by July 31 of the year following the reporting period. The sub-soil testing will be done by a licensed environmental testing company who will be an independent third party.

Sponsor's engineer anticipates that the Building will be required to submit an annual inspection/report each year for the first two (2) years of Condominium operation; thereafter, Sponsor's engineer anticipates that such reports will be required once every five (5) years; provided however, the foregoing is only an assumption. Ultimately, OER will determine the requirement to submit such reports and the frequency of such submissions. As of the date hereof, the preliminary estimate of the cost for three (3) inspections/reports is $20,000.

Please refer to the Description of Property in Part II of the Plan.

84. **Flood Barrier**. The flood resistance of the Building is being achieved by various strategies and systems. Where there is an opaque wall at the ground floor, there exists a cantilevered cast-in-place concrete flood wall behind the exterior wall cladding which is designed to resist the hydrostatic, hydrodynamic, and debris impact loads and keep the Building dry (dry flood-proofing strategy) up to the design flood elevation. Where there is a fixed (non-operable) glass storefront at the ground floor, the glass and storefront system has also been designed to keep the Building dry (dry flood-proofed) and is designed to resist the hydrostatic, hydrodynamic and debris impact loads. At all of the Building entrances except for the residential service entrance and the exit at Stair C, the flood protection is provided by a deployable flood barrier system. The deployable flood barrier system will consist of a metal post and log system (approximately 5' high) with gaskets and seals that is stored within the Building (on the cellar level) and, in the event of a storm or flood event, shall be deployed to protect the entrances and keep the Building dry. At the residential service entrance and Stair C exit, there exists flood vents and a wet flood-proofed vestibule. The vestibules are designed to be water-tight to retain the flood waters within the vestibule while keeping the adjacent spaces and spaces below dry. The flood barrier system will be installed by a third party that specializes in performing this work.

A flood emergency plan will be in place and adopted by the Board which will include an emergency evacuation plan with instructions for all occupants of the Building. The preparation of the plan is the responsibility of the building owner, and in the case of the Condominium, the Board, and will include evacuation procedures during the warning period (before the flood), after the flood (with barriers installed), and during annual testing/inspection periods of the flood barrier systems. Assisted rescue for persons with mobility impairments during the flood event and during annual testing periods (with barriers installed) should also be addressed by the owner's flood emergency plan and should include provisions for assisting persons with mobility impairments in navigating flood stairs and entering rescue boats. Please refer to the Description of Property in Part II of the Plan.

85. **Flood Barrier Costs**. The costs of assembling and disassembling the flood barrier are not known at this time. Such costs will be determined and included in the first Amendment to the Plan.

86. **Window Washing and Exterior Building Maintenance Equipment.** Maintenance of the exterior vertical facades of the tower portion of the Building (floors 5 through 21) will be accomplished through a Building Maintenance Unit ("BMU") located on Bulkhead Level 3. The BMU will incorporate a long rotating and telescopic boom arm to access all portions of the facade. Although direct access is not required by the workers, the ropes that are used for the platform transfer will be draped over the Terrace(s) while the platform is over the side. For this

reason, the Terrace(s) will not be able to be used while drops are being performed in these areas. All Terraces must be accessible to maintenance personnel for emergency rescue only, and not for normal operation of the BMU.

A separate glass handling winch system, as part of the BMU, will be provided to assist glass replacement from the exterior. The winch system will be controlled from the platform and its speed synchronized with that of the platform hoist. Replacement glass is anticipated to be brought in from the inside of the Building passed out through the opening and attached to the winch system. In addition to glass replacement, the BMU can be used for building maintenance and repairs.

As platform and other accessory building maintenance equipment traverse down and back up the façade, vertical guide track mullions, intermittent stabilization anchors, and/or bumper rollers are used to track and stabilize the work platform during façade maintenance operation. During exterior building maintenance operations, maintenance and accessory equipment shall be temporarily visible from the interior of the unit, and potentially in front of operable windows, from time to time for specified durations by building management.

Electrical power shall be provided to operate the BMU. A hose bib will be provided on bulkhead level 3. The manufacturer of the BMU is Gind (www.gind.es), Model: SJ-2630, Vertical Run: 305ft, Hoisting System: Drum system, Traversing System: Static Machine, Dead Weight: 122,600 pounds. The equipment maintenance contract will be for maintenance 8 times in one year.

The warranty consists of a guarantee against defects in material, workmanship, or installation for all components, providing for repair or replacement for a minimum period of one year, including material and labor. The pricing for inspection and maintenance is anticipated to be approximately: $28,840 in year 1 of operation, $29,705 in year 2, $30,596 in year 3, $31,514 in year 4, and $32,459 in year 5.

The Building does not have permanent provisions for maintenance of the building façade below at the podium setbacks along the north and west sides of the Building. Maintenance shall be accomplished by access from the street. Please refer to the Description of Property in Part II of the Plan.

87. Transfers of Development Rights; Light and Air Easement; Permitted Encumbrances. Neighboring properties had "excess development rights", as such term is defined in the Zoning Resolution, which were transferred from such neighboring properties to the Land to be used by Sponsor in the development and construction of the Building. Such transfers of excess development rights pursuant to documents recorded in the City Register's Office, New York County, include the following: (a) the transfer of excess development rights to the Land by 505-507 West 27 Street Limited Partnership from its properties located at Block 699, Lots 27 and 42. (Permitted Encumbrances numbers 18 and 21); (b) the transfer of excess development rights to the Land by Is-Ila Realty Corp. from its property located at Block 692, Lot 27 (Permitted Encumbrance number 20); and (c) the transfer of excess development rights to the Land by 509-511 West 27 Street Limited Partnership from its property located at Block 699, Lots 25 and 26 (Permitted Encumbrance number 22.)

The transfer of the excess development rights appurtenant to Block: 692, Lot 27 by Is-Ila Realty Corp. is also subject to a "Restrictive Declaration Highline Transfer of Development Rights" (Permitted Encumbrance number 19), which sets forth certain obligations of Is-Ila Realty Corp. related to its parcel. Sponsor is not a party to the document and the obligations contained in such document will not be binding upon the Condominium Board or the Unit Owners. In the event there are excess development rights available to the Property after the construction of the Building has been completed, the same will be retained by Sponsor as described above.

In addition, Sponsor entered into a Zoning Lot and Development and Easement Agreement ("ZLDA") with DZ 20th Street LLC ("DZ"), whereby DZ and Sponsor created a merged zoning lot (the "Merged Zoning Lot") and DZ transferred excess development rights from its property located at Block 692, Lot 11 (the "DZ Land") to the Land (Permitted Encumbrance number 23). The Merged Zoning Lot may be enlarged or subdivided in accordance with the ZLDA. Pursuant to Article XIV of the ZLDA, the rights and obligations of Sponsor under the ZLDA, including, without limitation, the rights to consent to modifications or amendments of the ZLDA and obligations to execute documents under the ZLDA, are vested in Sponsor for so long as Sponsor owns Units having a majority of the Common Interests in the Condominium (irrespective of whether Sponsor remains in control of the Board). At such time when Sponsor no longer owns Units having a majority of the Common Interests in the Condominium, the rights and obligations set forth in Article XIV of the ZLDA shall be vested in the Board. In no event will the consent of any individual Unit Owner be required. Pursuant to the Unit Owner Power of Attorney, each Unit Owner authorizes the Sponsor or the Board to act on the Unit Owners' behalf in respect to the enforcement and administration of the ZLDA.

Pursuant to the ZLDA and the Light and Air Easement entered into by and between DZ and Sponsor, recorded on October 23, 2017 (Permitted Encumbrance number 24), DZ granted to Sponsor a permanent and perpetual easement for light and air to benefit the Property and an unobstructed view over and above the roof of the building located on the DZ Land. See the Sections of the Plan entitled "Description of Property and Improvements", "Terms of Sale" and "Development Rights".

88. **Light and Air Easement**. Sponsor has an easement for light and air over the neighboring property located at Block 692, Lot 11, owned by DZ 20th Street LLC. Pursuant to the ZLDA (Permitted Encumbrance No. 23) and the Light and Air Easement entered into by and between DZ 20th Street LLC and Sponsor that was recorded on October 23, 2017 (Permitted Encumbrance No. 24), DZ has granted to Sponsor a permanent and perpetual easement for light and air and unobstructed view over and above the roof of the building located on Lot 11 and having an area coincident with the boundaries of Lot 11. See the Sections of the Plan entitled "Description of Property and Improvements", "Terms of Sale" and "Development Rights".

89. **Memorandum of Temporary Access Agreement**. Sponsor will enter into a temporary access agreement with the Board of Managers of the condominium located at 120 11th Avenue, which is adjacent to the Property, pursuant to which Sponsor will be granted access to 120 11th Avenue, as may be necessary to facilitate the demolition of the improvements currently existing on the Land and the construction of the Building. A memorandum of this temporary access agreement will be recorded. (Permitted Encumbrance No. 25.) See the Sections of the Plan entitled "Description of Property and Improvements", "Terms of Sale" and "Development Rights".

B. INTRODUCTION

1. The Offering Plan

540 West 21st Street Holdings LLC, a Delaware limited liability company ("Sponsor"), hereby presents this offering plan (the "Plan") for the establishment of condominium ownership of certain land consisting of approximately 29,875 square feet on the east side of Eleventh Avenue and the south side of West 21st Street (the "Land"), including a building with twenty (20) construction floors, inclusive of roof levels and cellar levels (the "Building") containing 34 Residential Units, which are referred to collectively as the "Residential Units". The Residential Units and the Residential Common Elements are referred to collectively as the "Residential Section". The Building will also contain one (1) Gallery Unit, and one (1) Retail Unit, which are referred to as the "Non-Residential Units", together with the appurtenances thereto. The Land and the Building are collectively referred to herein as the "Property". The condominium will be known as "540 West 21st Street Condominium" and is called the "Condominium" in this Plan. Sponsor acquired the Land as follows: Lots 53 and 57 on January 30, 2014 from The Atlantic Foundation; Lot 61 on April 19, 2015 from 550 West 21st Street LLC; and Lot 63 on June 30, 2017 from 558 West 21st Street, LLC.

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the 34 Residential Units and 21 licenses for Storage Bins in the Building and 10 licenses to parking at 551 West 21st Street. At this time, the Non-Residential Units will not be offered for sale. The Residential Section and the Gallery Unit will have an entrance on West 21st Street and the Retail Unit will have an entrance on Eleventh Avenue.

Sponsor reserves the unconditional right to rent or lease, rather than sell, the Offered Units after the consummation of the Plan, with the consent of Sponsor's Construction Lender. 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. Because Sponsor reserves the unconditional right to rent or lease Units, there is no commitment to sell more Residential Units than the fifteen percent (15%) of such Units necessary to declare the Plan effective and, accordingly, Residential Unit Owners may never gain effective control and management of the Condominium and/or Residential Section, and the First Annual Meeting may never occur. (See the Sections entitled "Procedure to Purchase", and "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains all of the material terms of the transaction and the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the first year of Condominium operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein in Parts A, B, C and D of the exhibits, constitutes the entire

offer of Sponsor. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge and for copying at reasonable fees at Sponsor's office and at the offices of the Department of Law, 28 Liberty Street, 21st Floor, New York, New York 10005. Copies of the Plan and the exhibits may also be borrowed from Sponsor upon payment of two hundred and fifty dollar ($250) deposit, which amount will be fully refunded after the earlier of (i) the prompt return of all borrowed materials in good condition within ten (10) days or (ii) the execution by the borrower of an Agreement subsequently accepted by Sponsor. All of these documents are important and should be carefully read by prospective Purchaser. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions", unless otherwise indicated.

2. The Condominium

The Sponsor is constructing the Building on the Land, which will be subject to a certificate of occupancy. The Building will contain twenty floors above grade exclusive of roof levels, including seventeen (17) residential floors exclusive of roof levels and cellar level. The floors in the Building are named (from bottom to top): Lower Level, First Floor or "Lobby", Floors 2-12, 14-17, PHC, PHB, PHA, roof and the Roof Bulkheads. As more particularly described herein, the Building will include (a) a Residential Section containing the 34 Residential Units on Floors 4-12, 14-17, PHC, PHB and PHA and the Residential Common Elements which are located on a portion of the Lower Level and the Roof, and (b) two (2) Non-Residential Units and the Non-Residential Common Elements.

There will be available to occupants of the Residential Section, certain first class residential services, including, but not limited to, concierge service, doorman, automatic elevators, and cable television and internet service at an additional charge, swimming pool, family room, spa, hot stone room, showers, changing rooms, yoga room, exercise room, and weight room in the Lower Level.

3. Features of Condominium Ownership

The ownership of a Residential 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. The owners of the Residential Units are collectively entitled to the exclusive use of the Residential Common Elements. He or she also owns, in common with the owners of all other Residential Units, an undivided interest in (and right to use) the Residential Common Elements, and, in common with the owners of all other Units, an undivided interest in (and right to use) the General Common Elements.

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

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his or her Unit(s) with such lender and in such amount as he or she chooses. However,

Sponsor makes no representations about whether a Purchaser will be able to finance the purchase of any Unit. There are no limitations or restrictions upon the rights of the Non-Residential Unit Owners to mortgage the Non-Residential 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 desired except as otherwise provided in the By-Laws and Rules and Regulations and Law, and will be solely responsible for the cost of maintenance and interior repairs to his Unit after Closing. The Board may not limit or restrict the rights of the Non-Residential Unit Owners(s) to decorate the Non-Residential Units.

Once separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will 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 on other Units. Please refer to the opinion of Holland & Knight LLP, counsel to Sponsor, set forth in full in Part I of the Plan, for a discussion regarding the deductibility for federal, New York State and New York City income tax purposes, of real estate taxes and the interest paid on a mortgage, if any, on a Residential Unit.

Neither the Board nor the Residential Committee has the right to approve or disapprove a purchaser of a Residential Unit. With certain exceptions (for example, Sponsor and its designee are not required to give the Residential Committee a right of first refusal with respect to any Unsold Units), any sale or lease of a Residential Unit will be subject to a right by the Residential Committee to acquire or lease such Residential 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. The Residential Committee has the right to reject sales and leases to purchasers and tenants who themselves (or residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal. The Non-Residential Unit Owners may sell or lease all or any portion of its Unit, without any restriction or limitation imposed pursuant to the Declaration or the By-Laws. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board – Sales and Leases of Units". Currently, there is no limit on the number of owners who may purchase for investment (rather than for personal occupancy). Accordingly, there may always be a substantial percentage of owners who are non-residents.

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

Generally, the cost of operating the Residential Common Elements will be borne by the Residential Unit Owners in proportion to their respective Common Interests and the cost of operating the Non-Residential Units and appurtenant Common Elements will be borne entirely by

the Non-Residential Unit Owners. Residential Unit Owners, as such, will have no interest in any rents, profits or revenues derived from the rental or use of any space in the Non-Residential Units and the Non-Residential Unit Owners, as such, will have no interest in any rents, profits or revenues derived from the rental or use of any space in the Residential Section. The costs and expenses of operating and maintaining the General Common Elements will generally be shared by all Unit Owners in proportion to their respective Common Interest except as otherwise provided in the projected "Budget for First Year of Condominium Operation, Schedule B" in Part I of the Plan or in accordance with the terms of the By-Laws. The Condominium Board may make allocations of General Common Expenses and Residential Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with law. The Condominium Board cannot change the method of allocation of Common Expenses or increase the number of building employees servicing the Non-Residential Units as set forth in Schedule B, without the consent of the Non-Residential Unit Owners.

The Residential members of the Condominium Board will be designated as the Residential Committee and will be responsible for deciding all matters solely concerning the Residential Section. Each of the Non-Residential Unit Owners will be responsible for deciding all matters solely concerning Non-Residential Unit Owner's Non-Residential Unit and the Non-Residential Common Elements appurtenant to their unit. Matters affecting both the Residential Section and the Non-Residential Section or affecting the General Common Elements will be decided by the Condominium Board.

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 Board determines, the Board will assess Common Charges. Such charges will be assessed against Residential Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board in accordance with the Condominium Act, Sections 339-(i) and (m). As set forth in the projected "Budget for First Year of Condominium Operation, Schedule B" the Non-Residential Unit Owners share the costs for insurance, heating, water and sewer, life safety equipment (sprinkler), electricity, administration, contingency for repairs and management fees based upon their Common Interests and share the costs of a portion of other expenses such as the cost for labor and related expenses, capital reserve fund, repairs and maintenance and other miscellaneous office expenses based upon estimated usage. Other costs such as the costs for hot water, gas, service contracts and the elevator contract, are not borne at all by the Non-Residential Unit Owners because such utilities and/or services are either separately metered or are not used by the Non-Residential Unit Owners.

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

There are no limitations on who may purchase Residential Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, an association, a trust or any other entity which is permitted to take title pursuant to New York law. Notwithstanding the foregoing, Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale for any reason whatsoever, without the consent of either of the Board, any Unit Owner, or mortgagee, to refuse to approve and execute (a) an Agreement for any Unit and (b) an Agreement or 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, disability, sexual preferences, 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 an Agreement executed by both Purchaser and Sponsor, has been exchanged and Sponsor has collected the funds constituting Purchaser's required Option Payment thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under law.

Current zoning permits the residential use of all Residential Units offered for sale and the Non-Residential use of the Non-Residential Units. Neither the Condominium Board nor the Unit Owners will have any right to restrict or limit any lawful use of the Non-Residential Units, except as otherwise provided in the Declaration and By-Laws. No representation or warranty is made as to who the owner(s) or tenant(s) of the Non-Residential Units may be at any time or as to the uses to which the Non-Residential Units and the Plan will be amended to disclose any new owner of the Non-Residential Units. It is noted that applicable zoning permits a broad range of uses of such space, including, by way of example only and not by way of limitation, community facility use, retail use, use as an eating and/or drinking establishment and use for service establishments.

Since the mortgages and construction loans that will encumber the Property will not be satisfied at or prior to the First Closing, at or prior to the First Closing, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; or (ii) subordinate the lien of its mortgage to the Declaration. In addition, each mortgagee at a closing of a Unit will release its lien on the Unit being conveyed and its interest in the Common Elements.

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

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

4. Offering of Units for Sale

Sponsor hereby offers for sale 34 Residential Units. All equipment and fixtures described in this Plan as being included in a Unit are included in the Offering Price. The prices for each of the Units offered under the Plan are listed in Schedule A entitled "Offering Prices and Related Information, Schedule A". **THE PRICES CONTAINED IN THIS PLAN HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.**

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

Sponsor will endeavor in good faith to sell all of the Offered Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Units offered. However, under the terms of this Plan, Sponsor may retain ownership of the Non-Residential Units and may, decide to rent certain Offered Units from time to time. As a consequence of the foregoing, residents of the Condominium may be comprised of Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Residential Unit Owners and a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. However, the Residential Unit Owners will obtain control of the Condominium Board at the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws). See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

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

Each Purchaser of a Residential Unit will be required to make a contribution to the Working Capital Fund of the Residential Section. 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").

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against his

or her Unit, interest and amortization payments on the mortgage, if any, which such Purchaser may, at his or her option, obtain, and charges for electricity consumed in his or her Unit.

Electricity will be provided by Consolidated Edison. The electricity to each Residential Unit will be submetered and charges for electricity will be paid by each Residential Unit Owner to the Board. Water charges and sewer rents, assessed by The City of New York, will be billed to the Unit Owner as a Common Expense. The costs and expenses of central heat and gas with respect to the Residential Section will be included in Residential Common Charges; Residential Unit Owners will be required to separately pay charges for electricity consumed by the fan coil HVAC Units for each Residential Unit which provides air conditioning and heating to each Residential Unit. Electricity and gas in the Non-Residential Units will be separately metered and water and sewer provided to the Non-Residential Units will be separately sub-metered. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Residential Unit. See the Notes to Schedule A with respect to the bases of such estimates. See Schedule B-1 for the projected Budget for Individual Energy Costs for the First Year of Condominium Operation.

Sponsor will obtain construction financing. Since the mortgages and construction loans that will encumber the Property will not be satisfied at or prior to the First Closing, at or prior to the First Closing, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; or (ii) subordinate the lien of its mortgage to the Declaration. In addition, each mortgagee at closing of a Unit will release its lien on the Unit being conveyed and its interest in the Common Elements. The construction loan will not establish an explicit requirement that the Sponsor sell rather than rent Units.

5. Offering of Storage Bin Licenses.

Sponsor hereby offers Purchasers the opportunity to purchase the rights to one of the 21 Storage Bins pursuant to a license agreement (each such license being a "Storage Bin License," and each such license agreement being a "Storage Bin License Agreement.") The form of the Storage Bin License Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan as Exhibit 15. The Storage Bins will range in size from approximately 47 to 228 square feet. The area in which the Storage Bins are located is not climate controlled.

The price for each Storage Bin License is listed on Schedule A in Part I of the Plan. **THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.**

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.50 per square foot per month of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

Sponsor reserves the right to offer as many Storage Bin Licenses as it determines in its sole discretion. Sponsor shall offer the Storage Bin Licenses to Purchasers of Residential Units on a first-come, first-served basis until such time as all of the Storage Bin Licenses have been purchased. Sponsor reserves the right to limit the number of Storage Bin Licenses sold to any one Purchaser or to make bulk sales, as it determines in its sole discretion. Storage Bin Licenses will only be sold by Sponsor to Purchasers of Residential Units. Prospective Purchasers will be required to deliver a deposit in the amount of fifteen percentage (15%) of the purchase price of the Storage Bin License upon execution of an Agreement as set forth in the Storage Bin License rider to the form of Agreement included in Part II of this Plan and an additional deposit in the amount of ten percent (10%) of the purchase price of the Storage Bin License concurrently with the payment of the Additional Option Payment.

At or prior to delivery of the Storage Bin License to a Purchaser, Sponsor hereby reserves the right, with or without prior notice to such Purchaser, to substitute the Storage Bin designated in such Purchaser's Agreement (the "Original Storage Bin") or in the Storage Bin rider therefor for an alternate Storage Bin (the "Substituted Storage Bin"), provided that such Substituted Storage Bin is equally sized or larger than the Original Storage Bin and provided further that any monthly license fees payable by such Purchaser to the Condominium in connection with such Substituted Storage Bin are comparable per square foot to those payable in connection with the Original Storage Bin. Any exercise of Sponsor's rights to designate a Substituted Storage Bin shall not result in an increased deposit or purchase price due for such Storage Bin License under the Agreement and shall not afford a Purchaser any abatement in Purchase Price or excuse a Purchaser from its obligations under its Agreement.

Storage Bin Licenses may only be purchased by Purchasers or Owners of Residential Units and may only thereafter be licensed to owners of Residential Units, except with respect to Sponsor or any holder of Unsold Residential Units. Upon the issuance of a Storage Bin License to a Residential Unit Owner or the transfer of a Storage Bin License to an assignee, such Residential Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage Bin License Agreement.

6. Offering of Parking Licenses.

Sponsor owns licenses to park ten (10) automobiles in the garage at 551 West 21st Street. Sponsor is offering the ten (10) licenses for sale to Purchasers of Residential Units pursuant to the Parking Space License rider to the form of Agreement included in Part II of this Plan. Such sales will be effectuated by Sponsor and the Purchaser entering into an Assignment and Assumption of Parking Space License (the "Parking License") the form of which is set forth in Part II of this Plan as Exhibit 17.

The price for each Parking License is listed on Schedule A in Part I of the Plan. **THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.**

Purchasers may only use the garage at 551 West 21st Street for the parking of passenger automobiles and motorcycles. The garage is a public garage with a maximum capacity

of 53 vehicles. The garage will not be a self-park garage. Vehicles will be parked by the staff of the company engaged by the 551 West 21st Street Condominium to operate the garage. Therefore, the Parking License will not be attributable to any particular parking space but rather entitles the Purchaser the right to use the garage for the parking of one (1) vehicle. No representation or guaranty of the availability of any particular parking space is made. Further, the Parking Licenses are being sold as is; Sponsor makes no representations or warranties with regard to the Parking Licenses or the garage.

A holder of a Parking License will be required to pay its pro-rata share (i.e., 1/53rd) of the projected costs incurred by the 551 West 21st Street Condominium attributable to the operation of the garage (e.g. real estate taxes, labor, electricity, insurance, management fee, cleaning, maintenance and other associated costs, collectively the "Parking Garage Operating Costs"). Such pro-rata share will be billed to the Purchaser by the 551 West 21st Street Condominium. Failure to pay such Parking Garage Operating Costs will be deemed a default under the Parking License. An adjustment will be made as of midnight of the day preceding the Closing Date with respect to the monthly license fee and assessments for the month in which the Parking License is issued.

Prospective Purchasers will be required to deliver a deposit in the amount of fifteen percent (15%) of the purchase price of the Parking License upon execution of the Parking Space License rider to the form of Agreement and an additional deposit in the amount of ten percent (10%) of the purchase price of the Parking License concurrently with the payment of the Additional Option Payment. Sponsor reserves the right to offer as many Parking Licenses as it determines in its sole discretion. Sponsor shall offer the Parking Licenses to Purchasers of Residential Units on a first-come, first-served basis until such time as all of the Parking Licenses have been purchased. Sponsor reserves the right to limit the number of Parking Licenses sold to any one Purchaser or to make bulk sales, as it determines in its sole discretion. The right to use the garage may be sub-licensed by the holder of a Parking License, but parking spaces may not be licensed on an hourly, daily or similar short term or transient basis for a term of not less than thirty (30) days.

C. CERTAIN DEFINITIONS

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

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

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

"Affiliate" shall mean a Person or an entity who or which owns more than fifty percent (50%) of the legal and beneficial interest of a Unit Owner, Declarant or of any partner, a Person or an entity with respect to which either a Unit Owner, Declarant or any partner owns more than fifty percent (50%) of the legal and beneficial interest, or an entity as to which more than fifty percent (50%) of its legal and beneficial interest is owned by a Person or an entity which owns more than fifty percent (50%) of the legal and beneficial interest of a Unit Owner, Declarant or of any partner.

"Agreement" or "Option Agreement" refers to the agreement to purchase a Residential Unit pursuant to the Plan, the form of which is Exhibit 1 in Part II of the Plan.

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

"Board" refers to the Condominium Board.

"Budget Expert" refers to First Service Residential.

"Building" refers to the structures and improvements including above and below grade segments, known as "540 West 21st Street Condominium" located at 540 West 21st Street, New York, New York in which the Units of the Condominiums are located.

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

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

"Lower Level" refers to cellar level of the Building.

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

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

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

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

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

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

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

"Completion Date" shall be the date when the Building is substantially complete and the first temporary certificate of occupancy for a Residential Unit is issued and is anticipated to be on approximately July 1, 2021.

"Condominium" refers to 540 West 21st Street Condominium.

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

"Condominium Board" refers to the overall board of managers of the Condominium comprised of representatives of the Residential Unit Owners, and the Non-Residential Unit Owners(s).

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

"Construction Lender" refers to, collectively, Goldman Sachs Bank USA, having an address at 200 West Street, New York, New York 10282 and CRECB Funding W21, LLC, having an address at 509 Madison Avenue, Suite 506, New York, New York 10022.

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

"Custom Work" refers to specially ordered work to a Residential Unit.

"Custom Work Costs" refers to the cost of Custom Work, which the Purchaser is obligated to pay.

"Declarant" or "Developer" refers to 540 West 21st Street Holdings LLC, a Delaware limited liability company, which is developing the Property.

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

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

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

"Development Rights Owner" refers to the owner of the Development Rights which will initially be the Sponsor.

"Escrow Agent" refers to Holland & Knight LLP.

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

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

"Floor" or "floor" refers to the marketing designation (unless otherwise indicated) and may not correspond to the designation given the floors on the plans submitted to the New York City Department of Buildings. The marketing floors do not include the 13th Floor, and therefore, all floor designations above the 12th Floor refer to a marketing floor that is one floor number higher than the construction floor.

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

"Gallery Unit" refers to the Art Gallery on portions of the First through Third floors.

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

"General Common Charges" refer to assessments payable to the Condominium Board by the Board, the Gallery Unit, the Retail Unit Owner, and the DR Unit Owner for the purpose of meeting General Common Expenses.

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

"General Common Expenses" refer to costs and expenses incurred or projected in

connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements.

"Initial Control Period" refers to the period ending the earlier to occur of: (i) the sale by Sponsor of all of the Residential Units or (ii) five (5) years after the First Closing (unless Sponsor voluntarily relinquishes control prior to the earlier of such dates).

"Initial Option Payment" refers to the initial payment under the Agreement.

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

"Law" or "Legal Requirements" means the laws, statutes, treaties, rules, codes, ordinances, and regulations of any or all of the federal, state, city, county and local governments and rules, regulations, orders and/or directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities having jurisdiction over the Condominium, the Property or any part thereof, including Common Elements and the Units, and/or the direction of any public officer pursuant to any such laws, and to the extent a Unit Owner and/or the Board, the Property or any part thereof, including any Unit or any part of the Common Elements, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any such governmental authorities.

"Limited Common Elements" refers to Common Elements that are available to some but not all of the Unit Owners.

"Lobby" refers to the Ground Floor of the Building.

"Managing Agent" refers to the managing agent or manager of the Condominium.

"Non-Residential Common Charges" refers to assessments payable by the Retail Unit Owner, and the Gallery Unit Owners for the purpose of meeting the Non-Residential Unit Owner's pro rata share of General Common Expenses.

"Non-Residential Common Elements" refers to those Common Elements which serve or benefit exclusively the Non-Residential Units and/or the Non-Residential Unit Owners.

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

"Non-Residential Section" refers to the Non-Residential Units and Non-Residential Common Elements.

"Non-Residential Units" refers to either of the two (2) Non-Residential Units, and, to the extent the Non-Residential Units are further divided, the Non-Residential Units shall refer to all of the Units resulting from the subdivision of the Non-Residential Units.

"Non-Residential Unit Owner(s)" refers to the owner or owners of the Non-Residential

Units.

"Offered Units" refers to the Residential Units being offered for sale by the Sponsor.

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

"Option Payment" and "Payment" refers to the Initial Option Payment and the Additional Option Payment due to purchase a Unit.

"Original Scheduled Closing Date" refers to the date scheduled by the Sponsor for the Purchaser's closing.

"Parking Licenses" refers to the licenses Sponsor owns and is offering to sell for 10 parking spaces at the 551 West 21st Street Condominium, a copy of which is attached as Exhibit 16.

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

"Permitted Mortgage" refers to a mortgage permitted to be placed upon a Unit or Units pursuant to the provisions of the By-Laws.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute the holders of the construction loan mortgages given by Sponsor to acquire and construct the Property.

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

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

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

"Property Deed" refers to the deeds pursuant to which the Declarant acquired fee title to portions of the Property.

"Purchase Price" means the purchase price for a Residential Unit and shall include the purchase price of any Storage Bin License.

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

"Residential Committee" refers to the three (3) Residential Unit Owners serving on the

Condominium Board.

"Residential Common Expenses" refers to capital repairs, additions, improvements, alterations and restorations to the Residential Section, which will be borne solely by the Residential Unit Owners.

"Residential Limited Common Elements" refer to those Common Elements which serve or benefit exclusively one or more but not all of the Residential Units and/or the Residential Unit Owners.

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

"Residential Unit" refers to any Unit designated as a Residential Unit in the Declaration, and all such Residential Units, are, collectively, referred to as the "Residential Units."

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

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

"Rules and Regulations" refers to the rules and regulations adopted by the Condominium Board, as amended, modified, deleted from or added to from time to time.

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

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

"Selling Agent" refers to Sponsor or any successor selling agent at the time in question.

"Service Elevator" refers to the service elevator in the Building.

"Sponsor" refers to 540 West 21st Street Holdings LLC, a Delaware limited liability company, and its successors and assigns.

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

"Sponsor's Board Designees" refers to Sponsor's designees on the Condominium Board.

"Storage Bin" refers to the storage bins located in the Lower Level, which will be used for storage by Unit Owners who purchase Storage Bin Licenses.

"Storage Bin License" refers to the license contained in Exhibit 15 of the Plan.

"Terraces" refers to the terraces, balconies or loggia that are appurtenant to some of the

Residential Units.

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

"Total Offering" refers to the total sales price of the Residential Units and Licenses described on the corner of the Plan.

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

"Unit" or "Condominium Unit" refers to space designated as a Unit in the Declaration, consisting, generally, of either a specific residence or a portion of the space in the Building, together with an appurtenant proportionate undivided interest in the General Common Elements. All of such Units are collectively referred to as "Units."

"Unit Deed" refers to the bargain and sale deed with covenants against grantor's acts conveying title to a Residential Unit. A form of the Unit Deed is set forth as Exhibit 5 in Part II of the Plan.

"Unit Owner" refers to the owner of any Residential Unit or Non-Residential Units, and all of such Residential Unit Owners and Non-Residential Unit Owners are collectively referred to as the "Unit Owners."

"Unsold Unit" refers to (a) 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, or a Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor, or one or more of their principals, is a member or (b) any Unit for which there is a signed Agreement but for which Closing has not yet occurred.

"Waiver Period" refers to the time prior to full occupancy of the Building, during which Sponsor has reserved the right for Sponsor's Board Designees to waive the collection of Common Charges from the Residential Unit Owners for a period of time beginning from the date of the First Closing.

"Waiver Period Operating Expenses" refers to all remaining expenses to operate the Residential Section during the Waiver Period.

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

D. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

1. Construction of the Building

The Building contains a Residential Section consisting of the Residential Units, the Residential Common Elements and Residential Limited Common Elements, and a Non-Residential Section, consisting of two (2) Non-Residential Units (the Gallery Unit and the Retail Unit), and the Non-Residential Common Elements.

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

Under the present construction schedule it is anticipated that, except for finishing work to stairways, hallways, and other areas of the Building which are not intended for the exclusive use of any particular Unit Owner, and work, if any, which Sponsor performs in individual Units, certain Units will be substantially completed by the Completion Date, which is anticipated to be on or about July 1, 2021, and a first temporary certificate of occupancy with respect to portions of the Building will be obtained on or about the Completion Date both subject to Unavoidable Delays. Sponsor does not, however, warrant or guarantee the foregoing completion or occupancy dates for the Building. The first temporary certificate of occupancy may be issued for some but not all of the Units and Sponsor may complete construction of certain Units before others.

Renzo Piano Building Workshop designed the Building. Sponsor has also engaged AAI Architects, PC ("Sponsor's Architect") as architects for the Building, Consentini Associates, as mechanical engineer for the Building and Desimone Engineers, as the structural engineer for the Building. Hunter Roberts Construction Group, LLC is responsible for the construction of the Building.

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

The location in the Building, and the size, layout and approximate square footages of the Units are shown on the floor plans duplicated in Exhibit 7 of Part II of the Plan. Such floor plans are subject to the rights of Sponsor or its designee to combine two or more Unsold 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, the Section entitled "Changes in Prices and Units" hereof. Any Floor Plan or sketch shown to a Purchaser, including those set forth in this Plan are only an approximation of the dimensions and layout of each Unit. The actual layout of a Unit may have been altered by the tenants thereof or others, and no variation will affect a Purchaser's obligations under his or her Agreement or the Plan. 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 Agreement, by virtue of a minor or insubstantial inaccuracy in the Floor Plans. With regard to size, such minor error would mean a decrease of 5% or less or any increase in the size of any Unit or room contained in a Unit. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material. Square footage calculations are only approximations for the purposes of marketing the Units and may not be exact. Such square footage calculations shall not be relied upon for loan, valuation or other purposes. If exact square footage is a concern for a Purchaser, the Purchaser should have the Unit in question independently measured. Purchasers waive and disclaim any rights to rescind their Agreement and any and all other claims against Sponsor resulting from alleged discrepancies in square footage calculations.

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

Sponsor is attempting to have the Building receive LEED Gold Certification LEED (Leadership in Energy and Environmental Design) is a framework to create healthy, highly efficient and cost-savings green building, which is awarded by the U.S. Green Buildings Council. Sponsor will use reasonable efforts to obtain the certification but there is no certainty that it will be achieved.

2. Residential Units

Subject to the rights of Sponsor and its designee to change the number of Residential Units, there will be a total of 34 Residential Units situated on the Fourth Floor through PH of the Building. Detailed descriptions of the Residential Units including a finish schedule are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A for further details.

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

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

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

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

In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to the Purchaser of the Residential Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the Purchase Price for such Residential Unit.

3. Non-Residential Units

The Non-Residential Units consist of the Gallery Unit and the Retail Unit. The Retail Unit will occupy a portion of the First Floor and the Gallery Unit will occupy a portion of the Lower Level, First Floor and the Second and Third Floors. The Retail Unit will include space that may be utilized for any lawful purpose.

Except as otherwise provided in the Declaration or By-Laws, the Board will have no right to restrict or limit the method of operation or any uses or appearance of the Gallery Unit or the Retail Unit, which are permitted by law and/or applicable zoning ordinances. No rules affecting the operation of the Gallery Unit or the Retail Unit may be adopted or modified by the Board without the prior written consent of the affected Non-Residential Unit Owners. All or any part of the Non-Residential Units may be leased or subleased by the Non-Residential Unit Owners,

as more fully set forth in the Declaration. Subject to compliance with all applicable laws and governmental rules and regulations, if any, the Non-Residential Unit(s) may be sold without prior notice. (See the Section entitled "Changes in Prices and Units"). The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any space in the Non-Residential Units.

Sponsor and the Non-Residential Unit Owners have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by law. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of General Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law. See the Section of the Plan entitled "Non-Residential Units".

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

The Non-Residential Units may be subdivided by the Non-Residential Unit Owners(s). Any such sale or division by the Non-Residential Unit Owners(s) shall be fully disclosed in a duly filed amendment to the Plan. (See the Section entitled "Changes in Prices and Units"). The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any space in the Non-Residential Units.

In the event that Sponsor decides to sell the Retail Unit, Sponsor will seek a "no-action" letter from the Office of the Attorney General. Any sale of the Retail Unit will be disclosed in a duly filed amendment.

There is a Loading Dock on 21st Street which is part of the Gallery Unit.

See the Section of the Plan entitled "Non-Residential Units" for further discussion.

4. General Common Elements

Generally, the General Common Elements consist of all Common Elements other than the Residential Common Elements, Residential Limited Common Elements and Non-Residential Common Elements and include, among other things, the following: (a) the Land; (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings (except to the extent included as the Residential Common Elements, or Residential Limited Common Elements), beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building, (c) corridors and all fire staircases, landings and stairs which are not Residential Common Elements, or Residential Limited Common Elements or part of any Unit; (d) meter rooms, electrical rooms, gas meter room, pump room, domestic hot water room, and janitorial

toilet and sink; (e) general illumination fixtures and security systems; (f) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building serving both the Residential Section and Non-Residential Section, which are not Residential Common Elements, Residential Limited Common Elements, Non-Residential Common Elements or part of any Unit; (g) the water tower; (h) the emergency generator room and a storage room; (i) the flood barriers that are stored in the basement; and (k) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance or safety of both the Non-Residential Section and the Residential Section. A detailed description of the General Common Elements is set forth in the Declaration.

5. Residential Common Elements

Generally, the Residential Common Elements include, among other things, the following: (a) Residential elevators (including their shafts, pits, machinery and appurtenant facilities); (b) the exterior glass surfaces of all Residential Section windows; (c) the Residential entrance and lobby, vestibule, package room, toilette, elevator lobby, security system, concierge station, service vestibule and service corridor and the mailroom on the Ground floor of the Building; (d) passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Residential Section; (e) electric panels, closets, feeders and risers serving the Residential Section; (f) the service vestibule and trash chutes servicing each of the Floors; (g) all mechanical space and other rooms, areas and spaces located in the Building serving exclusively the Residential Units, the Residential Common Elements and the Residential Limited Common Elements and which are not General Common Elements, Non-Residential Common Elements, or part of any Unit; (h) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit exclusively the Residential Units; and (i) the residential amenities located in the Basement.

6. Residential Limited Common Elements

The Residential Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Residential Unit Owners such as the Terraces (as shown on Schedule A).

7. Non-Residential Common Elements

The Non-Residential Common Elements are generally those Common Elements which serve or benefit exclusively one or more of the Non-Residential Units, and the Non-Residential Unit Owners(s), and include but are not limited to those rooms, areas, corridors, spaces and other parts of the Building and all facilities therein for the Non-Residential Units, the Non-Residential Unit Owners(s), or which are necessary or convenient for the existence, maintenance, operation or safety of the Non-Residential Units.

8. Services and Facilities

Generally, all services normally associated with the operation and maintenance of a luxury residential condominium will be provided to Residential Unit Owners at no cost other

than Common Charges; these services and facilities are described below. There will be a variety of other services offered which will be available to Residential Unit Owners at their option. 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.

Under present plans, all of the services and facilities described herein will initially be provided and made available to Residential Unit Owners within two years following the First Closing.

a. Entrance

The Residential Section and the Art Gallery Unit will have entrances on West 21st Street and the Retail Unit will have an entrance on Eleventh Avenue.

b. Doorman and Concierge

A concierge will be on duty at the Lobby of the Residential Section twenty-four (24) hours a day, seven (7) days a week.

c. Elevator Service

Two (2) automatic passenger elevators and a Service Elevator will be in service, twenty-four (24) hours a day, seven (7) days a week, for the exclusive use of Residential Unit Owners residing in the Building.

d. Cable Television Service

A cable television system will be available for the use of the Residential Unit Owners. The charges for primary connections and subsequent monthly fees related to the service will be determined by, and payable by the Unit Owner directly to the cable company. At the present time the two primary cable television providers are Charter Communications Holding Company (d/b/a "Spectrum") and Verizon Communications (the "Cable Companies"). Additional cable service will also be available from the cable company providing the service for an additional charge on the same basis. A cable outlet will be located in each living room and bedroom. Sponsor makes no representation that cable television service will be available to any Residential Unit Owner upon its initial occupancy of a Residential Unit. Sponsor will enter into agreements with the Cable Companies, granting the Cable Companies the right to install wires, cables and other components of their systems (the "Cable Facilities") in the Building's internal conduit system and granting the Cable Companies easements for the installation, repair or replacement of the Cable Facilities and certain rights to relocate the Cable Facilities which shall remain the property of the Cable Companies (the "Cable Agreement"). The Condominium will own and maintain the internal conduit system in which the Cable Facilities are located. The Condominium will be subject to and bound by the terms of the agreements with Spectrum and Verizon.

e. Electrical Systems Telephone Service and Internet Access

Electrical service will be metered and separately billed to each Unit Owner by Con Ed. Local and long distance telephone, internet and cable service will be provided by Verizon or

other telephone service provider and separately billed to each Unit Owner. Each Residential Unit will be prewired for data and telephone service. All charges for hi-speed internet service (including activation, installation and subscription charges) will be paid by each Unit Owner who subscribes directly to the hi-speed internet service provider.

f. Mail & Packages

All incoming mail for the Residential Units will be delivered by the United States Postal Service, who will place it in mailboxes on the First Floor. Doormen will be available to accept packages on behalf of Residential Unit Owners.

g. Laundry

Each Residential Unit will contain a washer and dryer. There will not be a separate laundry room located in the Building.

h. Refuse Disposal

There will be one refuse chutes on each floor serving the Residential Units leading directly to the Compactor Room on the Lower Level.

i. Bicycle Storage

Bicycle Storage will be provided in the Lower Level and the First Floor of the Building and will be available on a first come first serve basis.

9. Amenities.

The anticipated amenities include the following: swimming pool, family room, spa, hot stone room, showers, changing rooms, yoga room, exercise room, and weight room in the Lower Level.

10. Storage Bins.

Sponsor hereby offers Purchasers the opportunity to purchase the rights to one of the 21 Storage Bins pursuant to a license agreement (each such license being a "Storage Bin License," and each such license agreement being a "Storage Bin License Agreement.") The form of the Storage Bin License Agreement and Storage Bin License to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan as Exhibits 14 and 15. The Storage Bins will range in size from approximately 47 to 228 square feet. The area in which the Storage Bins are located is not climate controlled.

The price for each Storage Bin License is listed on Schedule A in Part I of the Plan. **THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.**

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage

Bin Licenses, will be required to pay a license fee to the Condominium in an amount of $1.50 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

Sponsor reserves the right to offer as many Storage Bin Licenses as it determines in its sole discretion. Sponsor shall offer the Storage Bin Licenses to Purchasers of Residential Units on a first-come, first-served basis until such time as all of the Storage Bin Licenses have been purchased. Sponsor reserves the right to limit the number of Storage Bin Licenses sold to any one Purchaser or to make bulk sales, as it determines in its sole discretion. Storage Bin Licenses will only be sold by Sponsor to Purchasers of Residential Units. Prospective Purchasers will be required to deliver a deposit in the amount of fifteen percentage (15%) of the purchase price of the Storage Bin License upon execution of an Agreement as set forth in the Storage Bin License rider to the form of Agreement included in Part II of this Plan and an additional deposit in the amount of ten percent (10%) of the purchase price of the Storage Bin License concurrently with the payment of the Additional Option Payment.

At or prior to delivery of the Storage Bin License to a Purchaser, Sponsor hereby reserves the right, with or without prior notice to such Purchaser, to substitute the Storage Bin designated in such Purchaser's Agreement (the "Original Storage Bin") or in the Storage Bin rider therefor for an alternate Storage Bin (the "Substituted Storage Bin"), provided that such Substituted Storage Bin is equally sized or larger than the Original Storage Bin and provided further that any monthly license fees payable by such Purchaser to the Condominium in connection with such Substituted Storage Bin are comparable per square foot to those payable in connection with the Original Storage Bin. Any exercise of Sponsor's rights to designate a Substituted Storage Bin shall not result in an increased deposit or purchase price due for such Storage Bin License under the Agreement and shall not afford a Purchaser any abatement in Purchase Price or excuse a Purchaser from its obligations under its Agreement.

Storage Bin Licenses may only be purchased by Purchasers or Owners of Residential Units and may only thereafter be licensed to owners of Residential Units, except with respect to Sponsor or any holder of Unsold Residential Units. Upon the issuance of a Storage Bin License to a Residential Unit Owner or the transfer of a Storage Bin License to an assignee, such Residential Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage Bin License Agreement.

11. Parking Licenses.

Sponsor owns licenses to park ten (10) automobiles in the garage at 551 West 21st Street. Sponsor is offering the ten (10) licenses for sale to Purchasers of Residential Units pursuant to the Parking Space License rider to the form of Agreement included in Part II of this Plan. Such sales will be effectuated by Sponsor and the Purchaser entering into an Assignment and Assumption of Parking Space License (the "Parking License") the form of which is set forth in Part II of this Plan as Exhibit 17. Purchasers may only use the garage at 551 West 21st Street for the parking of passenger automobiles and motorcycles. The garage is a public garage with a maximum capacity of 53 vehicles. The garage will not be a self-park garage. Vehicles will be

parked by the staff of the company engaged by the 551 West 21st Street Condominium to operate the garage. Therefore, the Parking License will not be attributable to any particular parking space but rather entitles the Purchaser the right to use the garage for the parking of one (1) vehicle. No representation or guaranty of the availability of any particular parking space is made. Further, the Parking Licenses are being sold as is; Sponsor makes no representations or warranties with regard to the Parking Licenses or the garage.

A holder of a Parking License will be required to pay its pro-rata share (i.e., 1/53rd) of the projected costs incurred by the 551 West 21st Street Condominium attributable to the operation of the garage (e.g. real estate taxes, labor, electricity, insurance, management fee, cleaning, maintenance and other associated costs, collectively the "Parking Garage Operating Costs"). Such pro-rata share will be billed to the Purchaser by the 551 West 21st Street Condominium. Failure to pay such Parking Garage Operating Costs will be deemed a default under the Parking License. An adjustment will be made as of midnight of the day preceding the Closing Date with respect to the monthly license fee and assessments for the month in which the Parking License is issued.

Prospective Purchasers will be required to deliver a deposit in the amount of fifteen percent (15%) of the purchase price of the Parking License upon execution of the Parking Space License rider to the form of Agreement and an additional deposit in the amount of ten percent (10%) of the purchase price of the Parking License concurrently with the payment of the Additional Option Payment. Sponsor reserves the right to offer as many Parking Licenses as it determines in its sole discretion. Sponsor shall offer the Parking Licenses to Purchasers of Residential Units on a first-come, first-served basis until such time as all of the Parking Licenses have been purchased. Sponsor reserves the right to limit the number of Parking Licenses sold to any one Purchaser or to make bulk sales, as it determines in its sole discretion. The right to use the garage may be sub-licensed by the holder of a Parking License, but parking spaces may not be licensed on an hourly, daily or similar short term or transient basis for a term of not less than thirty (30) days.

12. General Provisions Concerning Services and Facilities.

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

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

However, for any such lack of availability, interruption, discontinuance or change in the quality of any service which is material and adverse, a Purchaser will be offered a right of rescission and a Unit Owner may pursue available remedies.

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

Although Sponsor anticipates that many of the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services (such as a full staff of personnel) may not be available until twenty-four months after the First Closing. In addition, certain of the amenities described in the Plan may not be arranged or available until after such interim period. However, it is anticipated that at all times after the First Closing, the Residential Section lobby will be attended 24 hours per day, seven days per week, and there will be at least one elevator servicing every floor on which there are occupied Residential Units. The interim level staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. Purchasers are also advised that during such period and beyond, various systems, including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may be incomplete and may be disrupted temporarily and from time to time.

During such interim service period when full services and/or facilities are not available, the expenses for such services and/or facilities, as accounted for in Schedule B-1, may not be actually incurred. To the extent that any service or facility provided during such interim period benefits particular Units, to the exclusion of other Units, and the cost of the same is readily identifiable, the Common Charges necessary to provide such service or facility will be borne exclusively by the owners of the benefited Units, in proportion to their respective Common Interests. The amount of the Common Charges necessary to defray the cost of the interim services and facilities described in the preceding paragraph, as well as the manner of allocating such Common Charges among any Unit Owners who are exclusively benefited by any of the same, will be determined by the Board, which will be controlled by Sponsor during such period. However, such allocation will be made in compliance with Section 339-m of the New York State Real Property Law, and in no event will Purchasers be assessed Common Charges during such interim period that are more than the Common Charges listed in Schedule A as the same may theretofore have been amended.

Purchasers are further advised to note that construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors, and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption, construction dust, debris and inconvenience. Thus, for a period of time following the First Closing through, including and beyond the closing of title to any particular Purchaser's Residential Unit, work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; (ii) individual Residential Unit Owners within their Units (to perform custom renovations, etc.); and (iii) the Non-Residential Unit Owners(s) to complete equipping their Units.

During at least the first year of operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of renovation, fitting out of, and moving into, the Units and other portions of the Building which may compromise the security of the Building from time to time. Elevators and personnel may be taken out of service and diverted to facilitate renovation and exterior hoists may be in place during at least the year following the First Closing and from time to time thereafter, as needed, in connection with construction being performed in Units by the Unit Owners thereof. Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions may create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's 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. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued or disrupted. Further, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service periods or periods of potential disruption of the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

The Building will be fully sprinklered to eliminate fires. Although hidden from view, every ceiling will have sprinkler heads. In order to operate effectively in the event of a fire furniture, furnishings and other equipment in the Units should not be placed in a way that would block the sprinklers from emitting water throughout the area beneath it in the event of a fire. Blocking the sprinklers would be a violation of the Fire Department's Regulations.

13. Security Procedures

The Board is vested with the responsibility of devising and carrying out security procedures with respect to the Residential Section. Such procedures may be adopted and from time to time changed by the Board as such Board, in its discretion, determines to be appropriate to secure the Building.

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

negligence of Sponsor or its designees, the Managing Agent or their respective agents. Please refer to the Description of Property set forth in its entirety in Part II of the Plan for further details regarding security procedures.

14. Light and Air Easement

DZ 20th Street LLC ("DZ") granted Sponsor a permanent and perpetual easement for light and air and unobstructed view, in, to, and over the premises owned by DZ above the roof of the building located at Block 692, Lot 11 and having an area coincident with the metes and bounds of Lot 11 as set forth in (a) a Zoning Lot and Development and Easement Agreement dated as of September 15, 2017, recorded on October 23, 2017 as CRFN 2017000389784 (Permitted Encumbrance No. 23); and (b) the Light and Air Easement entered into by and between DZ and Sponsor that was recorded on October 23, 2017 (Permitted Encumbrance No. 24).

15. Memorandum of Temporary Access Agreement

Sponsor will enter into a temporary access agreement with the board of managers of the condominium apartment building located at 120 11th Avenue, which is adjacent to the Property, whereby Sponsor will be granted access to 120 11th Avenue as necessary for demolition of the existing improvements located on the Land and construction of the Building. A memorandum of this temporary access agreement will be recorded (Permitted Encumbrance No. 25).

E. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is located in the West Chelsea neighborhood of Manhattan in the City of New York, with frontage on 21st Street between 10th and 11th Avenue.

New York City is the largest city in the United States, as well as one of the principal urban centers of the world. Manhattan is the center of New York City, containing numerous business and financial centers, excellent regional transportation, cultural activities, recreational and open-space park areas, educational facilities, superb medical centers and a vast array of restaurants. New York is the nation's principal financial center. It is the home of the New York Stock Exchange. About 50 of the country's "Fortune 500" corporations have their principal corporate headquarters in Manhattan; almost a quarter of the nation's major law firms, and the "big four" accounting firms maintain offices in Manhattan. Manhattan is also recognized as the national center of the advertising, communications, broadcasting, publishing and garment industries.

2. Surrounding Area

The Building is located in West Chelsea, one of the most diverse neighborhoods in Manhattan. The area includes residential apartments, as well as commercial offices, shopping and restaurants. Currently, there is a new growth of residential apartments in the area.

West Chelsea is regarded as one of the most important art and architecture centers of the world with over 300 galleries; several of those top galleries—Gagosian, Barbara Gladstone, Paula Cooper, 303 Gallery and Tanya Bonakdar—have their flagship spaces on 21st Street.

The High Line Park has been the catalyst for remarkable change and has bridged three of Manhattan's most dynamic neighborhoods: the Meatpacking District, West Chelsea and Hudson Yards. Some of the most important civic and commercial developments in the neighborhood include:

- The new Whitney Museum
- Expansion of Avenues: The World School
- The extension of the 7 subway line
- Hudson Yards with signed leases for Thomas Keller, BlackRock and WholeFoods
- The Super Pier
- Chelsea Piers
- Chelsea Market

3. Shopping, Commercial and Recreational Facilities

There is a wide variety of commercial establishments located near the premises on 21st Street between 10th and 11th Avenue including pharmacies, groceries, banks, restaurants and other stores. Numerous attractions are located within easy access to the Condominium. Among them are the High Line, Chelsea Piers and Chelsea Market. Hudson River Park is only a short

distance away. The Condominium is also near many fine dining restaurants and high end shopping boutiques, and has an active nightlife scene.

4. Schools

Numerous private schools, public schools and parochial schools are easily accessible from the Condominium. The public schools in the area include Humanities Preparatory Academy located at 351 West 18th Street; P.S. 11 located at 320 West 21st Street; N.Y.C. Museum School located at 333 West 17th Street; NYC Lab School for Collaborative Studies located at 333 West 17th Street; and P.S. 33 located at 281 9th Avenue. Certain public school programs require that parents apply for admission for their children. Private schools in the area include Guardian Angel School (Catholic) located at 193 Tenth Avenue; Corlears School located at 324 West 15th Street; and The Lorge School located at 353 West 17th Street. Private schools in the area for children with special needs include Winston Preparatory School located at 126 West 17th Street and The McCarton School located at 331 West 25th Street.

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

5. Transportation

New York City is served by three major airports - LaGuardia Airport, John F. Kennedy International Airport and Newark Liberty International Airport. Passenger railroad service is provided from Pennsylvania Station located at Seventh Avenue and West 33rd Street, and Grand Central Station located at Lexington Avenue and 42nd Street. Transportation to and from the Building, and through New York City is available by taxi, limousine, and private automobile. There is also the W30 heliport and NorthCove and Chelsea Piers for yacht docking. Public transportation via subways and buses is also readily available. Subway lines A, C and E are accessible at a stop located at Eighth Avenue and 23rd Street. Access to the 1 and 2 lines is available at Seventh Avenue and West 23rd Street, and access to the F and M lines is available at Sixth Avenue and 23rd Street. In addition, the area is serviced by the following bus lines: M23, M14D, M12 and M11.

6. Police, Fire, Water, Postal Service, Sanitation, Snow Removal and Road Maintenance

These services are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Unit Owners to The City of New York. The nearest police station is the Tenth Precinct located at 230 West 20th Street. The nearest fire station is Engine 3, Ladder 12, Battalion 7 located at 146 West 19th Street. Water charges for the Units will be metered and paid by Unit Owners as a Common Expense of the Condominium. The zip code for the Building will be 10011 which, as of the date hereof, is serviced by the London Terrace Post Office located at 234 Tenth Avenue.

7. Medical Facilities

The area is served by numerous hospitals and medical facilities located within an

approximate two-mile radius of the Condominium including The Hospital for Joint Diseases Orthopedic Institute located at 301 East 17th Street; New York Eye and Ear Infirmary located at 301 East 14th Street; Beth Israel Medical Center located at 281 First Avenue; and Bellevue Hospital Center located at 462 First Avenue.

8. Religious Facilities

Local houses of worship include, but are not limited to, the following: Guardian Angel Church located at 193 Tenth Avenue; St. Peter's Episcopal Church located at 346 West 20th Street; German Lutheran Church of St. Paul located at 315 West 22nd Street; Saint Eleftherios Greek Orthodox Church located at 359 West 24th Street; and The Chabad Synagogue located at 121 West 19th Street.

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

9. Zoning

The Property is located in the M1-5 and C6-3 zoning districts. The Building is located on Block 692, Lot 53.

10. Other Sponsor Projects

There are no other projects by the Sponsor within the immediate vicinity (i.e., one block radius); and no other development projects by sponsor that have been approved by the NYC Department of Buildings or authority having jurisdiction that will be adjacent to or directly across the street from the Property. Any change in this information that occurs while sales are continuing will be disclosed in an amendment within 30 days after the information is known.

F. OFFERING PRICES AND RELATED INFORMATION, SCHEDULE A

SCHEDULE A--OFFERING PRICES AND RELATED INFORMATION

540 WEST 21ST STREET CONDOMINIUM
540 WEST 21ST STREET
July 1, 2021 through June 30, 2022

(1) UNIT NUMBER	(1) NUMBER OF BEDROOMS	(1) NUMBER OF BATHROOMS	(3) OFFERING PRICE	(2) APPROX. SQUARE FOOTAGE OF UNIT	(2) APPROX. BALCONY/TERRACE SQUARE FOOTAGE	(4) PERCENTAGE OF COMMON INTEREST	(4) PERCENTAGE OF RESIDENTIAL COMMON INTEREST	(5) PROJECTED ANNUAL COMMON CHARGES	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED ANNUAL REAL ESTATE TAXES	(6) PROJECTED MONTHLY REAL ESTATE TAXES	(7) PROJECTED TOTAL ANNUAL CARRYING CHARGES	(7) PROJECTED TOTAL MONTHLY CARRYING CHARGES
4A	1	1.5	$ 3,960,000	1391		0.8303%	1.1578%	$ 26,128.66	$ 2,177.39	$ 31,397.21	$ 2,616.43	$ 57,525.87	$ 4,793.82
4B	1	1.5	$ 3,400,000	1197		0.7145%	0.9963%	$ 22,484.55	$ 1,873.71	$ 27,018.30	$ 2,251.53	$ 49,502.85	$ 4,125.24
4C	1	1.5	$ 3,400,000	1195		0.7133%	0.9946%	$ 22,446.98	$ 1,870.58	$ 26,973.16	$ 2,247.76	$ 49,420.14	$ 4,118.34
4D	1	1.5	$ 4,300,000	1502		0.8965%	1.2502%	$ 28,213.69	$ 2,351.14	$ 33,902.67	$ 2,825.22	$ 62,116.36	$ 5,176.36
4E	1	1.5	$ 4,000,000	1501		0.8959%	1.2493%	$ 28,194.91	$ 2,349.58	$ 33,880.09	$ 2,823.34	$ 62,075.00	$ 5,172.92
4F	1	1.5	$ 5,385,000	1790		1.0685%	1.4899%	$ 33,623.51	$ 2,801.96	$ 40,403.31	$ 3,366.94	$ 74,026.82	$ 6,168.90
5/6A (DUPLEX)	5	5.5	$ 25,500,000	5503	2103	3.5986%	5.0179%	$ 113,244.55	$ 9,437.05	$ 136,079.02	$ 11,339.92	$ 249,323.57	$ 20,776.96
5/6B (DUPLEX)	5	5.5	$ 24,000,000	5864	1509	3.7254%	5.1948%	$ 117,236.17	$ 9,769.68	$ 140,875.51	$ 11,739.63	$ 258,111.67	$ 21,509.31
5/6C (DUPLEX)	3	3.5	$ 13,500,000	3506	531	2.1720%	3.0286%	$ 68,350.59	$ 5,695.88	$ 82,132.71	$ 6,844.39	$ 150,483.29	$ 12,540.27
7A	4	4.5	$ 14,200,000	3786	739	2.3701%	3.3050%	$ 74,586.90	$ 6,215.58	$ 89,626.50	$ 7,468.88	$ 164,213.41	$ 13,684.45
7B	3	3.5	$ 8,650,000	2984	56	1.7895%	2.4953%	$ 56,314.68	$ 4,692.89	$ 67,669.90	$ 5,639.16	$ 123,984.58	$ 10,332.05
8A	4	4.5	$ 14,500,000	3847	111	2.3128%	3.2251%	$ 72,783.63	$ 6,065.30	$ 87,459.62	$ 7,288.30	$ 160,243.25	$ 13,353.60
8B	3	3.5	$ 8,850,000	3021	56	1.8116%	2.5261%	$ 57,009.70	$ 4,750.81	$ 68,505.05	$ 5,708.75	$ 125,514.75	$ 10,459.56
9A	4	4.5	$ 14,800,000	3847	111	2.3128%	3.2251%	$ 72,783.63	$ 6,065.30	$ 87,459.62	$ 7,288.30	$ 160,243.25	$ 13,353.60
9B	3	3.5	$ 9,050,000	3021	56	1.8116%	2.5261%	$ 57,009.70	$ 4,750.81	$ 68,505.05	$ 5,708.75	$ 125,514.75	$ 10,459.56
10A	4	4.5	$ 15,100,000	3847	111	2.3128%	3.2251%	$ 72,783.63	$ 6,065.30	$ 87,459.62	$ 7,288.30	$ 160,243.25	$ 13,353.60
10B	3	3.5	$ 9,400,000	3021	56	1.8116%	2.5261%	$ 57,009.70	$ 4,750.81	$ 68,505.05	$ 5,708.75	$ 125,514.75	$ 10,459.56
11A	4	4.5	$ 15,750,000	3847	111	2.3128%	3.2251%	$ 72,783.63	$ 6,065.30	$ 87,459.62	$ 7,288.30	$ 160,243.25	$ 13,353.60
11B	3	3.5	$ 10,600,000	3021	56	1.8116%	2.5261%	$ 57,009.70	$ 4,750.81	$ 68,505.05	$ 5,708.75	$ 125,514.75	$ 10,459.56
12A	4	4.5	$ 16,700,000	3847	111	2.3128%	3.2251%	$ 72,783.63	$ 6,065.30	$ 87,459.62	$ 7,288.30	$ 160,243.25	$ 13,353.60
12B	3	3.5	$ 10,900,000	3021	56	1.8116%	2.5261%	$ 57,009.70	$ 4,750.81	$ 68,505.05	$ 5,708.75	$ 125,514.75	$ 10,459.56
14A	4	4.5	$ 17,400,000	3847	111	2.3128%	3.2251%	$ 72,783.63	$ 6,065.30	$ 87,459.62	$ 7,288.30	$ 160,243.25	$ 13,353.60
14B	3	3.5	$ 11,100,000	3037	56	1.8211%	2.5394%	$ 57,310.24	$ 4,775.85	$ 68,866.20	$ 5,738.85	$ 126,176.44	$ 10,514.70
15A	4	4.5	$ 18,400,000	3847	111	2.3128%	3.2251%	$ 72,783.63	$ 6,065.30	$ 87,459.62	$ 7,288.30	$ 160,243.25	$ 13,353.60
15B	3	3.5	$ 11,300,000	3037	56	1.8211%	2.5394%	$ 57,310.24	$ 4,775.85	$ 68,866.20	$ 5,738.85	$ 126,176.44	$ 10,514.70
16A	4	4.5	$ 19,250,000	3847	111	2.3128%	3.2251%	$ 72,783.63	$ 6,065.30	$ 87,459.62	$ 7,288.30	$ 160,243.25	$ 13,353.60
16B	3	3.5	$ 11,750,000	3037	56	1.8211%	2.5394%	$ 57,310.24	$ 4,775.85	$ 68,866.20	$ 5,738.85	$ 126,176.44	$ 10,514.70
17A	4	4.5	$ 20,250,000	3847	111	2.3128%	3.2251%	$ 72,783.63	$ 6,065.30	$ 87,459.62	$ 7,288.30	$ 160,243.25	$ 13,353.60
17B	3	3.5	$ 12,100,000	3037	56	1.8211%	2.5394%	$ 57,310.24	$ 4,775.85	$ 68,866.20	$ 5,738.85	$ 126,176.44	$ 10,514.70
18A	5	4.5	$ 21,500,000	3847	111	2.3128%	3.2251%	$ 72,783.63	$ 6,065.30	$ 87,459.62	$ 7,288.30	$ 160,243.25	$ 13,353.60
18B	3	3.5	$ 13,250,000	3002	56	1.8003%	2.5103%	$ 56,652.80	$ 4,721.07	$ 68,076.19	$ 5,673.02	$ 124,728.99	$ 10,394.08
PHB	5	5.5	$ 44,000,000	5960	522	3.6354%	5.0693%	$ 114,404.46	$ 9,533.71	$ 137,472.82	$ 11,456.07	$ 251,877.29	$ 20,989.77
PHC	5	5.5	$ 39,000,000	5957	1181	3.7320%	5.2039%	$ 117,442.79	$ 9,786.90	$ 141,123.79	$ 11,760.32	$ 258,566.58	$ 21,547.22
PHA	5	5.5	$ 58,000,000	5957	4996	4.3019%	5.9978%	$ 135,358.11	$ 11,279.84	$ 162,651.54	$ 13,554.29	$ 298,009.65	$ 24,834.14
Residential Totals			**$533,245,000**	**116,818**	**13,307**	**71.7146%**	**100.00000%**	**$ 2,256,809.10**	**$ 188,067.43**	**$2,711,869.00**	**$ 225,989.08**	**$4,968,678.10**	**$ 414,056.51**
GALLERY			$ -	43,727		25.6095%		$ 21,299.46	$ 1,774.95	$ 807,321.00	$ 67,276.75	$ 828,620.46	$ 69,051.70
RETAIL			$ -	4,483		2.6759%		$ 203,844.84	$ 16,987.07	$ 84,356.00	$ 7,029.67	$ 288,200.84	$ 24,016.74
Non-Residential Total			**$ -**	**48,210**		**28.2854%**		**$ 225,144.30**	**$ 18,762.02**	**$ 891,677.00**	**$ 74,306.42**	**$1,116,821.30**	**$ 93,068.44**
Building Totals			**$533,245,000**	**165,028**	**13,307**	**100.0000%**		**$ 2,481,953.40**	**$ 206,829.45**	**$3,603,546.00**	**$ 300,295.50**	**$6,085,499.40**	**$ 507,124.95**

Schedule A-1
540 WEST 21ST STREET CONDOMINIUM

Schedule A-1: Purchase Prices for Stoage Unit License Agreement and Related Information for the Projected First Year of Condominium Operation (7/1/21-6/30/22)

Storage Unit	Storage Unit Area	Purchase Price	License Fee Per Month	License Fee Per Year
1	95	$210,000	$ 142.50	$ 1,710.00
2	50	$110,000	$ 75.00	$ 900.00
3	47	$110,000	$ 70.50	$ 846.00
4	49	$110,000	$ 73.50	$ 882.00
5	47	$110,000	$ 70.50	$ 846.00
6	49	$110,000	$ 73.50	$ 882.00
7	47	$110,000	$ 70.50	$ 846.00
8	49	$110,000	$ 73.50	$ 882.00
9	47	$110,000	$ 70.50	$ 846.00
10	49	$110,000	$ 73.50	$ 882.00
11	47	$110,000	$ 70.50	$ 846.00
12	52	$110,000	$ 78.00	$ 936.00
13	47	$110,000	$ 70.50	$ 846.00
14	47	$110,000	$ 70.50	$ 846.00
15	48	$110,000	$ 72.00	$ 864.00
16	228	$475,000	$ 342.00	$ 4,104.00
17	53	$110,000	$ 79.50	$ 954.00
18	66	$150,000	$ 99.00	$ 1,188.00
19	77	$170,000	$ 115.50	$ 1,386.00
20	147	$320,000	$ 220.50	$ 2,646.00
21	24	$60,000	$ 36.00	$ 432.00
TOTAL STORAGE	**1365**	**$ 3,035,000**	**$ 2,048**	**$ 24,570**

Schedule A-2
540 WEST 21ST STREET CONDOMINIUM

Schedule A-2: Purchase Prices for Parking License Agreement

Parking Unit	License Purchase Price
1	$ 300,000
2	$ 300,000
3	$ 300,000
4	$ 300,000
5	$ 300,000
6	$ 300,000
7	$ 300,000
8	$ 300,000
9	$ 300,000
10	$ 300,000
TOTAL	**$ 3,000,000**

NOTES TO SCHEDULE A

1. Amounts are projected on the assumption that the first year of operation will be during the year from July 1, 2021 to June 30, 2022. The actual first year of Residential Section operation may begin earlier or later than that year and is currently projected to commence on approximately July 1, 2021. Plans depicting layouts of Residential Units in this Schedule A appear in Part II of the Plan. Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

2. The approximate square foot area of each Unit, within reasonable tolerances, has been measured horizontally, on each of one or more floors, from the exterior side of the exterior walls (columns, shear walls, mechanical pipes, shafts, shaftways, chases, chaseways, conduits and floor openings for interior stairways are not deducted from measurement of each Unit) to the centerline of the demising walls separating one Unit from another Unit, or separating one Unit from egress stairs, elevators, and other mechanical equipment spaces and Common Elements not within a Unit and to the outer (corridor-side) finished face side of the non-Unit side of the interior walls separating the Unit from public corridors. Columns and mechanical pipes and shafts, (whether along the perimeter or within the Unit) were not deducted from the square foot area of the Unit. Outdoor floor areas of Terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

Each Unit is measured vertically from the lowest concrete floor of the Unit (located under the finished flooring and sub-floor materials) to the underside of the highest concrete ceiling atop the Unit. Terraces are measured horizontally from the exterior face of the Unit to the inner face of the parapet curb inclusive of guardrails and/or divider screens.

Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation of the square foot area and layout of the Unit in question. However, any material change will be set forth in an amendment to the Plan, and no material change (for example, a reduction in square footage in excess of 5%) will be made in the size, configuration, or layout of a Unit for which an Agreement has been executed unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices exists), and in such event, Sponsor will offer the materially adversely affected Purchaser(s) the right, for at least 15 days, to rescind their Agreements and receive a refund of their Option Payment(s), together with all interest earned thereon. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. An increase in the size of a room or Unit will not on its own give rise to a right of rescission.

The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield

significantly lesser actual useable floor area for each Unit). The stated method of measurement used is applicable to all Units. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums.

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

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

5. The estimates contained in this schedule were computed by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be during the year from July 1, 2021 to June 30, 2022, and are based on such Condominium Budget Expert's estimate of the receipts and expenses of the Residential Section for the projected year. The actual first year of Condominium operation may be earlier or later than such year and is currently anticipated to commence on or about July 1, 2021. If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected first year of condominium operation, Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended Budget projections exceed original Budget projections by twenty-five (25%) percent or more, Sponsor will offer all Purchasers the right to rescind their Agreements for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

6. The estimated monthly Residential Common Charges for each Residential Unit are based on the projected "Budget for First Year of Condominium Operation, Schedule B" prepared by Sponsor's Condominium Budget Expert. The estimated monthly Residential Common Charges include the cost of central heating for the Units. In addition to these estimated payments, each Residential Unit Owner will be responsible for paying, among other things, real estate taxes for such Residential Unit, mortgage payments under a loan or loans, if any, obtained to finance the purchase of the Residential Unit, the cost of electricity supplied to the Residential Unit which will be separately submetered and payable by the Residential Unit Owners to the Condominium Board, the insurance which must be carried by each Residential Unit Owner with respect to liability and casualty to the contents of the Unit, the cost of interior repairs and decorations to the Residential Unit, and charges for internet access, cable television and telephone. Until the Units are separately assessed, real estate taxes shall be part of Common Expenses, as provided in the Condominium By-Laws. In addition, capital repairs, additions, improvements, alterations and restorations to Residential Section are Residential Common Expenses which will be borne solely by the Residential Unit Owners. The first year of operation may include a portion of the year in which the Buildings are not fully occupied or all services are not provided. Accordingly, the first year of operation may not be indicative of subsequent years.

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

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

As discussed below in the Section entitled "Control by Sponsor" and in the Special Risk entitled "Control by Sponsor", Sponsor shall have the right, in its sole and absolute discretion, to cause the Board to waive the collection of some or all of the Common Charges from Unit Owners for a period of time prior to full occupancy of the Condominium (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all remaining expenses to operate the Residential Section during the Waiver Period (the "Operating Expenses"). In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor shall provide notice to Residential Unit Owners disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration and shall subsequently disclose the expiration of the Waiver Period in an amendment to the Plan; (iii) during any such Waiver Period, Sponsor will

timely pay all expenses of the Condominium (which shall not include real estate taxes, whether the Units have been separately assessed or not), including but not limited to insurance premiums and any reserve fund payments required by lenders to the extent otherwise included in Schedule B – "Projected Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents. Sponsor, in its sole and absolute discretion, may upon 30 days prior written notice to Unit Owners terminate the Waiver Period. The Contingency provided for the first year of Condominium (Schedule B) is $40,000. If additional funds are later needed, Common Charges may increase or a Special Assessment may be imposed. Sponsor will not fund any contingencies during a Waiver Period, which may impact Purchasers' ability to obtain mortgages insured by Fannie Mae and/or FHA.

8. It is estimated that the total taxable assessed value for the whole property after completion, inclusive of the Residential Condominium Units, the Gallery Unit and the Retail Unit, will be $31,561,205 of which $22,633,992 is attributable to the Residential Units, and of which $8,082,667 is attributable to the Gallery Unit and of which $844,546 is attributable to the Retail Unit. It is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the first year of Condominium operation will total approximately $2,711,869, based on an Opinion prepared by Marcus & Pollack LLP, 633 Third Avenue, New York, New York 10017, dated February 11, 2019 which assumes (a) an estimated taxable assessed valuation attributable to the Residential Property of $21,502,293 for the 2021/2022 fiscal tax year and (b) a projected tax rate of 12.612%. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the second year of operation, and subsequent years, will be higher than the taxes during the first year of operation.

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

In arriving at the assessed valuation for each Unit in the Condominium, the Condominium is first assessed as an entity. This overall assessment is then apportioned among the respective units, each of which will be assigned a tax lot designation once the Condominium Declaration has been recorded with the City Register. For purposes of Schedule A, the projected real estate taxes for the Units were based on the Common Interest Percentages. It is possible that the apportionment will be based in part upon the proportion of the projected selling price presented in the Offering Plan for each Unit bears to the gross sellout price for all Units available for purchase in the Condominium, and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential, and existing leases on particular Units.

Please refer to the Section of the Plan entitled "Real Estate Taxes" and the Opinions of Holland & Knight LLP and Marcus & Pollack LLP as set forth in Part I of the Plan for further discussion regarding real estate taxes for the residential portion of the Property.

Each 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 subjected to, any lien arising from the non-payment of real estate taxes on other Units. Prior to the issuance of separate tax lots,

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

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) that the New York City tax assessor will allocate individual Residential Unit assessments on the basis of each Residential Unit's percentage interest in the Common Elements; (ii) that the estimated taxable assessed value of the completed Residential Property during the fiscal tax year 2021/2022 will be $21,502,293; or (iii) that the tax rate will be 12.612% per $100 of assessed value.

It is estimated that the total taxable assessed value for the whole property after completion, inclusive of the Residential Condominium Units, the Gallery Unit, and the Retail Unit, will be $31,561,205 of which $22,633,992 is attributable to the Residential Units, and of which $8,082,667 is attributable to the Gallery Unit, and of which $844,546 is attributable to the Retail Unit.

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

No warranty, guarantee or assurance is given that:

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

(ii) the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units in accordance with the proportionate Common Interests of the Units, or that the Department of Finance will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above; or

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

Until the Units are separately assessed, each Unit Owner will pay to the Board his

or her Unit's pro rata share of the Property's real estate taxes for the period in question. This proration will be made by first allocating the Property's taxes among the Units on basis of proportionate Common Interest. The Board will pay such real estate taxes to the Department of Finance of the City of New York or directly to Sponsor if Sponsor has paid such real estate taxes. If any Unit Owner fails to pay his or her pro rata share as set forth above, the Board will be entitled to assess late charges and/or place a lien on such Unit as if such unpaid share were Common Charges. (See the Section entitled "Collection and Lien for Non-Payment of Common Charges" in Part I of the Plan for further discussion.)

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

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

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

9. THE PRICES FOR THE STORAGE BIN LICENSES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license fee to the Condominium in an amount of $1.50 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

The Storage Bins may only be used for storage purposes, and in no event may the Storage Bins be used as dwelling spaces. No materials which pose a health or safety threat or which

otherwise create a nuisance may be stored therein, and Storage Bins may not be used to store toxic, inflammable or combustible items as defined in the Building Code of the City of New York. Failure of a Residential Unit Owner to comply with the use limitations set forth in the immediately preceding sentence may result in issuance by the Department of Buildings of a violation against the Building along with imposition of an associated fine. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any purpose permitted by Legal Requirements (as hereinafter defined) or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration.

Upon the issuance of a Storage Bin License to a Residential Unit Owner, such Residential Unit Owner may freely assign such Storage Bin License without the consent of the Board; provided such assignee is also a Residential Unit Owner; and provided further that the Board is provided written notice of such assignment. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage Bin License. If at any time the licensee of a Storage Bin sells its Unit, it shall simultaneously assign its license of the Storage Bin to another Residential Unit Owner (or the Purchaser of such Residential Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee. Upon the issuance of a Storage Bin License to a Residential Unit Owner or the transfer of a Storage Bin License to an assignee, such Residential Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage Bin License Agreement.

If a Residential Unit Owner holding a Storage Bin License defaults in its obligations under the Storage Bin License Agreement or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Storage Bin until such Residential Unit Owner cures such default, or (ii) terminate the Storage Bin License Agreement upon written notice to the Residential Unit Owner.

The form of the Storage Bin License Agreement to be used for licensing the use of such Storage Bins to individual Residential Unit Owners is included in Part II of this Plan.

Sponsor shall offer the Storage Bin Licenses to Purchasers of Residential Unit on a first-come, first-served basis until such time as all of the Storage Bin Licenses have been purchased. Sponsor reserves the right to limit the number of Storage Bin Licenses sold to any one Purchaser or to make bulk sales, as it as it determines in its sole discretion. Storage Bin Licenses will only be sold by Sponsor to Purchasers of Residential Units. Prospective Purchasers will be required to deliver a deposit in the amount of 15% of the purchase price of the Storage Bin License upon execution of an Agreement as set forth in the Storage Bin License rider to the form of Agreement included in Part II of this Plan and an additional deposit in the amount of ten percent (10%) of the purchase price of the Storage Bin License concurrently with the payment of the Additional Option Payment. In the event the Storage Bin is not available for conveyance to a Purchaser at the closing of such Purchaser's Residential Unit, all monies paid for the Storage Bin License must be held in escrow by Escrow Agent and may only be released to Sponsor in connection with the conveyance of the Storage Bin to Purchaser. (See the Sections entitled "Storage Bins" under "Description of Property and Improvements", "Changes in Prices, Residential Units and Storage Licenses," and "Procedure to Purchase" in Part I of the Plan for further information).

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

SCHEDULE B

540 WEST 21ST STREET CONDOMINIUM

540 West 21st Street
New York, NY
Projected Budget for the Projected First Year of Condominium Operation (See Note 1)
July 1, 2021 to June 30, 2022

ESTIMATED INCOME

Common Charges – Residential Units (Note 2)	$ 2,256,809
Common Charges – Gallery Unit (Note 2)	$ 203,845
Common Charges – Retail Unit (Note 2)	$ 21,300
License Fees – Storage Units (Note 3)	$ 24,570
Total Estimated Common Charges	$ 2,506,523

ESTIMATED EXPENSES (Note 4)

Payroll and Related Expenses (Note 5)	$ 687,556
Gas (Heat & Hot Water and Generator) (Note 6)	$ 431,703
Electricity (Note 7)	$ 471,438
Water Charges and Sewer Rent (Note 8)	$ 51,827
Repairs and Maintenance (Note 9)	$ 63,000
Service Contracts (Note 10)	$ 318,500
Insurance (Note 11)	$ 345,000
Management Fee (Note 12)	$ 60,000
Administration (Note 13)	$ 20,000
Other Expenses (Note 14)	$ 17,500
Contingencies (Note 15)	$ 40,000
Total	$ 2,506,523

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

The budget is based upon the 12-month period July 1, 2021 to June 30, 2022. If the actual or anticipated date of commencement of condominium operation is to be delayed more than six months from this budget year, the plan will be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projections by 25 percent or more, the sponsor will offer all purchasers the right to rescind and a reasonable period of time that is not less than 15 days after the date of presentation to exercise the right, whether or not sponsor offers to guarantee the previous budget projection. Sponsor will return any deposit or downpayment (to the extent actually make and collected) to purchasers who rescind within a reasonable period of time, provided, however, that Sponsor shall be entitled to retail special work funds. Sponsor may not declare a plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the offering plan.

NOTES TO SCHEDULE B

ALLOCATION OF COMMON EXPENSES BETWEEN RESIDENTIAL AND NON-RESIDENTIAL UNIT

(see detailed notes which follow)

Common Expenses	Total Expenses	Method of Allocation	Residential Units Share	Gallery Unit Unit Share	Retail Unit Share
%			71.7146%	25.6095%	2.6759%
Payroll & Benefits	$ 687,556	See Note A	$ 631,559	$ 50,700	$ 5,298
Electricity	$ 471,438	100 Residential	$ 471,438	Direct Meter	Direct Meter
Gas (Heat, Hot Water and Cooking)	$ 431,703	100% Residential	$ 431,703	Direct Meter	Direct Meter
Water Charges and Sewer Rent	$ 51,827	100% Residential	$ 51,827	Direct Meter	Direct Meter
Repairs and Maintenance	$ 63,000	See Note B	$ 56,636	$ 5,762	$ 602
Service Contracts	$ 318,500	See Note C	$ 292,195	$ 23,817	$ 2,489
Insurance	$ 345,000	% of Common Interest	$ 247,415	$ 88,353	$ 9,232
Management Fee	$ 60,000	% of Common Interest	$ 43,029	$ 15,366	$ 1,606
Legal /Audit	$ 20,000	% of Common Interest	$ 14,343	$ 5,122	$ 535
Other Expenses	$ 17,500.00	% of Common Interest	$ 12,550	$ 4,482	$ 468
Contingency	$ 40,000.00	% of Common Interest	$ 28,686	$ 10,244	$ 1,070
Total	**$ 2,506,523**		**$ 2,281,379**	**$ 203,845**	**$ 21,300**

All General Common Charges have been allocated based upon each Unit's Common Interest unless otherwise stated.

A. The Non-Residential Unit Owners' share of the Payroll and Benefits expense is based on their allocation of the cost of the Superintendent and one (1) porter only.

B. The Non-Residential Unit Owners' share of Repairs and Maintenance expenses is based on its Common Interest applied to the costs of the following Repair and Maintenance expense only: Plumbing, Electrical and General Repairs.

C. The Non-Residential Unit Owners' share of Service Contract expenses is based on its Common Interest applied to the costs of the following Service Contracts only: Fire Protection, exterminating and telephone.

D. All the utilities for the Non-Residential Unit will be either directly metered or sub-metered and billed based on actual usage.

These allocation projections were prepared by the Budget Expert

FOOTNOTES TO SCHEDULE B

(1) Projected First Year of Condominium Operation

Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from July 1, 2021 to June 30, 2022. The Projected First Closing Date is the commencement of the First Year of Condominium Operation (i.e. July 1, 2021). The actual First Closing and the First Year of Condominium Operation may be earlier or later than projected).

If the First Closing does not occur within 6 months of the Projected First Closing Date, Sponsor will file a Budget Update Amendment to include an updated Schedule B. If such amended projections exceed original projections by 25% or more, Sponsor will offer all Purchasers who executed Option Agreements prior to the date of the filing of the Budget Update Amendment the right to rescind for a period of 15 days after the presentation date of the Budget Update Amendment. Further, if the First Closing does not occur within 12 months of the Projected First Closing Date, Sponsor will file an Extension Amendment that provides for a later commencement of the First Year of Condominium Operation than initially disclosed. Purchasers who executed an Option Agreement for the purchase of their respective Units prior to the date of filing of the Extension Amendment will be offered a right of rescission for a period of 15 days after the presentation date of the Extension Amendment. Any Purchaser entitled to rescission and electing rescission will have their Deposits (to the extent actually made and collected) and any interest earned thereon, returned to Purchaser, provided, however, Sponsor shall be entitled to retain (i) Special Work Funds. Sponsor may not declare the Offering Plan effective in the event there are material changes to the budget which have not been disclosed in a duly filed amendment to the Plan.

If the actual or anticipated date of commencement of Condominium operation is to be delayed by more than 6 months from the budget year projected in the offering plan, Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended projections exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

(2) Common Charges

These amounts represent the total Common Charges to be levied against, and collected from, the Residential Unit Owners and the Non-Residential Unit Owners during the anticipated First Year of Condominium Operation. The Common Charges will be utilized by the Condominium Board to defray the operational expenses of the Condominium. Except as otherwise set forth herein, the Common Charges have been allocated between

the Residential Unit Owners and the Non-Residential Unit Owners based on anticipated usage and benefits derived by such Unit Owners, respectively, and between and among the Unit Owners on the basis of percentage of Common Interest allocated to each Unit. Where the allocation of Common Expenses is not based on percentage of Common Interest, or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes. The Non-Residential Unit Owners will only be obligated to pay its respective allocable share of those expenses that are incurred by the Condominium Board in furnishing services, operating and maintaining those Common Elements which are utilized by and serve the Non-Residential Units. Those Common Charges that have been allocated on the basis of Common Interest have been allocated on such a basis as follows: Those expenses to be borne by the Residential Unit Owners have been allocated on the basis of the combined percentage of Common Interest of such Residential Units, for a total of 71.7146%. Common Charges to be borne by the Gallery Unit Owner has been allocated on the basis of such the Gallery Unit's Common Interest for a total of 25.6095%. Common Charges to be borne by the Retail Unit Owner has been allocated on the basis of such the Retail Unit's Common Interest for a total of 2.6759%.

The Non-Residential Unit Owner's obligation to pay Common Charges is based upon its percentage of Common Interest in the Building times the projected expenses specific to the Non-Residential Units as set forth in the budget. As set forth in Schedule B, the Non-Residential Unit Owners are obligated to pay as part of its monthly Common Charges a portion of the following expenses: payroll and related expenses, repairs and maintenance; service contracts; insurance; management fee; administration; other miscellaneous expenses; and contingency. The Non-Residential Unit Owners are not obligated to pay any part of electricity; gas for cooking; water and sewer charges since such budget line items exclusively benefit the Residential Unit Owners, and are services which are not fairly attributable to the Non-Residential Unit's use of the Common Elements.

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

(3) <u>License Fees for Storage Units: $24,570</u>

There are a total of 21 Storage Units. The Storage Units are located on the Cellar of the Building. The Condominium will charge a license fee for the use of the individual Storage Units. Each Storage Unit Licensee will be charged a monthly License Fee. The Monthly License Fee projected herein are based upon estimated expenses for the twelve (12) month period commencing July 1, 2021. The Residential Common Charges will be offset by the income derived by the Storage Unit License Fees in the amount of $24,570. The Storage Unit License fee will be subject to increases based on the percentage increase in subsequent

budgets approved by the Residential Board or as otherwise as the Residential Board deems necessary in its discretion.

(4) Payroll and Related Expenses: $687,556

The Building staff shall consist of:

Position and Number	Weekly Rate	Total
Full-Time Non-Resident Manager (1) (40 hours per week)	$1,923 X 52	$ 100,000
Concierge (4.0) (24 hours per day, 7 days per week.)	$960 X 52	$ 199,680
Porters (4) (40 hour per week)	$960 X 52	$ 199,680
Sub-Total:		**$ 499,360**
Overtime	5% of Base Wages	$ 24,968
Vacation, Sick & Holiday	11% of Base Wages	$ 54,930
Gross Wages:		**$ 579,258**
Health Benefits	Annually -$10000 X 9 full time employees	$ 90,000
Payroll Taxes	See Schedule Below	$ 18,299
Total Payroll and Related:		**$ 687,556**

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

The Non-Residential Unit will utilize the services of the Resident Manager and a Porter. The Non-Residential Unit has been allocated its percentage of Common Interest of the Payroll and Benefit expense related to the Resident Manager and one (1) Porter, and will allocated this expense as part of their Common Charges on a monthly basis.

The following expenses are mandated by Law for each employee:

FICA Employer	7.65% of Wages	7.65%	$	6,112
NY State Unemployment	(1st $10,300)	4.0%	$	3,731
Federal Unemployment	(1st $7,000)	6.0%	$	3,780
State Disability Insurance	(Yearly)	$31.20	$	281
Workers Compensation	5.5% of Wages	5.5%	$	4,394

(5) Gas (Heat, Hot Water and Generator): $431,703

Based on an estimate dated June 18, 2018 by Cosentini Consulting Engineers, with offices located at Two Pennsylvania Plaza, New York, NY 10121, it is anticipated that gas for heat, hot water and back-up generator will be provided to the Residential Units by natural gas and will cost approximately $431,703 per year. This estimate is based on a projected usage of 301,890 Therms of gas per year, at an anticipated average cost of $1.30 X 110% per Therm to factor in inflation.

The Non-Residential Units will be separately metered.

(6) Electricity: $471,438

Based on an estimate dated June 18, 2018 by Cosentini Consulting Engineers, with offices located at Two Pennsylvania Plaza, New York, NY 10121, it is anticipated that light and power for the Common Elements as well as the mechanical equipment will be approximately 1,948,090 KW/HR/YR at an annual cost of $0.22 X 110% per KW/HR to factor in for inflation based on the estimate provide by Cosentini. The Non-Residential Units will be separately metered.

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

(7) Water Charges and Sewer Rent: $51,827

Based on an estimate dated June 18, 2018 by Cosentini Consulting Engineers, with offices located at Two Pennsylvania Plaza, New York, NY 10121, it is anticipated that water and sewer charges for the Residential Units and all Common Elements, will be approximately $51,827 based on a combined rate of $9.87 per cubic feet of water used X 110% to factor in for inflation based on the estimate provide by Cosentini. This is based on 5,569 HCF/yr. of water usage.

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

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

(8) Repairs and Maintenance: $63,000

This estimate includes painting, maintenance and repair costs of Common Elements and Residential Common Elements only. Residential Unit Owners will be responsible for the cost of repairs and painting in the interiors of their Residential Units. No provision has been made to cover the cost of any capital expenditure. This estimate also includes the estimated annual cost of services and supplies (excluding service contracts) provided to and for the benefit of the Residential Units.

Supplies and Hardware	$	30,000
Plumbing	$	3,000
Intercom	$	2,000
Painting	$	2,500
Electrical	$	2,000
Window, Lock and Doors	$	2,500
Elevator Repairs (Not Covered by Contract)	$	6,000
General Repairs	$	15,000
Total	**$**	**63,000**

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

The budgeted amount for Repairs and Maintenance has been allocated to the Non-Residential Unit based on respective Common Interest for, electrical, plumbing, window lock and doors and general repairs only.

(9) Service Contracts and Supplies: $318,500

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

Elevator Maintenance	$	36,000
Exterminating	$	3,000
Fire Extinguishers	$	1,000
Landscaping	$	10,000
Flowers	$	12,000
Fire Alarm (Protection)	$	7,500
Central Station Monitoring	$	3,000
Sprinkler	$	1,500
Generator	$	12,000
BMU	$	15,000
Window Washing	$	40,000
Water Treatment	$	7,500
HVAC Common	$	20,000
Amenity Operator (Life Guard)	$	130,000
Buildinglink	$	2,500
Telephone/Internet	$	10,000
Uniforms	$	7,500
Total	**$**	**318,500**

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

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

The budgeted amount for Service Contracts has been allocated to the Non-Residential Unit based on respective Common Interest for exterminating, fire extinguishers, fire alarm, central station monitoring, sprinkler, and window washing, telephone and uniforms. They will not share in any of the other Service Contract expenses.

(10) Insurance: $345,000

The insurance premiums are based on a letter dated June 6, 2018 from SA Genatt LLC located at 3333 New Hyde Park Rd., Suite 409, New Hyde Park, New York, 11042. The fire, casualty and general liability are on the terms set therein:

	COVERAGES	LIMITS OF LIABILITY
A.	Property (Building Limit)	$ 223,125,000
	Business Personal Property Limit	$ 1,000,000
	Loss of Maintenance Fee	$ 2,000,000
	Demolition and Increased Cost	$ 10,000,000
	Flood	$ 8,500,000
	Earthquake	$ 20,000,000
	Deductibles	
	Building, Underground Water & Sewer	$ 10,000
	Earthquake	$ 25,000
	Flood	$ 25,000
B.	General Liability	
	(General Aggregate)	$ 2,000,000
	Each Occurrence	$ 1,000,000
	Fire Damage Liability	$ 50,000
	Personal and Advertising Injury	$ 1,000,000
	Medical Expenses	$ 5,000
	Hired/Non Owner Auto Liability	$ 1,000,000
	Water Damage Legal Liability	$ 1,000,000
C.	Directors & Officers Liability	$ 1,000,000
	Deductible	$ 5,000
D.	Umbrella Liability	$ 100,000,000
	Self Insured Retention	$ 10,000
	Included Excess Director's & Officers	
E.	Crime	
	Employee Dishonesty Limit	$ 500,000
	Managing Agent's Rider	$ 500,000

F. Boiler and Machinery or Equipment Breakdown $ Included

The total premium for these various coverages is estimated at $345,000.

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

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

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

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

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

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

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

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

Genatt LLC located at 3333 New Hyde Park Rd., Suite 409, New Hyde Park, New York, 11042.

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

The insurance expense for the Residential and Non-Residential Units has been allocated upon their respective Percentage of Common Interest.

(11) Management Fee: $60,000

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

The management expense for the Residential and Non-Residential Units has been allocated upon their respective Percentage of Common Interest.

(12) Administration: $20,000

Based upon the estimate set forth in a letter dated February 15, 2017 from Wilkin & Guttenplan P.C. located at 555 Fifth Avenue, New York, New York, 10017, Sponsor has budgeted $15,000 for estimated auditing and accounting fees in connection with the preparation of the audited financial statements for the First Year of Condominium Operation and federal, state and city income tax returns. The balance of the budgeted amount ($5,000) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at Condominium Board meetings, preparation of Condominium Board minutes and negotiation of minor agreements. The amount budgeted for legal services is calculated based on the Sponsor's budget expert's previous management experience in managing newly constructed buildings of comparable size.

The administration expense for the Residential and Non-Residential Units has been allocated upon their respective Percentage of Common Interest.

(13) Other Expenses: $17,000

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

Office Expense	$	1,000
Payroll Processing	$	5,000
Other professional	$	2,500
License/Fees/Permits	$	1,500

Postage/Messenger/ Copying	$	2,500
Holiday Expense	$	5,000
Total	**$**	**17,500**

The other expense for the Residential and Non-Residential Unit has been allocated upon their respective Percentage of Common Interest.

(14) Contingency: $40,000

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

The contingency expense for the Residential and Non-Residential Unit has been allocated upon their respective Percentage of Common Interest for office, license fee and permits and postage and coping.

****

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

****

IN THE OPINION OF FIRSTSERVICE RESIDENTIAL NEW YORK INC., THE PROJECTED INCOME IS ADEQUATE TO MEET THE PROJECTED COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING JULY 1, 2021. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME AND EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY WILL BE AS SET FORTH IN THE BUDGET, SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM AMOUNTS SHOWN IN THE BUDGET BASED ON FACTORS SUCH AS INFLATION, CHANGES IN THE ECONOMY AND UNFORESEEN FACTORS.

Sponsor reserves the right to enter into additional or other service, maintenance, employment, concessionaire and other agreements that will be binding on the Condominium upon commencement of condominium operation. Sponsor shall not, however, enter into any binding service, maintenance, employment, concessionaire or other agreements that will materially increase the first year's projected Common Charges

or that will be binding on the Condominium for a period of more than two (2) years, unless the Plan is amended.

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

Cosentini
A TETRA TECH COMPANY

Consulting Engineers
Two Pennsylvania Plaza
New York, NY 10121
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M. A. Mass, PE
D. C. Mass, PE
M. W. Maybaum, PE
E. Barbieri, PE
R. Leber, PE
S. R. Ceasar, PE
D. DeRobertis, PE

June 18, 2018

Mr. Marc Lazarus
CASCO
529 West 20th Street, 10th Floor
New York, NY 10011

Re: 540 W21st Street
New York, NY 10011
CA Project No. 170015

Dear Mr. Lazarus:

The following are electricity consumption cost estimates for the 34 apartments.

A. ESTIMATED ANNUAL COST OF ELECTRICITY FOR APARTMENTS

Floor Number	Apartment Designation	Apartment Area (SF)	Cooling/Heating (kWh/Year)	Lighting / Receptacle (kWh/Year)	Appliances (kWh/Year) See Note 1.	Washer/Dryer (kWh/Year)	Annual (kWh/Year)	Annual Cost / Year
4	4A	1,391	45,110	2,628	21,786	318	69,842	$15,365
4	4B	1,197	45,110	2,628	21,786	318	69,842	$15,365
4	4C	1,195	45,110	2,628	21,786	318	69,842	$15,365
4	4D	1,502	45,110	3,285	21,786	318	70,499	$15,509
4	4E	1,511	45,110	3,285	21,786	318	70,499	$15,509
4	4F	1,780	45,110	3,285	21,786	318	70,499	$15,509
5/6	5A	5,503	90,629	11,169	29,837	318	131,953	$29,030
5/6	5B	5,864	89,089	11,826	28,654	318	129,887	$28,575
5/6	5C	3,506	46,291	7,227	27,393	318	81,229	$17,870
7	7A	3,786	87,325	7,884	26,752	318	121,334	$26,693
7	7B	2,984	46,291	5,913	26,583	318	78,329	$17,232
8	8A	3,847	87,325	7,884	26,752	318	121,334	$26,693
8	8B	3,021	46,291	7,884	25,807	318	80,300	$17,666
9	9A	3,847	87,325	7,884	26,752	318	121,334	$26,693
9	9B	3,021	46,291	7,884	25,807	318	80,300	$17,666
10	10A	3,847	87,325	7,884	26,752	318	121,334	$26,693

10	10B	3,021	46,291	7,884	25,807	318	80,300	$17,666
11	11A	3,847	87,325	7,884	26,752	318	121,334	$26,693
11	11B	3,021	46,291	7,884	25,807	318	80,300	$17,666
12	12A	3,847	87,325	7,884	26,752	318	121,334	$26,693
12	12B	3,021	46,291	7,884	25,807	318	80,300	$17,666
13	13A	3,847	87,325	7,884	26,752	318	121,334	$26,693
13	13B	3,021	46,291	7,884	25,807	318	80,300	$17,666
14	14A	3,847	87,325	7,884	26,752	318	121,334	$26,693
14	14B	3,021	46,291	7,884	25,807	318	80,300	$17,666
15	15A	3,847	87,325	7,884	26,752	318	121,334	$26,693
15	15B	3,021	46,291	7,884	25,807	318	80,300	$17,666
16	16A	3,847	87,325	7,884	26,752	318	121,334	$26,693
16	16B	3,021	46,291	7,884	25,807	318	80,300	$17,666
17	17A	3,847	87,325	7,884	26,752	318	121,334	$26,693
17	17B	3,021	46,291	7,884	25,807	318	80,300	$17,666
18	PT C	5,967	93,387	11,826	32,526	318	138,057	$30,373
19	PT B	5,963	93,387	11,826	32,526	318	138,057	$30,373
20	PT A	5,963	93,387	19,710	46,156	318	159,571	$35,106

Note:

1. The estimated electricity cost for the appliances also include the pool and spa lighting and equipment.

GENERAL

A. Electricity Rates and Energy Cost Assumptions

1. Individual Unit Energy Assumptions

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

b. Appliance loads include refrigerator/freezer, oven, warming drawer, induction unit, dishwasher, exhaust hood, wine refrigerator, coffee maker, washer/dryer, and microwave with total load between 24.87 KW and 37.13 KW per apartment. The appliance loads are calculated based on 60% demand factor, 4 hours per day, 365 days per year. Washer and dryer are calculated based on average 10 hour usage monthly.

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A TETRA TECH COMPANY

c. Air conditioning and heating load includes VRF and AC units and electric heat matswith total load between 13.20 KW and 30.57 KW per apartment. The air conditioning loads are calculated based on demand factor for 1,000 hours a year and heating load for 2,500 hours (VRF and AC units) and 350 hours (electric heat mats) per year.

2. Utility Company Electricity Rates

   a. The estimated electrical cost is based on a current average flat residential utility rate available from the Con Edison Co., at current rates of approximately 22 cents per KWH. Taxes and surcharges are not included.

You have advised us of your intention to reproduce this letter in connection with the Offering Plan for the Property, and we hereby consent to such use.

Sincerely,

COSENTINI ASSOCIATES

Douglas C. Mass, P.E., LEED AP
President

STATE OF NEW YORK
DOUGLAS C. MASS
No. 58375
LICENSED PROFESSIONAL ENGINEER

I. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

FirstService
RESIDENTIAL

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

July 16, 2018

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

Re: Condominium Offering Plan
540 West 21st Street Condominium
540 West 21st Street
New York, New York 10011 ("Property")

Dear Sir/Madam:

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

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

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

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

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

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

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

Very truly yours,

FirstService Residential New York, Inc.

By: 

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

FirstService
RESIDENTIAL

J. NON-RESIDENTIAL SECTION

The Condominium will contain one Non-Residential Section consisting of a Gallery Unit, and a Retail Unit. The Retail Unit is located on a portion of the First Floor of the Building and the Gallery Unit is located on portions of the Lower Level through Third Floor.

The Non-Residential Unit Owners will make all decisions with regard to the Non-Residential Units. After the Initial Control Period, one member shall be designated to the Condominium Board on behalf of the Non-Residential Units. Commencing with the First Annual Meeting, the Condominium Board shall consist of five (5) members, three (3) members elected by the Residential Unit Owners, who shall serve on the Residential Committee, one (1) member designated by the Gallery Unit Owner and one (1) member designated by the Retail Unit Owner.

It is currently anticipated that the Retail Unit will initially be used as a restaurant (and ancillary uses) and may be used for any legal purpose. The Gallery Unit may not be used for any purpose other than as a first-class art gallery, which may include incidental office use and incidental food and beverage sales. The Gallery Unit will not be open past eight o'clock in the evening (8pm) more than twenty (20) times per year, and Gallery Unit Owner shall exercise good faith efforts to use a lighting system in the Gallery Unit that minimizes the impact upon the Residential Units of light from the Gallery Unit. Other than as provided in the Condominium Declaration, neither the Condominium Board, the Residential Committee, nor the Unit Owners shall impose any restrictions on the use of the Gallery Unit. No amendments to the Declaration or the By-Laws that impose further material restrictions on the use or operation of the Gallery Unit shall be permitted without the written consent of the Gallery Unit Owner. No representation or warranty is made with respect to such initial or any subsequent uses of such Non-Residential Units or with respect to who the owner or tenant(s) of the Non-Residential Units may be at any time. As a result, in the future the Retail Unit may be used for non-retail purposes. Use of the Retail Unit as a café, restaurant or like use could result in additional noise and food-related smells. The Non-Residential Unit Owners have the right to subdivide the Retail Unit and the Gallery Unit and the right to freely sell the Retail Unit and the Gallery Unit or to freely lease all or part of the Retail Unit and the Gallery Unit, without having to first offer the same for sale or lease to the Condominium Board.

The Board will have no right to restrict or limit the method of operation, use or appearance of the Non-Residential Units which is permitted by law and applicable zoning ordinances. No rules affecting the operation of the Non-Residential Units may be adopted or modified by the Board without the consent of the affected Unit Owner. All or any part of the Non-Residential Units may be leased or subleased by the Non-Residential Unit Owner(s), all as more fully set forth in the Declaration subject to the restrictions set forth in the preceding paragraphs. Subject to compliance with all applicable laws and governmental rules and regulations, if any, the Non-Residential Units may be sold without prior notice to other Unit Owners. The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any portion of the Non-Residential Units.

There is a Loading Dock on 21st Street which is part of the Gallery Unit.

The Retail Unit may initially be owned by the Sponsor or an affiliate of the Sponsor and

the Gallery Unit will initially be owned by David Zwirner or an Affiliate. David Zwirner is an affiliate of Sponsor. At some time in the future the Retail Unit may be sold by the Sponsor to a third party, in which case the Plan will be amended to disclose the sale of the Retail Unit. At some time in the future the Gallery Unit may also be sold by its initial owner. No representation is made with respect to the continued ownership by Sponsor of the Retail Unit or David Zwiner of the Gallery Unit or as to who the tenants or occupants of any portion of the Non-Residential Units may be at any time or as to the uses to which any portion of the Non-Residential Units may be put at any time (except that the Non-Residential Units may be used for any lawful purpose or as otherwise limited by the Plan), and no assurance is given that such tenants, occupants or uses will not be objectionable to Residential Unit Owners or other parties.

Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. The basis for projecting the share of expenses attributable to the Non-Residential Units is the Common Interest of such Unit except that, as described below and in the projected "Budget for First Year of Condominium Operation, Schedule B" the Non-Residential Unit Owners share the costs for insurance, heating, water and sewer, sprinkler, administration and Contingency for Repairs based upon its Common Interests and share the costs of a portion of other expenses such as the cost for labor and related expenses, capital reserve fund, repairs and maintenance and other miscellaneous office expenses based upon estimated usage. Other costs such as the costs for hot water, gas, service contracts and the passenger elevator contract are not borne at all by the Non-Residential Unit Owners because such utilities and/or services are either separately metered or not used by the Non-Residential Unit Owners.

As set forth in the opinion of Budget Expert, the Common Charges projected to be payable by the owners of the Non-Residential Units are sufficient to cover the Common Expenses fairly attributable to those Units. The Declaration and By-Laws authorize the special allocation and apportionment of profit and expenses or specific expense item based on special or exclusive use or availability or exclusive control of particular Units or Common Elements. Any dispute regarding such allocation or apportionment shall be resolved by arbitration in accordance with the By-Laws.

Each Non-Residential Unit Owner has the right to freely sell its Non-Residential Unit, or to freely lease all or part of its Non-Residential Unit, as the case may be, without having to first offer the same for sale or lease to the Board.

Certain easements have been reserved to the Non-Residential Unit Owners and the Sponsor in the Declaration. The Non-Residential Unit Owners and the Sponsor and their successors and assigns 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, including but not limited to signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building, for the purposes of advertising (i) the sale or lease of any of the Unsold Residential Units and all or any portion of the Non-Residential Units provided, however, that any such signs are in keeping with the first class nature of the Building, and (ii) the operation of any business of a tenant or occupant of all or any portion of any Non-Residential Units, provided, that such signs are contained within the areas designated by the Sponsor for signs. The Non-Residential Unit Owners and their successors and assigns shall have an easement to erect, maintain, repair and replace from

time to time, lights and lighting fixtures on the Common Elements of the Condominium. Although the Non-Residential Unit Owners may have certain rights or obligations in the Declaration which differ from those of the Residential Unit Owners, such rights and obligations will not have a materially adverse impact upon the Condominium.

The Condominium Board, at the request of the Sponsor, will enter into a recognition agreement with any tenant with which Sponsor or its designee or a Non-Residential Unit Owner has entered into a lease for all or any of the Non-Residential Units. Under the terms of the recognition agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Board will agree that so long as there is no event of default under said lease, as would entitle Sponsor or the Non-Residential Unit Owner or any successor landlord under the lease to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Board's lien on a Non-Residential Unit for Common Charges or any other sums of any sort, and the Board shall agree that the lease shall not be terminated nor shall the tenant's use, possession, or enjoyment of the Non-Residential Unit in question be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Board, or, in case the Board takes possession of the Non-Residential Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that the Board or any other party succeeds to the interests of Sponsor under the lease the tenant will agree to be bound to such Board or party under all of the terms, covenants and conditions of the lease and the tenant will attorn to such Board or party as its landlord. Any insurance coverage obtained by the Condominium Board on the Non-Residential Units is subject to the approval of the owners of the Non-Residential Units.

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

K. CHANGES IN PRICES AND UNITS

Purchase prices for all Offered Units 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 Board or any Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Offered Unit, except that no such change with respect to any Offered Unit for which an Agreement is then in effect may be made without the 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 when such change in price is an across the board increase or decrease affecting one or more lines of units or unit models, or is to be advertised, or is a price increase for an individual purchaser. Sponsor reserves the right to decrease Purchase Prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the Purchase Price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. If any such change is made, a Purchaser of a 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.

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

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board or 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, (c) designate a General Common Element as part of a newly created Unit or Limited Common Element or designate all or part of a Unit as a newly created Unit, Common Element, Limited Common Element, and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to any of (a) - (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements

directly affecting or servicing a Unit, will be made with respect to any Unsold Unit for which an Agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, common interest, dimension, floor space or layout of such Unsold Unit. The Common Interest of a Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. No material change will be made in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the Common Elements.

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 this Plan are amended with the consent of each Unit Owner whose Unit is so changed. 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 are not insubstantially or materially different than the Unit Plans, a Purchaser will not be excused from purchasing his Unit and will not have any claim against Sponsor as a result of any insubstantial or immaterial change.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved of any obligations under the Agreement, by virtue of a minor inaccuracy or error in the Floor Plans. With regard to size, such minor error would mean a decrease of 5% or less or any increase in the size of any Unit or room contained in a Unit. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material.

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

L. INTERIM USE AND OCCUPANCY AGREEMENTS

No Purchaser shall have the right to occupy or use any Unit prior to the closing unless Sponsor agrees, in its sole discretion, to permit such occupancy under an Interim Occupancy Agreement or other written rental agreement.

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

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

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

Sponsor and its designee reserve the right, without prior notice or amendment to the Plan,

to use Unsold Units on any floor of the Building as sales and rental offices and model apartments for the Building. In the event Sponsor or its designee thereafter elects to sell any such Unsold Units, Sponsor or its designee may require the Purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the Purchase Price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to the Purchaser of the Residential Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the Purchase Price for such Residential Unit and such items to be included are specifically stated to be included in an addendum to the Agreement for such Unit.

M. PROCEDURE TO PURCHASE

1. General Information

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

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

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

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

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

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

At the time an Agreement is executed, a Purchaser is required to make a payment in an amount equal to at least fifteen percent (15%) of the Purchase Price (the "Initial Option Payment"); and an additional option payment equal to 10% of such Purchase Price (the "Additional Option Payment") is due and payable no later than the earlier to occur of: (x) six months after the date of the Agreement; or (y) 30 days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, but in no event later than the closing of title to the Unit; provided, however, that with respect to Agreements entered into after the Offering Plan has been declared effective, Sponsor reserves the right to require both the Initial

Option Payment and the Additional Option Payment due and payable upon execution of the Agreement. In the event the Purchaser defaults, the Sponsor shall have the right to retain the Option Payment unless the Attorney General's Regulations or this Plan provide to the contrary.

All Option Payment checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the Option Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Agreement to be canceled and of no further force or effect.

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

The balance of the Purchase Price shall be payable simultaneously with the delivery of the Unit Deed at Sponsor's option, by wire transfer or 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 Option Payment will be credited or paid to Purchaser at Closing.

TIME IS OF THE ESSENCE TO PURCHASER AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE 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 UNLESS OTHERWISE AGREED BY SPONSOR.

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

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

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

In order to facilitate the Sponsor's sale of the Residential Units, a Purchaser shall not, for a period of twelve (12) months after the Purchaser's closing on its Residential Unit, (a) sell the Unit without Sponsor's written approval, or (b) list the Unit resale with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale. Any such sale, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein.

It is anticipated that the First Closing will occur on approximately July 1, 2021. In the event the projected commencement date of Condominium operation is twelve (12) months or

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

Purchasers should note that even if the First Closing occurs on or before July 1, 2021 (or such other date projected as the date of commencement of the operation at the time the Purchase Agreement was entered into) or within the twelve month period thereafter, the Closing of subsequent Units may be substantially delayed beyond such dates if a TCO has not been issued for such Units or for the floors on which such Units are located. In such case, provided that Sponsor is diligently pursing completion of construction and the issuance of a Certificate of Occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full Purchase Price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. Unless your Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain.

At the time of execution of an Agreement, Purchaser is not required to sign a Power of Attorney to the Condominium Board. Notwithstanding the foregoing, at the closing of title and simultaneously with the delivery of the Unit Deed to Purchaser, Purchaser shall execute and acknowledge a Power of Attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan. Failure by any Purchaser to deliver such document at closing shall constitute an event of default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement.

If the Plan is withdrawn or abandoned, the Option Payment previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within five (5) days of the date of such withdrawal or abandonment, in accordance with the provisions herein set forth.

From and after 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 or she has taken possession of his Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to his Unit or the Building has been completed.

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

2. Escrow and Trust Fund Requirements

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

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

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

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

a. Escrow Agent

All Option Payments made by Purchasers prior to the closing of each individual transaction, will be placed, within five (5) business days after the Agreement has been signed by all necessary parties, in a segregated special escrow account of Holland & Knight LLP, the escrow agent for Sponsor and Purchaser (the "Escrow Agent"), whose address is 31 West 52nd Street, New York, New York 10019 and whose telephone number is (212) 513-3308. The attorneys who are signatories on this account authorized to withdraw funds are: Stuart M. Saft, Renee I. Covitt, Laura M. Sugarman, Rita Dattola, Joshua Berengarten, Neil N. Beaton, Richard A. Crowley, Martin P. Miner, Randal R. Craft Jr., Michael J. Frevola, Nancy L. Hengen, Christopher G. Kelly, Alan D. Reitzfeld, Sean C. Sheely, James M. Spitzer Jr., Arthur E. Rosenberg, Vincent J. Foley, R. Scott Johnson, Lance Myers and Christopher R. Nolan. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

b. Escrow Account

The Escrow Agent has established a master escrow account at JPMorgan Chase

Bank, N.A. (the "Bank") at its branch located at 51 West 51st Street, New York, New York entitled "Holland & Knight LLP - 540 West 21st Street Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Option Payments will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Option Payment and the Agreement. If an Option Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Option Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Option Payments transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of June, 2018 is approximately .20%. Interest shall begin to accrue upon placing the Option Payment into the individual interest bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Option Payment will remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts. At such time as the Option Payment is released, the Option Payment will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon. The Bank is covered by federal bank deposit insurance to a maximum of $250,000 per individual deposit. The following are special risks of this offer: (i) if a Purchaser makes an Option Payment in excess of $250,000 for the purchase of a unit, such Option Payment will not be federally insured in excess of $250,000; and (ii) while the Option Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Option Payment may not be fully federally insured even if the Option Payment does not exceed $250,000. In addition, if Purchaser makes an Option Payment of less than $250,000 but maintains other accounts at the same bank, those accounts could be used to count toward the $250,000 limit.

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

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

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

The checking account portion of the Master Escrow Account will not be interest-

bearing. The sub-escrow savings account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a Closing under the Agreement, or (ii) Purchaser is entitled to a return of the Option Payment. All interest will be credited to Sponsor only in the event Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts, which varies. Interest will begin to accrue after deposit within: (i) one (1) business day, if the Option Payment is cash or cash equivalent, or (ii) three (3) business days, if the Option Payment is other than cash or cash equivalent, of the transfer of the Option Payment from the checking account portion of the Master Escrow Account into the sub-escrow savings account portion of the Master Escrow Account.

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

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

c. Notification to Purchaser

Within five (5) business days after the fully executed Agreement has been tendered to Escrow Agent along with the Option Payment, the Escrow Agent shall sign the Agreement and place the Option Payment into the Master Escrow Account. Within ten (10) business days after deposit of the first portion of the Option Payment into the Master Escrow Account, Escrow Agent will notify Purchaser and Sponsor that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Master Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The Escrow Agent is obligated to send notice to the Purchaser once the Option Payment is placed in the Master Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the first portion of the Option Payment, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the Agreement and Option Payment to Escrow Agent or may apply to the Attorney General for relief. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Option Payment was timely deposited in the Master Escrow Account in accordance with the New York State Department of Law's regulations concerning Option Payments and requisite notice was timely mailed to Purchaser.

d. Release of Funds

All Option Payments, except for advances made for upgrades, extras, or custom work received in connection with the Agreement, are and shall continue to be the Purchaser's

money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h.

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

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

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

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

(iii) in a final decision by JAMS. (See subsection 11, "Dispute Resolution", in this Section of the Plan for the process for commencing a JAMS dispute resolution.)

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

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

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

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

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

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to

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

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

Sponsor may agree to modify the floor plans and finishes of certain Residential Units or to do special work or provide extras to the Residential Units as requested by individual Purchasers as negotiated by Sponsor and Purchaser. Purchaser shall bear the cost of such modification to floor plans and finishes in advance together with the cost of removing the special work if the Purchaser fails to close. All funds received by Sponsor from Purchasers for such modified or additional work in Units, as aforesaid, shall be initially placed in escrow and shall be paid to Sponsor by the escrow agent to be used by Sponsor to pay for such work. Accordingly, in the event a Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any funds used for special work or extras, unless Purchaser is entitled to rescission because of Sponsor's withdrawal or abandonment of the Plan or other acts of Sponsor.

e. Waiver Void

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

f. Trust Obligation of Sponsor

Nothing contained herein shall diminish or impair the Sponsor's statutory obligation to each Purchaser pursuant to GBL § 352-h to hold in trust all Option Payments, except for advances made for upgrades, extras, or custom work received in connection with the Agreement, until consummation of the transaction with such Purchaser. Consummation of the Plan does not relieve Sponsor of its obligations pursuant to GBL § 352-h. Funds from any escrow account (except for advances made for upgrades, extras or custom work) remain the property of the Purchaser until employed in connection with the consummation of the transaction. Such funds shall not be part of the estate of the Sponsor or the escrow agent upon any bankruptcy, incapacity or death.

3. Date of the First Closing; Closing Notices

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

4. Default

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

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

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

default.

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

5. Prohibition Against Advertising, Selling or Leasing

In order to facilitate the Sponsor's sale of the Residential Units, a Purchaser shall not, for a period of twelve (12) months after the Purchaser's closing on its Residential Unit, (a) sell the Unit without Sponsor's written approval, or (b) list the Unit resale with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale. Any such sale, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein.

6. Risk of Loss

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

However, if Sponsor notifies the Purchaser in writing that it does not elect to repair or restore the Unit, or if the Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser the entire Option Payment, together with interest earned thereon (but not funds actually spent on Custom Work), and the parties shall be released and discharged from all rights, obligations and liability under the

Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Option Payment, together with interest earned thereon.

7. Financing

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

8. Transfer Taxes and Mansion Tax

Under the Option Agreement, Purchaser will be required to pay the State Transfer Tax. The State Transfer Tax as of July 1, 2019 is $2.00 per $500, or fractional portion thereof, of the consideration for the Residential Units transferred at Purchaser's Closing plus an additional $1.25 per $500, or fractional portion thereof, of the consideration for the Residential Unit transferred at Closing when the consideration for the entire conveyance is $3,000,000 or more. As of the date of this Plan, the State of New York imposes no administrative fee with respect to filing New York State Form TP-584 in connection with the State Transfer Tax. However, Purchasers will be obligated to pay any such administrative fee or other filing charge as the State of New York may impose in the future with respect to such filing.

Under the Option Agreement, Purchaser also will be required to pay the New York City Real Property Transfer Tax (the "RPT Tax") applicable to the transaction and complete the RPT Tax return in connection therewith (the State Transfer Tax and the RPT Tax are referred to in this Plan collectively as the "Transfer Taxes"). The RPT Tax rate currently is 1% of consideration for individual residential cooperative Residential Units priced at $500,000 or less and 1.425% of consideration for individual residential cooperative Residential Units priced at more than $500,000. Purchaser shall also be required to pay the administrative charge for filing the RPT Tax return (and any other administrative fee or filing charges as the City of New York may impose), which currently is in the amount of $125.

Purchasers are advised that the New York City Department of Finance takes the position that higher, non-residential RPT Tax rates apply if Purchaser purchases more than one Residential Unit. The non-residential rates currently are 1.425% for purchases with a consideration of $500,000 or less, and 2.625% for purchases with a consideration of more than $500,000. Purchasers of two (2) or more uncombined Residential Unit will be required to pay the RPT Tax at the applicable higher rate.

Sponsor is transferring its statutory duty to pay Transfer Tax to Purchaser; absent this contractual provision, Transfer Taxes would be a seller's obligation. New York City and New York State take the position that where a contract of sale for real property provides, as does the Option Agreement, that the Purchaser pays the Transfer Taxes, the Purchase Price for the property is that much higher than the amount stated in the contract itself. The State Transfer Tax and the RPT Tax have thus been calculated by New York City and New York State in situations where a Purchaser pays the Transfer Taxes, first by computing the RPT Tax and the State Transfer Tax on the Purchase Price listed in the contract of sale or Option Agreement, and then adding this aggregate tax amount to the Purchase Price listed in the contract of sale or Option Agreement, as applicable, to derive a "grossed up" Purchase Price. The RPT Tax and State Transfer Tax are then recalculated based upon this "grossed up" Purchase Price. Purchasers accordingly will be obligated to pay the RPT Tax and the State Transfer Tax calculated pursuant to this "grossing up" procedure, and also will be obligated to pay the RPT Tax at such higher rate as may be applicable when and if Purchaser is purchasing two or more Residential Unit simultaneously. It is possible a similar gross-up calculation will be imposed for other costs and amounts paid by Purchaser, such as if taxing authorities take the position they would be Sponsor costs absent a contractual provision making them a Purchaser's obligation. Accordingly, a gross-up calculation will be employed with respect to document preparation and related fees paid to Sponsor's Closing Agent by Purchaser as discussed above.

The foregoing discussion is not a representation or warranty that New York State and/or New York City will continue to compute the Transfer Taxes owed them by use of the policies, practices, formulas or rates described above, or that Sponsor will so compute the Transfer Taxes. If the RPT Tax rate and/or State Transfer Tax rate is increased by New York City or New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Option Agreement hereunder.

Purchasers are advised that New York State imposes an additional transfer tax upon Purchasers (the "Mansion Tax''), which tax shall be the primary obligation of Purchaser. The Mansion Tax shall be payable by Purchaser as follows:

Tax Rate	Consideration
1%	$1 million up to $2 million
1.25%	$2 million up to $3 million
1.5%	$3 million up to $5 million
2.25%	$5 million up to $10 million
3.25%	$10 million up to $15 million
3.5%	$15 million up to $20 million
3.75%	$20 million up to $25 million

3.9%	Over $25 million

PURCHASERS ARE FURTHER ADVISED THAT NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE TAKES THE POSITION, THAT FOR PURPOSES OF THE MANSION TAX, CONSIDERATION INCLUDES NOT ONLY THE PURCHASE PRICE FOR THE RESIDENTIAL UNIT LISTED IN THE OPTION AGREEMENT, BUT ALSO THE AGGREGATE OF ANY TRANSFER TAXES PAYABLE BY PURCHASER UNDER THE OPTION AGREEMENT. THUS, FOR INSTANCE, A RESIDENTIAL UNIT PRICED AT $985,000 UNDER AN OPTION AGREEMENT WHERE A PURCHASER PAYS THE TRANSFER TAXES WOULD SUBJECT THE PURCHASER TO LIABILITY FOR THE MANSION TAX AS THE AGGREGATE OF THE PURCHASE PRICE PLUS THE TRANSFER TAXES EXCEEDS $1 MILLION. Purchasers of Residential Units where the consideration (including the Purchase Price itself, plus the aggregate Transfer Taxes and possibly other costs and amounts payable by Purchaser as discussed above) is $1 million or more, currently will be obligated to pay the Mansion Tax at closing. The foregoing discussion is not a representation or warranty that New York State will continue to compute the Mansion Tax owed to it in accordance with the foregoing policies, practices, formulas or rates. If the Mansion Tax rate is increased by New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Option Agreement hereunder.

Purchaser shall also pay any tax in addition to the Transfer Taxes, Mansion Tax and Stamp Tax (e.g., without limitation, a pied-a-terre tax) payable by transferor or transferee at Closing and imposed on the transaction after the date of this Plan by New York City or New York State ("Additional Tax"). Sponsor will amend the Plan to disclose any Additional Tax.

Sponsor's Closing Agent will cause the Title Company to file returns for the State Transfer Tax and RPT Tax (and, if applicable, Additional Tax) after Purchaser's Closing Date, and Purchaser shall pay any administrative and/or service fee(s) charged by the Title Company to make such filings.

9. Unit Owner Power of Attorney

At the Closing and simultaneously with the delivery to Purchaser of the Unit Deed, Purchaser shall execute and acknowledge the Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan as Exhibit 4 to: (a) the persons who shall from time to time constitute the Condominium Board, designating such Board as the Purchaser's attorney-in-fact, for the purpose of acquiring or leasing in the name of the Condominium Board or its designee on behalf of all Unit Owners any Unit and to otherwise deal with the Condominium and the Common Elements, all in accordance with the provisions of the Declaration and the By-Laws; and after any such acquisition or leasing of any Unit, to manage, convey, sell, lease, sublease, mortgage or otherwise deal with any such Unit so acquired or leased, as the case may be, all in accordance with the provisions of the Declaration and By-Laws; and (b) Declarant, for the purpose of amending the Declaration and effectuating the rights granted to Declarant under the Declaration and the By-Laws and this Plan and consenting on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the

Property is located, with any other tax lots to form a single zoning lot for the purpose of transferring to or from Sponsor, or its successors or assigns, all or any portion of the Air Rights. Failure by any Purchaser to deliver such document at closing shall constitute an event of default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement.

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

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

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall expressly and voluntarily waive such immunity and consent to any suit action or proceeding arising out of or relating to the Agreement being brought in any state or Federal Court in the State of New York and shall be required at the time of closing of title to such Purchaser's Unit, to deposit with the Board an amount equal to two years' estimated Common Charges. Any such Purchaser shall designate C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, 13th Floor, New York, New York, 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state of Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Agreement.

11. Dispute Resolution.

Any dispute between Sponsor and Purchaser relating to the Agreement, including, but not limited to, disputes related to the disposition of the Option Payment received by Sponsor and held by Escrow Agent, shall be resolved by binding Arbitration. The Arbitration forum shall be JAMS. The Arbitration shall be conducted in accordance with JAMS Streamlined Arbitration Rules and Procedures (the "JAMS Streamlined Rules"). The JAMS Streamlined Arbitration Rules and Procedures may be accessed at: http://www.jamsadr.com/rules-streamlined-arbitration.

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

The Arbitration will take place at JAMS headquarters, currently located at 620 Eighth Avenue, New York, New York.

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

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

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

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

Pursuant to New York Civil Practice Law and Rules ("CPLR") §7511, Escrow Agent shall not release the Premium Payment from escrow until at least ninety (90) days after issuance of the Award. During that 90-day period Purchaser may bring an action pursuant to CPLR §7511 to vacate or modify the Award. During such interim period no statutory interest will accrue (or be deemed to have accrued) on the Premium Payment. Escrow Agent shall continue to hold the Premium Payment funds in escrow until otherwise directed by a final, non-appealable judgment or order of a court of competent jurisdiction directing the disposition of such funds. Motions to enforce an arbitration clause or to confirm or set aside an arbitration award, must be brought in a New York court. In the event the party challenging arbitrator's award loses the appeal, the losing party will reimburse the winning party all of its costs including legal fees and expenses of the appeal.

12. Sponsor's Rights if Purchaser Elects Not to Exercise Option or Does Not Comply with the Option Agreement

If (x) Purchaser does not elect to exercise the option granted under the Option Agreement to close on the Residential Unit on the Original Scheduled Closing Date, or (y) when Sponsor tenders the Residential Unit to Purchaser, Purchaser does not then sign any of the necessary purchase documents referred to in this Plan, or (z) Purchaser does not remain in compliance with any of the other terms of the Option Agreement (including, without limitation, the obligation to make any applicable Additional Option Payment), then Sponsor, subject to the next succeeding paragraph, shall be entitled to terminate the Option Agreement, retain the Option Payment made thereunder with interest earned thereon, if any, and be reimbursed by Purchaser for the cost of removing any Custom Work made by the Sponsor at the Purchaser's request and returning the Unit to the condition described in the Offering Plan. In addition, Sponsor shall be entitled to commence an action against Purchaser to recover any applicable Additional Option Payment, and Custom Work Costs, including the cost of removing any work done in the Unit at the Purchaser's request, if not already paid.

Before Sponsor may fully and finally terminate the Option Agreement and keep Purchaser's Option Payments, Sponsor must first send Purchaser a notice by Federal Express or other reputable overnight courier, by hand delivery or by regular, registered or certified mail, stating that Sponsor intends to terminate the Option Agreement, specifying the reason(s) therefor, and granting Purchaser a period of at least thirty (30) days within which Purchaser may reinstate the Option Agreement. **TIME SHALL BE OF THE ESSENCE WITH RESPECT TO PURCHASER'S OPPORTUNITY TO REINSTATE THE OPTION AGREEMENT WITHIN THE SPECIFIED PERIOD, WHICH SPECIFIED PERIOD SHALL BE AT LEAST THIRTY (30) DAYS. AFTER THE SPECIFIED PERIOD EXPIRES, IF THE OPTION AGREEMENT HAS NOT BEEN REINSTATED, SPONSOR MAY TERMINATE THE OPTION AGREEMENT, RETAIN PURCHASER'S OPTION PAYMENTS AS WELL AS THE PAYMENT FOR CUSTOM WORK, IF APPLICABLE, TOGETHER WITH INTEREST EARNED THEREON (IF ANY), AND SELL THE RESIDENTIAL UNIT TO ANOTHER PURCHASER AS IF THE OPTION AGREEMENT HAD NEVER BEEN ENTERED INTO. HOWEVER, IF THERE IS A DISPUTE OVER THE OPTION PAYMENT PRECEDING (OR SUBSEQUENT TO) DISBURSEMENT OF THE OPTION PAYMENT UPON TERMINATION OF THE OPTION AGREEMENT, NO STATUTORY INTEREST WILL ACCRUE (OR BE DEEMED TO HAVE ACCRUED) ON THE OPTION PAYMENT OR OTHER MONIES DEPOSITED BY PURCHASER WHILE DISBURSEMENT OF THE OPTION PAYMENT REMAINS IN DISPUTE.**

13. Financial Crimes Enforcement Network Disclosure

Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded an earlier issued Geographic Targeting Order ("Order") that applies to any corporation, partnership, limited liability company, or other similar business entity ("Covered Purchaser") using cash, a cashier's check, certified check, traveler's check, personal check, business check or money order in any form, a funds transfer or virtual currency whether wholly or in part, without a bank loan or other similar form of external financing, to purchase a Residential Unit in the Borough of Manhattan from Sponsor for a total price in excess of $300,000 (a "Covered Transaction"). The Order provides that in the event a Covered Purchaser enters into a Covered Transaction, the Covered Purchaser shall be required to deliver to the Title Company at Closing all documents and

information necessary in order for the Title Company to comply with the requirements set forth in the Order, including without limitation the requirement to file a completed FinCEN Form 8300. Any failure by the Covered Purchaser to deliver such documents and information shall be deemed an Event of Default under the Agreement. Purchasers are advised to refer to the text of the Order itself for further details:
https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20GENERIC_111518_FINAL.pdf.

14. Delivery of Closing Documents

Each Purchaser's title underwriter must agree (i) to timely submit the Unit Deed, all Transfer Tax forms and checks for payment of such Transfer Taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser; and (ii) to indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event the title underwriter (or its abstract company) fails to file such Unit Deed and Transfer Tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency. If said title underwriter does not execute an indemnification substantially in the form set forth as Exhibit A to the Agreement in Part II of the Plan, Purchaser must, as more fully set forth in the Agreement, agree to indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) if its title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed, transfer tax forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency, and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. (Please refer to the "Closing Costs and Adjustments" Section of Part I of the Plan and a copy of the Agreement set forth as an Exhibit in Part II of the Plan.)

N. ASSIGNMENT OF OPTION AGREEMENTS

An Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under an Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Counsel, four signed assignments of the Agreement (to be prepared by Sponsor's Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as two (2) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN, as applicable, which must be delivered to the Selling Agent or Sponsor's Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $2,500 made payable to "Holland & Knight LLP" (for services rendered in connection with the assignment), not less than 20 days prior to the date scheduled for the Purchaser's closing. In the event such fee is not collected prior to the Closing, it is payable at the Closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Furthermore, if Purchaser is requesting to assign the Agreement to an entity, then the Purchaser shall furnish to Sponsor's Counsel, all organizational documents containing proof that the proposed assignee entity is authorized to assume the Agreement and close on the Unit. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing any Unit(s) for sale or resale with any broker or otherwise advertising, promotion or publicizing the availability of such Unit(s) for sale shall remain if effect. Notwithstanding the foregoing, Sponsor will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation or other grounds prohibited by law.

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

O. EFFECTIVE DATE

Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR, which requires that a minimum of 15% of the Units (which is 6 Units) be subject to purchase agreements signed by bona fide Purchasers including investors. The Plan must be declared effective when Agreements have been executed by prospective Purchasers and accepted by Sponsor with respect to eighty percent (80%) of the Offered Units (which is 30 Units). The Plan may be declared effective at an earlier date, at Sponsor's sole election, when bona fide Agreements (including those executed by investors) have been executed and accepted by Sponsor with respect to fifteen (15%) percent of the Units being offered for sale under the Plan, which is 6 Units.

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

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

Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close title to their Units, if all Agreements used to declare the Plan effective are either rescinded or terminated prior to the date of the First Closing, the Sponsor will re-declare the Plan effective, regardless of whether the Declaration has been recorded.

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

In the event the Plan is withdrawn or abandoned, the Plan will be abandoned by a duly filed amendment and all Option Payments, together with interest earned thereon, if any, will be returned

to Purchasers within five (5) days following such withdrawal or abandonment. Upon the return of the Option Payments, together with any interest earned thereon, the Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under the Plan or the Agreements. Sponsor shall promptly submit an amendment to the Department of Law confirming such abandonment or withdrawal and, in the case of an abandonment, shall file a notice of abandonment on form RS-3 or such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all funds received.

P. TERMS OF SALE

1. Preconditions for Closing

The term "Closing" as used herein refers to the conveyance of title to a Unit from Sponsor to Purchaser by the delivery to Purchaser of a Unit Deed upon payment by Purchaser to Sponsor of the balance of the Purchase Price for such Unit. After the Plan has been declared effective, Sponsor shall provide Purchasers with at least thirty (30) days' notice of the scheduled Closing Date. The Closing to each Unit shall be held at the offices of Sponsor's Counsel, Holland & Knight LLP, 31 West 52nd Street, New York, New York 10019 or at such other place as Sponsor may designate on not less than two (2) business days' notice prior to the Closing. The Closing to each Unit shall take place only after or concurrently with the following events:

(a) the Plan has been declared effective in accordance with its terms and the amendment to the Plan disclosing same has been accepted;

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

(c) either (i) the release of the Unit and its appurtenant interest in the Common Elements from the lien of all mortgages, if any, or (ii) if the Purchaser is obtaining financing on such Unit, the assignment to the Purchaser's mortgagee of any existing mortgage(s) encumbering such Unit and its appurtenant interest in the Common Elements;

(d) the delivery to Purchaser of written notice of the time and place of the Closing to the Unit at least thirty (30) days prior to the Closing Date specified therein, unless such notice is waived by Purchaser, including a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's agent, prior to Closing;

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

(f) the assignment by Sponsor to Purchaser of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in his Unit, and the assignment by Sponsor to the Condominium Board of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in the General Common Elements, Residential Common Elements or Residential Limited Common Elements, as the case may be. (Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any

particular Unit);

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

(h) if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the Purchase Price of the 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 his or her Unit's title is subject, which have been expressly accepted by Purchaser, and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the Purchase Price of his or her Unit and (ii) the Condominium has been validly created pursuant to the Condominium Act.

Title to each Unit and its appurtenant interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than the following Permitted Encumbrances. Title exceptions may include any additional state of facts a subsequent survey would show, provided that such additional state of facts does not render title unmarketable.

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey of the Building and the Unit would show, or such other items as a personal inspection of the Property would show, provided such facts would not make title to the Unit unmarketable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Grantee to the Board and other parties, and the Floor Plans; as all of the same may be amended from time to time.

4. Consents by the Grantor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the

removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

8. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that the Grantor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Grantee shall pay all assessments due from and after the Closing Date.

11. Any declaration or other instrument affecting the Property which the Grantor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

12. Any encumbrance as to which First American Title Insurance Company (or such other New York Board of Title Underwriters member title insurance company which insures the Grantee's title to the Unit) would be willing, in a fee policy issued by it to the Grantee, to insure the Grantee that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

13. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of a Unit for residential purposes.

14. Any lease covering the Unit made from the Grantor to the Grantee.

15. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board or another Unit Owner to correct.

16. Party Wall Agreement dated 12/14/1984, recorded 12/18/1984 in Reel 857 Page 583 (affects the easterly wall of Lot 53).

17. Restrictions contained in Zoning Lot Declaration made by The Atlantic Foundation, dated 04/06/1999 and recorded 06/24/1999 in Reel 2901 Page 253 (affects Block 692 Lot 53).

18. Transfer and Distribution of Development Rights Pursuant to Section 98-33(a) of the Zoning Resolution of the City of New York made by 505-507 West 27 Street Limited Partnership to 540 West 21st Street Holdings LLC, dated as of 11/04/2014, recorded 11/21/2014 as CRFN 2014000387478, transfers Development Rights attributable to Block 699 Lot 42 ("Granting Parcel") to Block 692 Lots 53 and 57 (collectively the "Receiving Parcel").

19. Restrictive Declaration Highline Transfer of Development Rights made by ls-Ila Realty Corp. ("Declarant"), dated as of 09/04/2015, recorded 10/08/2015 as CRFN 2015000360817 (affects Block 692 Lot 27 and Block 692 Lots 53 and 57).

20. Transfer and Distribution of Development Rights Pursuant to Section 98-33(a) of the Zoning Resolution of the City of New York made by ls-Ila Realty Corp. to 540 West 21st Street Holdings, LLC, dated as of 09/04/2015, recorded 10/08/2015 as CRFN 2015000360818 - transfers Development Rights attributable to Block 692 Lot 27 ("Granting Parcel") to Block 692 Lots 53 and 57 (collectively the "Receiving Parcel").

21. Transfer and Distribution of Development Rights Pursuant to Section 98-33(a) of the Zoning Resolution of the City of New York made by 505-507 West 27 Street Limited Partnership to 540 West 21st Street Holdings LLC, dated as of 05/17/2016, recorded 06/06/2016 as CRFN 2016000190130, transfers Development Rights attributable to Block 699 Lot 27 ("Granting Parcel") to Block 692 Lots 53 and 57 (collectively the "Receiving Parcel").

22. Transfer and Distribution of Development Rights Pursuant to Section 98-33(a) of the Zoning Resolution of the City of New York made by 509-511 West 27 Street Limited Partnership to 540 West 21st Street Holdings LLC, dated as of 05/17/2016, recorded 06/06/2016 as CRFN 2016000190132, transfers Development Rights attributable to Block 699 Lots 26 and 25 ("Granting Parcel") to Block 692 Lots 53 and 57 (collectively the "Receiving Parcel").

23. Zoning Lot and Development and Easement Agreement dated as of 09/15/2017 by and between DZ 20th Street LLC and 540 West 21st Street Holdings LLC recorded on 10/23/2017 in (as) CRFN 2017000389784 (Burdens Block 692 Lot 11 and benefits Block 692 Lots 53, 57, 61 and 63).

24. Light and Air Easement Agreement dated as of 09/15/2017 by and between DZ 20th Street LLC and 540 West 21st Street Holdings LLC recorded on 10/23/2017 in (as) CRFN 2017000389785 (burdens Block 692 Lot 11 and benefits Block 692 Lots 53, 57, 61 and 63).

25. Memorandum of Temporary Access Agreement to be recorded.

26. Restrictive Declaration for Lot Line Windows to be recorded.

Sponsor is not obligated to repair any damage from a casualty or other cause that occurs before the closing of a Purchaser's Unit. If Sponsor elects to repair any such damage, Purchaser's Agreement will remain in full force and effect, Purchaser shall not have the right to reject title or receive a credit against or an abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, the Agreement shall be deemed canceled and Sponsor shall return to Purchaser all sums deposited by Purchaser under the Agreement, together with interest earned thereon, if any, within ten (10) days after the Sponsor's notice, except if Purchaser is in default under the Agreement, Sponsor shall retain any such sums as and for liquidated damages.

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

certificate of occupancy for the entire Building.

No personal property located within a Unit as of the date the Agreement is executed or located within the Common Elements on the date the Declaration is filed is included in the conveyance, unless the Agreement or the Declaration, as the case may be, specifically includes it.

If the construction loan on the Building is not satisfied at or prior to the First Closing, at the First Closing, the Mortgagee will release its lien on the Condominium Unit being conveyed and the Common Elements.

2. Acceptance of Deed

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

3. Condition of Unit

Notwithstanding anything to the contrary set forth above, in no event shall the Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal settling or shifting of the Building; (ii) for defects of an insubstantial nature, such as, without limitation, partial or total death of any trees, shrubs, bushes or other landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking or window sticking due to weather, door warpage, scratches in formica or porcelain surfaces, bath and kitchen title grouting, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discoloration or shrinkage, slight separation between base and floor, (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, (iv) variations in any floor levels, (v) ceiling imperfections, (vi) minor painting defects, (vii) alignment of bathroom finishes, (viii) air infiltration from

windows, (ix) normal plumbing system, heating system and air conditioning system noises, (x) normal floor noises and creaking, (xi) carpet or floor discoloring or stretching, (xii) variations in width, length or tone of wood floor strips, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, which also may result in the warping of the floors (xiii) repair of chips, scratches, mars, breaks or other defects in windows and window sashes, sliding glass doors, shower doors, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, ceramic tile, marble floors, saddles, appliances, woodwork and doors, mirrors, hardware, appliance cabinets and flooring, (xiv) subsequent to the Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, (xv) cracks or variations in tone, finish or color of any marble used in bathrooms or cracks, variations in tone, finish or color of vanity tops or other marble aggregate surfaces, (xvi) salting or color variation in exterior colored mortar and deep colored brick, (xvii) ponding and/or controlled drainage on the roof surface, or (xviii) cracks in any pressure treated wood or redwood used or intended for use outside the Building. Prior to Closing, but in no event thereafter, Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces. Sponsor's obligation for the condition of a Unit is limited to the Original Purchase of a Unit from the Sponsor. Sponsor shall have no responsibility for any condition in any Unit that is resold by a Purchaser from the Sponsor.

4. Tax-Deferred Exchanges

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

5. Risk of Loss

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

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

Q. CLOSING COSTS AND ADJUSTMENTS

As more particularly set forth in the Agreement, in addition to Purchaser's own legal fees, Purchaser will pay the closing costs set forth below at the time of the closing of title of the Purchaser's Unit. Recording charges, fees and taxes are based on rates in effect on the date the Plan was prepared and are subject to change without notice.

1. Title Insurance.

If Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium for title insurance, which will vary depending upon the Purchase Price of the Unit. Purchasers may use a title insurance company of their choice. If Purchaser elects to obtain fee title insurance the current rates in effect from First American Title Insurance Company (the "Title Insurance Company") are:

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

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

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

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

Mortgage Title insurance rates are outlined on the schedule below.

MORTGAGE RATE SCHEDULE

FEE AMOUNT	PREMIUM
First $35,000 or less	$344.00
From $35,001 to $50,000	$5.55 per Thousand
From $50,001 to $100,000	$4.54 per Thousand

From $100,001 to $500,000	$3.64 per thousand
From $500,001 to $1,000,000	$3.31 per Thousand
From $1,000,001 to $5,000,000	$3.05 per Thousand
From $5,000,001 to $10,000,000	$2.71 per Thousand
From $10,000,001 to $15,000,000	$2.55 per Thousand
From $15,000,001 and up	$2.31 per Thousand

Note: If a purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance from the Title Insurance Company, the premium for the mortgage title insurance will be at a 30% simultaneous bulk rate up to the amount of the owner's policy. Title insurance rates and fees for recording documents are uniform, and will be the same regardless of the title company used.

2. Recording Charges.

A fee for recording the Unit Deed and Unit Power of Attorney. The Title Insurance Company currently charges $42.00 as a base recording charge plus $5 per page plus $40.00 document service charge and charges a mortgage recording fee (if applicable) at a rate of $42.00 per instrument plus $5 per page and a $40.00 document service charge. Each title company establishes its own additional service fees and surcharges in this regard.

3. Mortgage Tax Credit.

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

4. Transfer Taxes and Mansion Tax.

Under the Option Agreement, Purchaser will be required to pay the New York State Real Estate Transfer Tax applicable to the transaction (the "State Transfer Tax"). The State Transfer Tax currently is $2.00 per $500, or fractional portion thereof, of the consideration for the Residential Units transferred at Purchaser's Closing plus an additional $1.25 per $500, or fractional portion thereof, of the consideration for the Residential Unit transferred at Closing when the consideration for the entire conveyance is $3,000,000 or more. As of the date of this Plan, the State of New York imposes no administrative fee with respect to filing New York State Form TP-584 in connection with the State Transfer Tax. However, Purchasers will be obligated to pay any such administrative fee or other filing charge as the State of New York may impose in the future with respect to such filing.

Under the Option Agreement, Purchaser also will be required to pay the New York City Real Property Transfer Tax (the "RPT Tax") applicable to the transaction and complete the RPT Tax return in connection therewith (the State Transfer Tax and the RPT Tax are referred to in this Plan collectively as the "Transfer Taxes"). The RPT Tax rate currently is 1% of consideration for individual residential cooperative Residential Units priced at $500,000 or less and 1.425% of consideration for individual residential cooperative Residential Units priced at more

than $500,000. Purchaser shall also be required to pay the administrative charge for filing the RPT Tax return (and any other administrative fee or filing charges as the City of New York may impose), which currently is in the amount of $125.

Purchasers are advised that the New York City Department of Finance takes the position that higher, non-residential RPT Tax rates apply if Purchaser purchases more than one Residential Unit. The non-residential rates currently are 1.425% for purchases with a consideration of $500,000 or less, and 2.625% for purchases with a consideration of more than $500,000. Purchasers of two (2) or more uncombined Residential Unit will be required to pay the RPT Tax at the applicable higher rate. There is no guarantee that The City of New York will not change its positions with respect to the purchase of multiple Units by the same purchaser.

Sponsor is transferring its statutory duty to pay Transfer Tax to Purchaser; absent this contractual provision, Transfer Taxes would be a seller's obligation. New York City and New York State take the position that where a contract of sale for real property provides, as does the Option Agreement, that the purchaser pays the Transfer Taxes, the purchase price for the property is that much higher than the amount stated in the contract itself. The State Transfer Tax and the RPT Tax have thus been calculated by New York City and New York State in situations where a purchaser pays the Transfer Taxes, first by computing the RPT Tax and the State Transfer Tax on the purchase price listed in the contract of sale or Option Agreement, and then adding this aggregate tax amount to the purchase price listed in the contract of sale or Option Agreement, as applicable, to derive a "grossed up" purchase price. The RPT Tax and State Transfer Tax are then recalculated based upon this "grossed up" purchase price. Purchasers accordingly will be obligated to pay the RPT Tax and the State Transfer Tax calculated pursuant to this "grossing up" procedure, and also will be obligated to pay the RPT Tax at such higher rate as may be applicable when and if Purchaser is purchasing two or more Residential Unit simultaneously. It is possible a similar gross-up calculation will be imposed for other costs and amounts paid by Purchaser, such as if taxing authorities take the position they would be Sponsor costs absent a contractual provision making them a Purchaser's obligation. Accordingly, a gross-up calculation will be employed with respect to document preparation and related fees paid to Sponsor's Closing Agent by Purchaser as discussed above.

The foregoing discussion is not a representation or warranty that New York State and/or New York City will continue to compute the Transfer Taxes owed them by use of the policies, practices, formulas or rates described above, or that Sponsor will so compute the Transfer Taxes. If the RPT Tax rate and/or State Transfer Tax rate is increased by New York City or New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Option Agreement hereunder.

Purchasers are advised that New York State imposes an additional transfer tax upon Purchasers where the consideration for the Residential Unit is $1,000,000 or more (the "Mansion Tax''), which tax shall be the primary obligation of Purchaser. The Mansion Tax is currently payable by Purchaser as follows:

Tax Rate	Consideration
1%	$1 million up to $2 million
1.25%	$2 million up to $3 million
1.5%	$3 million up to $5 million
2.25%	$5 million up to $10 million
3.25%	$10 million up to $15 million
3.5%	$15 million up to $20 million
3.75%	$20 million up to $25 million
3.9%	$25 million and above

PURCHASERS ARE FURTHER ADVISED THAT NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE TAKES THE POSITION, THAT FOR PURPOSES OF THE MANSION TAX, CONSIDERATION INCLUDES NOT ONLY THE PURCHASE PRICE FOR THE RESIDENTIAL UNIT LISTED IN THE OPTION AGREEMENT, BUT ALSO THE AGGREGATE OF ANY TRANSFER TAXES PAYABLE BY PURCHASER UNDER THE OPTION AGREEMENT. THUS, FOR INSTANCE, A RESIDENTIAL UNIT PRICED AT $985,000 UNDER AN OPTION AGREEMENT WHERE A PURCHASER PAYS THE TRANSFER TAXES WOULD SUBJECT THE PURCHASER TO LIABILITY FOR THE MANSION TAX AS THE AGGREGATE OF THE PURCHASE PRICE PLUS THE TRANSFER TAXES EXCEEDS $1 MILLION. Purchasers of Residential Units where the consideration (including the Purchase Price itself, plus the aggregate Transfer Taxes and possibly other costs and amounts payable by Purchaser as discussed above) is $1 million or more, currently will be obligated to pay the Mansion Tax at closing. The foregoing discussion is not a representation or warranty that New York State will continue to compute the Mansion Tax owed to it in accordance with the foregoing policies, practices, formulas or rates. If the Mansion Tax rate is increased by New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Option Agreement hereunder.

Purchaser shall also pay any tax in addition to the Transfer Taxes and Mansion Tax (e.g., without limitation, a pied-a-terre tax) payable by transferor or transferee at Closing and imposed on the transaction after the date of this Plan by New York City or New York State ("Additional Tax"). Sponsor will amend the Plan to disclose any Additional Tax.

The steps to compute the tax are:

(i) Multiply the Purchase Price by the RPT Tax rate to compute the City tentative tax.

(ii) Multiply the Purchase Price by the State Transfer Tax rate to compute the tentative State Transfer Tax.

(iii) Add the tentative taxes to the Purchase Price.

(iv) Multiply the sum of (iii) by the RPT Tax rate to determine the RPT Tax payable.

(v) Multiply the sum of (iii) by the State Transfer Tax rate to determine the State Transfer Tax payable.

(vi) Multiply the sum of (iii) by the Mansion Tax to determine the Mansion Tax payable

Example:

Purchase Price = $10,000,000.00

(1) $10,000,000 x 1.425%	=	$142,500.00
(2) $10,000,000 x .65%	=	$65,000.00
(3) $10,000,000 + $207,500.00	=	$10,207,500.00 ("Adjusted Purchase Price")
(4) $10,207,500.00 x 1.425%	=	$145,456.88
(5) $10,207,500/($500.00 x $2.00 +$500.00 x $1.25)	=	$66,500.00
(6) $10,207,500.00 x 3.25%	=	$331,743.75 (the "Mansion Tax" – see below)

Where a Purchaser purchases two or more Units, the NYC RPT Tax rate where the consideration is $500,000 or less will be 1.425%, while the tax rate where the consideration is in excess of $500,000 will be 2.625%. The City of New York Department of Finance has recently taken the position that the consideration for the transfer of each Unit is not aggregated for purposes of determining total consideration. There is no guarantee that The City of New York will not change its positions with respect to the purchase of multiple Units by the same Purchaser.

5. Closing Fees.

a. The legal fees of Sponsor's Counsel in the amount of $4,000.00 due at Closing. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's Counsel, in connection with the closing of title to Purchaser's Unit: If the Purchaser requests the Closing to occur other than at the offices of Sponsor's Counsel or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan. In addition, if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, Purchaser shall pay a fee of $2,500 to Sponsor's

Counsel, payable in advance for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit), (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel an additional fee of $750 to defray the additional costs associated therewith, (v) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay Sponsor's Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing, (vi) $275 for the preparation of ACRIS transfer documents required by the City of New York, and (viii) Purchaser shall pay Sponsor's counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under section 1031 of the Internal Revenue Code, and, (ix) if any custom work is to be done in the Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the additional cost associated therewith for negotiating and preparing the requisite documents on an hourly basis at Sponsor's Counsel customary rates. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit. 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.

b. Purchasers or any other persons entering into an interim lease for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon the execution of the interim lease. Such legal fees are estimated to be approximately $2,500 assuming that the Purchaser's counsel does not negotiate the terms of the interim lease. Any fees above $2,500 will be billed on an hourly basis by Sponsor's Counsel customary rates. In connection with the Closing of a Unit subject to an interim lease, all other charges or other fees due under an interim lease shall be adjusted as of midnight of the day preceding the Closing Date to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any interim lease for any Unit. Please refer to the Sections of the Plan entitled "Closing Costs and Adjustments" and "Interim Occupancy Agreements" for further details.

6. Working Capital.

A contribution to the Working Capital Fund in an amount equal to two (2) months' Common Charges then in effect for the Residential Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time.

7. Common Charges.

In addition to the contribution to the Working Capital Fund by the Purchaser of a Residential Unit as described in paragraph (7) above, Purchaser will pay to the Board the Residential Common Charges for the Residential Unit for the first full month following the month in which title closes. If Purchaser 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), Purchaser shall pay to the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Residential Committee may use, apply, or retain the whole or any part of the

security so paid in advance to the extent required for the payment of any Common Charges or any other sum as to which such Unit Owner is in default; and such Unit Owner shall, within thirty (30) days after notice from the Residential Committee, deposit with the Residential Committee the amount so applied or retained so that at the option of the Residential Committee, the Board shall have the full amount of said security on hand at all times.

8. Mortgage and Related Costs.

If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording tax, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages under $500,000 is $2.05 for each $100 of principal and such tax for mortgages in the amount of $500,000 or greater is $2.175 for each $100 of principal. This tax is reduced for Residential Units in both instances by $30.00 if the mortgage principal exceeds $10,000. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources. As previously stated in paragraph (e) above, if a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of Sponsor. Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

In addition to the above-specified costs and expenses, a mortgage on a 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 are 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.

Example: Mandatory Closing Costs

Purchaser will pay the following mandatory Closing costs based on rates in effect in December, 2018 and assuming the Purchase Price is $10,000,000 and the form of documents in the Part II of this Plan are used (all amounts are approximate and rounded to the nearest whole dollar).

(1) Fee to record Unit Deed (assuming 8 pages + 1 cover page) and Unit Owner's Power of Attorney (assuming 6 pages + 1 cover page) at a rate of $42 for each instrument plus $5 per page plus a recording charge for the RP5217 NYC form.	$289.00
(2) Title insurer's service charge and recording fee to record the Unit Deed and Unit Owner's Power of Attorney	$80.00 (estimated & approximate)

(3) State Transfer Tax (also called the documentary stamps) at the rate equal to the Adjusted Purchase Price (see Example above) x .65% (rounded up to the nearest $500)	$66,500.00
(4) RPT Transfer Tax (at the rate of 1% of an Adjusted Purchase Price of $500,000 or less, or at the rate of 1.425% of an Adjusted Purchase Price of more than $500,000)	$145,100.63
(5) "Mansion Tax" of 3.25% of the Adjusted Purchase Price (if the Adjusted Purchase Price is $1,000,000 or more)	$331,743.75
Total projected mandatory Closing costs:	$543,713.38* (estimated & approximate)

*Note: This figure does not include the required Working Capital Fund payment equal to two (2) month's projected Common Charges or the legal fee due Sponsor's Counsel. In addition, governmental recording fees may vary from time to time. Additional title company service charges (if any) may also be imposed depending on the title agent or insurer.

Example: Elective Closing Costs

Assuming the purchase of the Unit is financed with a mortgage loan for 50% of the Purchase Price (or $5,000,000) and both fee and mortgage title insurance are obtained simultaneously for Purchaser and Purchaser's mortgage lender, Purchaser would pay the following projected elective Closing costs based upon rates in effect as of December, 2018 (all amounts are approximate):

(1) Mortgage recording tax (at a rate of 2.05% of the mortgage – if less than $500,000 – or 2.175% of the mortgage – if $500,000 or more), minus $30 and minus .25% payable by the mortgage lender before deducting the statutory credit against the mortgage tax credit payable to Sponsor.	$108,448.20
(2) Mortgage recording fee (assuming 20 pages, including 1 cover page) at the rate of $42 per instrument, $5 per page, and a $40 service fee to title company.	$182.00
(3) Municipal charge to record the mortgage tax credit affidavit.	$25.00
(4) Premium for simultaneous fee ($35,398) and mortgage ($4,790) title insurance.	$40,188.00
(5) Other projected potential mortgage loan costs (assuming: "points" of 1% of mortgage amount, appraisal of	$51,270.00

$250, lender's legal fee of $750, UCC-1 filing fee of $70 and $200 allowance for miscellaneous expenses)

(6) Allowance for title closer gratuity and contingencies. $250.00

Total projected elective closing costs: $200,363.20* (estimated and approximate)

*Note: This projection does not include: (a) escrows for real estate taxes, Common Charges or other sums that might be required by Purchaser's mortgage lender, (b) a travel fee to Sponsor's Counsel in the event the Purchaser's lender or its counsel refuses to close at the office of Sponsor's Counsel or (c) a fee to any attorney Purchaser may engage.

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

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

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

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, (c) accrued rent and any other charges pursuant to an Interim Occupancy Agreement or use and occupancy agreement, if any, covering Purchaser's Unit, (d) monthly license fee and assessments for the Parking License, if Purchaser is purchasing a Parking License, and (e) monthly license fee for the Storage Bin License, if Purchaser is purchasing a Storage Bin License. In the event the Units have not been separately assessed for real estate tax purposes the Unit Owners will pay a pro rata share (in the proportion that such Units' 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. (Please refer to Schedule A for an estimate of real estate taxes payable during the first year of Condominium operation). The Condominium Board will pay such taxes either to the Finance Administration of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay his pro rata share as set forth above, the Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board – 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. Real estate taxes will be included as Common Charges until the Units are separately assessed. Following separate assessment of the Units, the Unit Owners will be reimbursed for any overpayment of taxes, or assessed for an underpayment, as described in the By-Laws.

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 Agreement and this Plan, an amount equal to 0.04% 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.

9. Fees for Delay

If Purchaser is not ready to exercise the option granted under the Agreement and close on the Original Scheduled Closing Date, but ultimately exercises the option and closes thereafter, (i) all adjustments made at the Closing will be made as of the Original Scheduled Closing Date and (ii) Purchaser shall pay to Sponsor (or anyone Sponsor designates) at the Closing, by unendorsed personal certified check or bank check, in either event drawn on a bank that is a member of the New York Clearing House Association, an amount equal to 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) of the Purchase Price multiplied by the number of days that the Closing is delayed, beginning with (and including) the Original Scheduled Closing Date and ending with (and including) the actual Residential Unit Closing Date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor adjourns the Residential Unit Closing Date. However, the provisions shall apply to any postponements by Purchaser of Purchaser's exercise of the option, and the Closing, beyond the Original Scheduled Closing Date. Sponsor reserves the right to waive any or all provisions of this paragraph in connection with an Agreement.

10. Other Fees

In addition to the foregoing, Purchaser also will be required to pay the fees of all professionals, including attorneys employed or retained by Purchaser, in connection with the purchase of a Residential Unit. If Purchaser obtains a loan to finance the purchase, Purchaser will be required to pay all fees associated with the loan.

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

R. RIGHTS AND OBLIGATIONS OF SPONSOR

1. Reservation by Sponsor of the Right to Rent Residential Units

Sponsor will endeavor in good faith to sell all of the Residential Units in a timely manner however, there is no certainty as to the period of time required to sell all of the Residential Units. If Sponsor makes a bulk sale of all or some of its Unsold Units and the transferee is designated as a sponsor, the transferee successor sponsor shall be bound by Sponsor's representations regarding its commitment to sell Residential Units. The Sponsor may retain ownership of the Non-Residential Units and may decide to rent certain Residential Units from time to time. As disclosed on the cover of the Plan and in the Special Risks Section of the Plan, Sponsor may unconditionally elect to rent rather than sell Residential Units from time to time after the consummation of the Plan, with the consent of Sponsor's Construction Lender. Therefore, it is likely, but there is no guaranty, that the Residential Unit Owners will obtain control of the Board at the expiration of the Initial Control Period.

2. Construction Loan

Sponsor will obtain construction financing from Construction Lender. No Residential Units may be rented by Sponsor without the consent of Lender for so long as the loan remains outstanding. However, Sponsor's unconditional right to rent rather than sell Units under the Plan shall not be affected to the extent Construction Lender gives its consent to rent Units. Construction Lender has not required a minimum number or percentage of Units which must be under contract before the Plan may be declared effective. Construction Lender will release its lien on each Unit being conveyed and its interest in the Common Elements. There are minimum release prices for each Unit set by Construction Lender that must be paid to Construction Lender in order for Construction Lender to release its lien from the Unit being sold.

3. Sponsor's Obligations with Respect to the Building

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

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

(i) any materials, appliances, equipment and fixtures which Sponsor may substitute shall be similar products of substantially equal or better quality or design; and

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

Changes to Units. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Notwithstanding the foregoing, any such changes, if material (for example, variations in square footage in excess of 5%), shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. No such change will be made if the same would materially adversely affect any Purchaser under an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless (i) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Agreement(s) and receive refund(s) of their Option Payment(s), together with all interest earned thereon, (ii) the affected Purchaser consents or (iii) the Purchaser is in default. No material change will be made in the size or location of any Units' other improvements or Common Elements if such changes affect the percentage of Common Interests or materially adversely affect the value of any Unit to which title has closed or for which an Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change. However, as long as the layout and dimensions of a Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Unit by reason of a minor, non-material deviation or change and will not have any claims against Sponsor as a result thereof. The issuance of a temporary or permanent certificate of occupancy for the entire Residential Section of the Building shall be deemed presumptive evidence that the construction of such portion of the Building and its appurtenances and all of the Residential Units have been substantially completed in accordance with this Plan and the Plans and Specifications.

Construction of Building. Sponsor or its representatives will correct, repair or replace all defects in the construction of the Building and its appurtenances and the Residential Units, or in the installation or operation of any appliances, fixtures or equipment in the same, or will cause the same to be corrected, repaired or replaced, only if such defects are due to improper workmanship or material substantially at variance with the Plans and Specifications, and Sponsor is notified by the Board or the affected Unit Owner in writing of such defect: (i) as to the Common Elements, within one (1) year from the earlier of the issuance of a temporary certificate of occupancy for the portion of the Building subject to such defect or the date of substantial completion of the portion(s) of the Common Elements which is claimed to be defective; or (ii) as to any Unit, on or prior to the date of closing for such Unit, except that if any such defect in a Unit can be detected only by occupancy of

the Unit, Sponsor will correct such defect if notified in writing by the Unit Owner within one (1) year from the earlier of the closing of title to such Unit or the commencement date of an Interim Occupancy Agreement for such Unit. However, notwithstanding the foregoing, Sponsor will not be responsible for correcting any defects in construction or installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen or others are assigned to the Condominium Board or any Unit Owner(s); or for any condition resulting from normal wear and tear or natural deterioration or from normal settling or shifting of the Building, or for defects of an insubstantial nature, such as, without limitation, partial or total demise of any trees, shrubs, or other landscape improvements, nail pops, ridging on gypsum board/sheet rock walls, lumber shrinkage, doors or windows sticking due to weather, door warpage, scratches in formica or porcelain surfaces, bath and kitchen title grouting cracks, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discolorations or shrinkages, normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, ceiling imperfections, separation in joints of kitchen tile or wood flooring, warping, cupping or creaking of wood flooring or any nicks, scratches, gouges, imperfections or discolorations thereof, floors out of level, variations in width, length or tone of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settling (including, without limitation, concrete or drywall cracks which do not impair the structural soundness of the Building), normal plumbing, heating and air conditioning noises, or carpet discoloring and stretching; or for paint touch-ups or for repair of chips, mars, breaks or other defects in windows, and window sashes, sliding glass doors, lighting fixtures and globes, interior painted surfaces, sinks, tubs, bowls, shower doors, kitchen cabinets, counter tops, vanity tops and bases, medicine cabinets, doors, mirrors, saddles, appliances, woodwork, doors, hardware, flooring and appliance cabinets, salting or color variation in exterior colored mortar and deep colored brick, ponding and/or controlled drainage on the roof surface, or cracks in any pressure treated wood or redwood used or intended for use outside the Building. Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces. Except as expressly set forth herein, Sponsor has no obligation to make any repairs of any kind. In no event shall Sponsor be liable for special or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligations under the Plan shall be to repair or, at Sponsor's option, replace (or cause to be repaired or replaced) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), in accordance with the terms and conditions set forth in this paragraph, provided, however, that nothing contained herein is intended to relieve Sponsor of liability for actual damages resulting from property damage or personal injury arising as a result of negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in this Plan.

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

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

Delay of First Year of Operation. 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 the closing of a Unit does not occur on a specific date. In the event that the first year of operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised Budget with current projections and if: (i) such amended budget exceeds the projected Budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected first year of operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Option Payment and any interest accrued thereon returned, but the Purchaser will not receive a refund of any funds used for Custom Work. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

Delay in Closings After First Closing. During the period when Sponsor is completing construction of the Building, move-ins into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. The first temporary certificate of occupancy may be issued for some but not all of the Residential Units and Sponsor may complete construction of certain Residential Units before others. Purchasers should note that even if the First Closing occurs on or before July 1, 2021 (or such other date projected as the date of commencement of the operation at the time the Purchase Agreement was entered into) or within the twelve month period thereafter, the Closing of subsequent Units may be substantially delayed beyond such dates if a TCO has not been issued for such Units or for the floors on which such Units are located. In such case, provided that Sponsor is diligently pursing completion of construction and the issuance of a Certificate of Occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full Purchase Price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. Unless your Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain.

(b) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local Codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance or sell Units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building 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 the DOB will issue the FCO within such two year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FINAL CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit Owners and the Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

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

(d) Purchasers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A fact sheet on certificates of occupancy is available on its website at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

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

(f) In the event that a closing takes place prior to the issuance of a permanent certificate of occupancy for the Unit, Sponsor shall maintain all deposits and funds in the special escrow account required by Section 352-e(2)(b) of the New York General Business Law unless the Sponsor's engineer or architect certifies that a lesser amount will be necessary to complete the work necessary to obtain a permanent certificate of occupancy for the Unit, in which case the sum exceeding the amount so certified by the Sponsor's engineer or architect may be released from escrow. Alternatively, Sponsor may deposit with the Escrow Agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified, in which event same will be reflected by duly filed amendment to the Plan. Any amount held in escrow, in excess of the amount certified as reasonably necessary to complete the work needed to obtain the permanent certificate of occupancy, can be released from escrow from time to time upon the receipt by Escrow Agent of a request by Sponsor.

(g) Inspection Statements. Each Unit and the fixtures and personal property contained therein are being sold and delivered as described in this Plan, at the time of transfer of title to such Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Unit, and the fixtures and personal property contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if the Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and the Purchaser in question will immediately thereafter agree to include on the inspection statement a list of incomplete work of a nature to be completed in the Unit by Sponsor following the Closing for the Unit in question but all such obligations to complete work in the Unit shall cease once the work has been completed. The failure of Sponsor to complete such work shall not be a ground for Purchaser delaying the Closing.

Sponsor shall have no obligation to complete any work described herein which is not specifically designated on the inspection statement by the Purchaser, except for work necessary to cure violations and to obtain a temporary or permanent certificate of occupancy. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Unit shall not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement.

(h) Following the recording of the Declaration, Sponsor will deliver, assign or otherwise grant to the Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from contractors, materialmen or others in connection with the construction and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Unit of a Purchaser shall be assigned to such Purchaser on the date of closing of title to his Unit. Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Unit provided, however that the warranties for the appliances in each Unit will commence from the date the Unit is first occupied for residency.

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

(j) 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 mortgage or security agreements obtained by the Purchaser).

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

(l) 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, unless such liens were the result of Purchaser's actions.

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

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

(o) 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.

(p) Sponsor shall have the right, in its sole and absolute discretion, to cause the Board to waive the collection of some or all of the Residential Common Charges from Residential Unit Owners for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall either (a) be solely responsible for payment of all remaining expenses to operate the Residential Section during the Waiver Period (the "Waiver Period Operating Expenses") or (b) assess Residential Unit Owners their proportionate share based on their respective Common Interest of the Waiver Period Operating Expenses. In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor shall provide notice to Residential Unit Owners disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration and shall subsequently disclose the expiration of the Waiver Period in an amendment to the Plan; (iii) during any such Waiver Period, Sponsor or Sponsor and the Residential Unit Owners if the Waiver Period Operating Costs are assessed as provided for herein, as applicable, will timely pay all Waiver Period Operating Costs of the Residential Section, including but not limited to insurance premiums and any reserve fund payments

required by lenders to the extent otherwise included in Schedule B – "Projected Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents. The Contingency provided for the first year of Condominium (Schedule B) is $40,000. If additional funds are later needed, Common Charges may increase or a Special Assessment may be imposed. Sponsor will not fund any contingencies during a Waiver Period, which may impact Purchasers' ability to obtain mortgages insured by Fannie Mae and/or FHA.

(q) All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B-1 – "Budget for First Year of Condominium Operation". In all instances the Residential Unit Owners will remain responsible for the payment of their allocable share of real estate taxes. In addition, each Purchaser shall be responsible for payment of its allocable share of the insurance premium attributable to its respective Residential Unit during the Waiver Period, which expenses shall be separately assessed to each Purchaser in proportion to their respective Common Interest, as more particularly set forth in Schedule A. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Residential Unit Owners terminate the Waiver Period.

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

(s) 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 Board") the cost of which insurance has been reflected in the Projected Budget set forth in Schedule B.

(t) 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 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.

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

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

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

(x) 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 any such risk 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 damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Board and other 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 an 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 casualty occurs after the First Closing and the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Condominium Board"), the Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, within ten (10) days after Sponsor's notice, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages. Purchaser shall not receive a refund of any Custom Work Costs.

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 Agreements or to include any financial limitation on Sponsor's liability for failure to perform its obligations under the Plan. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures other than as set forth in the Plan.

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

Except as set forth above or as required by law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan which are to be performed after closing, shall survive the delivery of the respective Unit Deeds. In the event Sponsor is not financially able to perform its obligations under the Plan, sales will cease and the Plan will be amended to offer rescission to Purchasers, if any.

Sponsor will obtain construction financing. Since the mortgages and construction loans that will encumber the Property will not be satisfied at or prior to the First Closing, at or prior to the First Closing, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements. The construction loan will not establish an explicit requirement that the Sponsor sell rather than rent Units. Sponsor anticipates obtaining a permanent certificate of occupancy for the Building within two (2) years after the First Closing provided, however, that the permanent certificate of occupancy cannot be obtained until all the Residential Units are completed and the Non-Residential Units leased and completed. Sponsor will endeavor in good faith to sell all of the Residential Units unless otherwise specified in the Plan.

It is currently anticipated that the Retail Unit will initially be used as a restaurant (and ancillary uses) and may be used for any legal purpose. The Gallery Unit may not be used for any purpose other than as a first-class art gallery, which may include incidental office use and

incidental food and beverage sales. The Gallery Unit will not be open past eight o'clock in the evening (8pm) more than twenty (20) times per year, and Gallery Unit Owner shall exercise good faith efforts to use a lighting system in the Gallery Unit that minimizes the impact upon the Residential Units of light from the Gallery Unit. Other than as provided in the Condominium Declaration, neither the Condominium Board, the Residential Committee, nor the Unit Owners shall impose any restrictions on the use of the Gallery Unit. No amendments to the Declaration or the By-Laws, that impose further material restrictions on the use or operation of the Gallery Unit shall be permitted without the written consent of the Gallery Unit Owner.

4. Alterations of Unsold Units

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

Notwithstanding the foregoing, no material adverse change will be made in a Unit's size, layout or percentage of Common Interest if an Agreement has been executed and delivered to Sponsor for such Unit (and, in the case of a Non-Tenant Purchaser, such Agreement has been countersigned by Sponsor and returned to the Purchaser), provided that the Purchaser is not in default thereunder, unless (a) the affected Purchaser consents to such changes; or (b) such changes are dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists. In the event material adverse changes are made pursuant to (b) of the immediately preceding sentence which materially and adversely affect the percentage of Common Interest allocable to a Unit or the size or quality of Common Elements, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) who are not otherwise in default under their Agreements, the right, for at least fifteen (15) days after the presentation date of such amendment, to rescind their Agreement(s) and receive a prompt refund of their Option Payment(s), together with all interest earned thereon.

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

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

5. Insurance

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

6. Casualty

If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such Purchaser or other occupants of the Unit

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

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

7. Reservation of Air and Development Rights

As further described in the Declaration and By-Laws, all excess air or developmental rights (collectively, the "Development Rights") otherwise appurtenant to the Property both (a) prior to the First Closing, in connection with any renovation work to be performed by Sponsor at the Building; and (b) subsequent to the First Closing, not used in connection with any renovation of the Building prior to the First Closing have been retained by the Sponsor (the "Development Rights Owner"). As a result, unless Development Rights are separately acquired therefor on behalf of the Building or a Residential Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements and otherwise, may not be possible or may be limited. Further, the Sponsor or a successor Development Rights Unit Owner, as a result of such reservation, may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased in size as a result of such transfer or sale.

The Development Rights reserved by the Development Rights Owner may be used in the case of a sale or transfer for use in connection with other properties. Except in the case of a sale or transfer for use in connection with other properties, the reserved Development Rights will be used in the Property after the First Closing solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Development Rights in excess of those used in connection with any renovation of the Building in accordance with the Plan. The Plan will be amended to reflect the use of the Development Rights in the Property by Sponsor. The Development Rights will not be used subsequent to the First

Closing to add additional floors to the top of the Building. In the event such Development Rights are transferred to the owner(s) of adjoining properties, a Residential Unit Owner's views and exposure to light may be affected. See the Section of the Plan entitled "Development Rights".

8. Dissolution

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

9. Successors to Sponsor

Sponsor reserves the right to sell ten (10) or more of the Units and to designate the purchaser of such block(s) of Units as a "sponsor" or a "sponsor-designee" under this Plan and the Declaration or to not designate the purchaser as a sponsor-designee. The party so designated as a "sponsor" or a "sponsor-designee" will have those additional rights and obligations (including the obligation to comply with all applicable Legal Requirements) applicable to a "sponsor" or a "sponsor-designee" as more fully described in the Plan. Notwithstanding the foregoing, in the event of a foreclosure by Sponsor's mortgagee or its designee, Sponsor's mortgagee or its designees shall be designated as a "sponsor" or a "sponsor-designee."

10. Right of Access

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, performing certain alterations and repairs in or about the Unsold Units and exercising its other rights or performing its other obligations under the Plan. Sponsor will repair any damage caused as a result of such access and will use reasonable efforts to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes.

11. Easements

Sponsor and/or its designee (and their respective successors and assigns) shall have an easement for so long as the Condominium shall remain in existence: (i) to erect, use, lease, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of any roof of the Building that is not occupied as of the date hereof for any other Building installations or as a common recreational area for the Unit Owners; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the Board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment

before installation. This easement will be a permanent easement even after Sponsor has sold all of the Unsold Units. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to any roof or the aforesaid mechanical equipment room shall be the obligation solely of Sponsor and not of the Condominium and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor and not of the Condominium, regardless of whether Sponsor owns any Unsold Units. In connection with such easements and related rights, Sponsor and its designee (and their respective successors and assigns) and the respective tenants and licensees shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall be subject to such easement. The Unit Owners will not have any interest in the rents, profits or revenues from the rental, use or sale of any such space pursuant to the aforementioned easements and rights.

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

12. General

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

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

The obligations of Sponsor hereunder shall be enforceable by the Condominium Board on behalf of all 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.

Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. Sponsor's ability to perform its obligations under the Plan will depend on its financial condition from time to time. No warranty is made that Sponsor will be financially able to perform all or any of such obligations.

Until Sponsor no longer controls the Condominium Board, Sponsor will cause the Condominium Board to maintain the Building in substantially the same manner and condition as on the Effective Date of this Plan (subject to ordinary wear and tear) and in accordance with the Legal Requirements, subject in all respects to Sponsor's right to change the Units and/or the Common Elements as set forth herein.

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

13. Services.

All determinations with respect to the continuance of any of the services in the Building, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor during the Initial Control Period. Neither Sponsor, the Managing Agent nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any services in the Building, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury to person or damage to property occurs as a result of the negligence of Sponsor, the Managing Agent or either of the Board, as the case may be. However, for any such lack of availability, interruption, discontinuance or change in the quality of any service which is material and adverse, a Purchaser will be offered a right of rescission and a Unit Owner may pursue available remedies.

S. CONTROL BY SPONSOR

Sponsor as the owner of Unsold Units will, at its option, have voting control of the Board during the period which continues until the earlier to occur of: (i) the sale by Sponsor of all of the Residential Units or (ii) five (5) years after the First Closing (unless Sponsor voluntarily relinquishes control prior to the earlier of such dates) (the "Initial Control Period"). During the Initial Control Period of the Board, Sponsor would be able to control maintenance, facilities and services to be provided to Unit Owners and would determine the Common Charges to be paid by all Unit Owners and the enforcement of Sponsor's obligations by said Board(s). Within thirty (30) days after the end of the Initial Control Period, the Board will call a special meeting of the Unit Owners (the "First Annual Meeting"), to be held not less than ten (10) days nor more than forty (40) days after such date, at which time the Unit Owners will elect members to the Board.

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

Commencing with the First Annual Meeting, the Board shall consist of three (3) residential members and one (1) member designated by the Gallery Unit Owner and one (1) member designated by the Retail Unit Owner. The number of Board members and the number or composition of Board members may not be changed except in accordance with the procedures described in the By-Laws.

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

The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Condominium Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. Residential Unit Owners may never gain control of the Condominium Board because Sponsor may exercise voting control after expiration of the Initial Control Period.

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

Plan, except as is required to reflect normal annual increases in operating services, (e) borrow money on behalf of the Condominium or on behalf of the Building, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium or any matter affecting the health and/or safety of the occupants of the Property.

During the Initial Control Period, Sponsor may not exercise veto power over expenses described in the Section entitled "Budget for First Year of Condominium Operation, Schedule B" (the "Budget") or over expenses required (i) to comply with applicable laws or regulations; or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than seventy five percent (75%) of the common interest, whichever is sooner.

Sponsor shall have the right, in its sole and absolute discretion, to cause the Board to waive the collection of some or all of the Residential Common Charges from Residential Unit Owners for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall either (a) be solely responsible for payment of all remaining expenses to operate the Residential Section during the Waiver Period (the "Waiver Period Operating Expenses") or (b) assess Residential Unit Owners their proportionate share based on their respective Common Interest of the Waiver Period Operating Expenses. In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor shall provide notice to Residential Unit Owners disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration and shall subsequently disclose the expiration of the Waiver Period in an amendment to the Plan; (iii) during any such Waiver Period, Sponsor or Sponsor and the Residential Unit Owners if the Waiver Period Operating Costs are assessed as provided for herein, as applicable, will timely pay all Waiver Period Operating Costs of the Residential Section, including but not limited to insurance premiums and any reserve fund payments required by lenders to the extent otherwise included in Schedule B – "Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents. The Contingency provided for the first year of Condominium (Schedule B) is $40,000. If additional funds are later needed, Common Charges may increase or a Special Assessment may be imposed. Sponsor will not fund any contingencies during a Waiver Period, which may impact Purchasers' ability to obtain mortgages insured by Fannie Mae and/or FHA.

All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B – "Budget for First Year of Condominium Operation". Purchasers should note that Schedule B – "Budget for First Year of Condominium Operation" will not be in effect until the expiration of the Waiver Period. In all instances the Residential Unit Owners will remain responsible for the payment of their allocable share of real estate taxes. In addition, each Purchaser shall be responsible for payment of

its allocable share of the insurance premium attributable to its respective Residential Unit during the Waiver Period, which expenses shall be separately assessed to each Purchaser in proportion to their respective Common Interest, as more particularly set forth in Schedule A. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Residential Unit Owners terminate the Waiver Period.

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

To the extent there are members of the Board appointed by Sponsor, such Board members may be required to refrain from voting on any issue before the Board which involves the decision to sue Sponsor, pursuant to *Park River Owners Corp. v. Bangser Klein Rocca & Blum, 269 A.D.2d 313, 703 N.Y.D2d 465* (1st Dept. 2000); McKinney's Consolidated Laws of the State of New York, General Business Law, Volume 19, pocket part, page 193; and BCL 713(a)(1).

Obligations of Sponsor hereunder shall be enforceable by the Condominium Board on behalf of all Unit Owners. Sponsor shall have no obligation to any Purchaser of a Unit other than the Purchasers to whom Sponsor sold Units. By operation of law, Sponsor appointed Board Members have a fiduciary duty to the Unit Owners. In addition, 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.

T. CONDOMINIUM BOARD

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

Within thirty (30) days after the end of the Initial Control Period, the Board will call for the First Annual Meeting of Unit Owners, such meeting to be held not less than 10 days nor more than 40 days after such date. After the Initial Control Period, the Board will consist of five (5) persons. At the First Annual Meeting, the incumbent Board members shall resign and the Unit Owners shall elect a new Board consisting of three (3) Residential members and one (1) Board Member shall be designated by the Gallery Unit Owner and one (1) Board Member designated by the Retail Unit Owner. The three (3) Residential members shall serve as the Residential Committee, which will deal with issues that are exclusively Residential matters. Thereafter, at each annual meeting, members of the Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified.

Special meetings of the Unit Owners can be called by the President of the Board, by a majority of the Board, or by a petition signed by 25% in Common Interests of Unit Owners.

Except for Board members designated by Sponsor or its designee, all members of the Board must be either Unit Owners or certain interested parties (e.g. directors, shareholders of Unit Owners) as described in the By-Laws. No member of the Board shall continue to serve on the 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. The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Residential members of the Condominium Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

The Board shall collectively have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium.

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

Annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Unit Owners shall elect the three (3) Residential members of the Condominium Board, subject to any rights of Sponsor to designate or elect Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Board shall mail a notice of each annual or special meeting of the Building to all Unit Owners of record. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration,

at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than fifty (50%) 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 proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast a vote equal to its percentage interest in the Common Elements.

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

The term of office of the members of the Board shall be for one year or until their successors are elected. Members of the Board shall serve without compensation. Any member of the Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

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

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

All officers, Board members and employees of the Condominium will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium. The amount and cost of the bonds has been provided for in the projected budget for the first year of Condominium operation contained in Schedule B. The By-Laws provide 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, or the Limited Common Element (except in their capacities as Unit Owners). Board members shall have no liability to Unit Owners 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 their respective interests in their Units and their appurtenant

Common Interests, indemnify each Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

Except as otherwise set forth in the Declaration or By-Laws, at all meetings of Unit Owners, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor with respect to Units owned by Sponsor or its designee) shall be entitled to cast a vote equal to the Unit Owner's percentage interests in the Common Elements.

Generally, subject to certain exceptions concerning, among other things, Sponsor and Unsold Units, and provided that required consents of the Mortgage Representatives (as defined in the Declaration), if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations affecting the Common Elements or all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all 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.

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

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

1. Sales and Leases of Units

Each Residential Unit Owner may sell or lease his or her Unit provided such Unit Owner (the "Transferor") first gives the Residential Committee, on behalf of all Residential Unit Owners, notice of his or her intention to sell or lease such Unit accompanied by a fully executed copy of the contract of sale, lease or other transfer or occupancy agreement together with a completed copy of the Condominium's standard form of Purchase Application or Lease Application, as the case may be (the "Offering Notice") 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 8 of the By-Laws. If the Residential Committee does not elect to purchase or lease the Unit within twenty (20) days after receipt of the Offering Notice, the Transferor will have the right to sell or lease the Unit pursuant to the terms contained in the Offering Notice within sixty (60) days thereafter. In the event such sale or lease is not consummated within said sixty-day period, the Transferor will be required to again first offer the same to the Residential Committee, provided that the Residential Committee shall be entitled to waive, or to permit an extension of such sixty day period. The Residential Committee 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 unless the Residential Committee is assigning its option to a third party so the Condominium's funds will not be utilized, in which event the vote is not required. The Transferor shall have the right to vote in any vote conducted by the Board for the purpose of determining whether the Board shall exercise its right of first refusal to purchase or lease the Transferor's Unit. Notwithstanding the foregoing, the Residential Committee has the right to reject sales and leases to Purchasers and tenants who themselves (or residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal.

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

Any such deed given by a Transferor shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the 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 Board, and that the 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. No lease of a Unit shall have a term of less than one (1) year.

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

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

A Unit Owner may lease, sell or convey his or her 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 may 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 his or her 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 (i) Sponsor or its designees with respect to any Unsold Units, (ii) Sponsor's mortgagee (including Sponsor's Construction Lender) or its designees with respect to any Unsold Units, (iii) to the Board, (iv) or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure (collectively, the "Excluded Parties"). The Excluded Parties shall be free to sell or lease Units without first offering to sell or lease such Units to the Board.

A Unit Owner may only sell or lease such Unit Owner's 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 and the Limited Common Elements, (b) any Unit or Units acquired by the Board on behalf of all Unit Owners, or any proceeds of the sale or lease thereof and (c) any other assets of the Building and the Condominium.

No part of the 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 Residential Committee 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 Managing Agent.

In order to facilitate the Sponsor's sale of the Residential Units, a Purchaser shall not, for a period of twelve (12) months after the Purchaser's closing on its Residential Unit, (a) sell the Unit without Sponsor's written approval, or (b) list the Unit resale with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale. Any such sale, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein.

2. Units Acquired by the Residential Committee

All Units acquired or leased by the Residential Committee or its designees shall be held by the Residential Committee, 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 Residential Committee shall carry any voting rights.

The purchase of any Unit by the Residential Committee or its designees, on behalf of the Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit Owner in proportion to his or her respective Common Interest, as a Common Charge, and/or the 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.

3. Use of Units

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

Each Unit Owner shall notify the Managing Agent in writing when a child or children ten (10) years of age or less lives or resides (even temporarily) in the Unit. The Unit Owner, or the Board at such Unit Owner's expense, shall install the required window guards in windows of the Unit, as per by New York City Code. The Unit Owner shall maintain all window stops installed in the windows of each Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent. In the event a window must be reinforced to hold the window guard, such reinforcement must be installed at the Unit Owner's expense and Sponsor shall not be responsible for any damage to the Unit as a result thereof. The Units will have large glass windows, which should be covered during the portions of the day when the sun is strongest in order to maintain the temperature of the Units' rooms at comfortable levels and to conserve energy. Due to the shape of the curved glass windows, there is the risk of audible reflections occurring within the area, from a person speaking, for example. To mitigate the audible reflections, acoustic ceilings will be installed and retractable window drapes and tracks will be provided at each curved glass corner within each Unit. Additionally, the process for forming the curved glass windows into their distinct shape may cause distortions when looking out the window. Should a Purchaser elect to install shades on other windows, the shade fabric must match the fabric

specified for the Building to maintain visual consistency from the exterior.

Residential Units will be equipped with certain safety devices including fire and carbon monoxide alarms, which have to be checked regularly to make certain that they are operating properly. This Project is enclosed by a slab edge anchored curtain wall system designed to withstand thermal movement within the curtain system as well movement of the structure itself. As the Building moves due to environmental influences (wind, thermal, etc) , the curtain will move accordingly as it is designed. This movement will result in noises which will be audible. These noises could range from a "creak" to a "pop" and typically will occur with drastic changes in temperature or during a wind event. Neither Sponsor, the CM nor the curtain wall supplier will be responsible to investigate or mitigate this noise.

Smoking is not permitted in the Common Elements. Smoking is permitted in Units as long as the smoke does not escape into the Common Elements or other units. The Board shall have the right to obtain a court order enjoining the occupant of a Unit from smoking in the Unit or the Common Elements if the smoke escapes the Unit and the Board shall have the right to seek the eviction of a tenant, who smokes in a Unit or the Common Elements if the smoke escapes form the Unit. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium to cause the smoke infiltration into the Common Elements or another Unit to cease (including legal fees) in enforcing this provision.

Sponsor or its designee may, without the permission of the Board (a) use or 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 covering such Unit and the user of such Unit complies with all applicable governmental regulations and (b) retain ownership of one or more Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Units in the Condominium.

The current zoning law permits a person who resides in a Unit to use up to 25% of the floor area of his Unit (but in no event to exceed 500 square feet) for certain home occupations including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four persons. No transient tenant may be accommodated in a Unit, except in Unsold Units, as permitted by law.

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

No "For Sale", "For Rent", "For Lease" sign, or any other sign evidencing a similar purpose, or other window display or advertising shall be maintained or permitted in any Unit or that violate the Project Standards, 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 Board. No radio or television aerial, satellites or other similar device shall be erected by Unit Owners on the roof or exterior walls, windows or terraces of the Building or on the Property without obtaining in each instance the written consent of the Board.

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, the Board, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Board adopted with respect thereto; and (c) clean up after their pet.

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 Board provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective. Further restrictions on the use and leasing of Units are set forth in the By-Laws and Rules and Regulations.

4. Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his or her Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by him or her. As more fully set forth in Section 7.1 of the By-Laws, these conditions include the requirements that (a) the Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (b) the owner making such mortgage first satisfies all unpaid liens against his or her Unit, other than Permitted Mortgages. In addition, mortgages covering a Residential Unit must be substantially in the form of the New York Board of Title Underwriters form of mortgage or other standard forms of mortgage, except for such changes or additions as may be required to permit a lender to make the loan (provided that this shall not apply to the mortgages of Sponsor, its designees or affiliates). Sponsor shall have the right to mortgage any unsold Unit without any restriction or limitation.

As more particularly set forth in the By-Laws, in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are: (i) a savings bank, savings and loan association, bank, or trust company, insurance company, real estate investment trust or mortgage trust, commercial bank, investment bank, a real estate mortgage investment conduit or any other financial institution organized under the laws of the United States or any state thereof; (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system; (iii) any opportunity to other fund, or institutional investor investing in mortgages; and (iv) any transferee or assignee of the note and mortgage held by any of the foregoing.

5. Common Charges: Determination and Assessment

Common Expenses will be determined by the Condominium Board and will be borne by the Unit Owners. Common Expenses will generally be allocated among Residential Unit Owners in proportion to their respective Common Interests and the Non-Residential Unit Owners as set forth in the By-Laws. However, instead of making allocations based on Common Interests, the Condominium Board may make allocations of Common Expenses in accordance with sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with the provisions of Applicable Law.

Common Expenses include, among other things, the costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and certain other expenses, such as premiums for insurance covering the Building, managing agent fees and legal and accounting fees. Common Expenses 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.

Notwithstanding anything to the contrary contained in the By-Laws, so long as Sponsor or its designee shall continue to own at least one Unsold Unit but in no event later than five years from the First Closing, the Board may not, without Sponsor's prior written approval assess any Common Charges or Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund.

In the event that the annual receipts levied against Unit Owners during the first year of condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of condominium operation will be distributed by the Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Unit Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Units by individual Unit Owners.

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

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

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

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, the Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid

Common Charges together with interest thereon, assessed against such Unit. All such liens, however, to the extent permitted by applicable law, will be subordinate to the lien of any first 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 City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the 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 Board to recover unpaid Common Charges without foreclosing such lien.

The Board may make any lien against a Unit Owner effective pursuant to Real Property Law §339-aa. Sponsor will cause the Board to file a lien as provided in RPL §339-aa on a Unit owned by Sponsor if Sponsor is more than thirty (30) days in arrears in paying Common Charges while Sponsor controls the Board.

No Unit Owner may exempt himself or herself from liability for his or her Common Charges by waiving use of any of the Common Elements or by abandonment of his or her 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 Board and complying with certain conditions in connection therewith, exempt himself or herself from Common Charges and Common Charges thereafter accruing.

On a resale of a Unit, the seller 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 (an "Estoppel Letter") from the 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 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 (as defined in the Condominium Declaration) acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Board will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

7. Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, and routine maintenance, repairs and replacements, (a) in or to any Unit (other than to the Common Elements or Limited Common

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

The Units will have large glass windows, which should be covered during the portions of the day when the sun is strongest in order to maintain the temperature of the Units' rooms at comfortable levels and to conserve energy. The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted. The interior glass surfaces of all windows located in any Unit and the exterior glass surfaces of windows, which can be washed from Terraces, shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof as such Unit Owner's sole cost and expense. The exterior of other Residential Section windows shall be washed by the Condominium and the cost thereof shall be charged to the Residential Unit Owners as a Residential Common Expense. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the owner of such Unit (unless such breakage is caused by the 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 Board or such negligent Unit Owner, as the case may be).

Sponsor will provide "walk-off mats" (floor mats) in the entrances to the Residential Lobby and Retail Unit. Maintenance of the walk-off mats is required on a weekly basis. The walk-off mat in the Residential Lobby will be located in the Residential Common Elements and shall be maintained by the Residential Committee and the costs therefor will be a Residential Common Expense. The walk-off mat in the Retail Unit will be maintained by the Retail Unit Owner at its sole cost and expense.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep his or her Unit in such condition, the Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the 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 Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or Board.

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

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

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the 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 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 Board. The Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Board and the 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 Unsold Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units, as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Sponsor is obligated to execute the Required Documentation. In addition, the Power of Attorney to be executed by each Unit Owner upon acquisition of a Unit further grants to Sponsor a Power of Attorney to execute the Required Documentation.

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

and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws.

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

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

9. Rights of Access

As more fully set forth in the By-Laws, the Board and any managing agents, managers, Resident Managers and other persons authorized by the 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. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Sponsor shall have a right of access to any Unit for the purpose of performing work listed on the executed inspection statement or for the purpose of performing or completing construction in the Building.

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

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

11. Examination of Books and Records

Each Unit Owner and each mortgagee of a Unit shall be permitted, upon prior request, to examine the books of account of the Condominium and other records of the

Condominium during normal business hours on business days at the office of the Condominium, but not more frequently than once each calendar quarter. Neither the Condominium Board, the Residential Committee nor the Managing Agent shall release the books and records or include any email or mailing address or telephone number of a Unit Owner, if the Unit Owner has requested in writing that such information not be made public.

12. Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Board with respect to any damage to or destruction of the Building, and the Board with respect to any damage to or destruction of the Common Elements, 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. If said damage or destruction, however, affects only the Common Elements, then any deficit or surplus in insurance proceeds shall be borne or shared by all 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 Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

If three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more 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 lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests. In either event, no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. This option must be exercised within sixty (60) days after the insurance proceeds are paid and must close within ninety (90) days thereafter.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium shall be payable to either the Residential Committee or the Board, whichever is entitled to adjust such loss in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to the Construction Lender, or its successors or assignees while it holds a mortgage on the Property or any Unit and, thereafter, to a New York City bank or trust company 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.

13. Insurance

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

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

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

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

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

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

Expense and shall be borne by the Unit Owners in such proportions between them, with due consideration to their respective risks, liabilities and replacement values, as are equitable (as determined by the respective insurance carriers thereof or their agents, brokers or such other parties designated by the Board).

The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Board from time to time and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the apartment or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Board or the Managing Agent, the Unit Owner shall deliver to the Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Board. The Board and the Managing Agent shall not be responsible for ensuring that Unit Owners as insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

14. Liability of Condominium Board and Unit Owners

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

15. 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 Board to all Unit Owners

within four months after the end of each fiscal year.

16. Termination of Condominium

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

17. Procedure to Review Real Estate Tax Assessments

The 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 Units. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Unit Owner individually seeks to have the assessed valuation of his or her Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

18. Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may arise or be created against only the individual Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon but (a) all Common Charges received by the Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Board or the Managing Agent for the Common Elements and the Limited Common Elements.

19. Litigation

The Condominium Board shall not commence any litigation or arbitration other than to collect common charges or assessments or to enforce the provisions of the Declaration or By-Laws (other than to defend the Condominium in such actions) without first obtaining the consent of the owners of three-quarters of the Units and the owners of three quarters of the Common Interests.

20. Easements and Name of Condominium

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Board and the adjacent property owners. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements. In addition, Sponsor and its designees shall have an easement to erect, maintain, repair and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "540 West 21st Street Condominium". Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by Sponsor. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Units in the Building only Sponsor shall have the right to change the name of the Condominium and/or the Building, and such right may be exercised by Sponsor at any time without the vote or consent of the Board or any Unit Owner.

21. The Declaration and By-Laws

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan. A prospective Purchaser should read the Plan in its entirety including the Declaration and By-Laws.

V. REAL ESTATE TAXES

Each 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 subjected 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 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 as Common Charges.

It is estimated that the total taxable assessed value for the whole property after completion, inclusive of the Residential Condominium Units and the Retail Unit, will be $31,561,205 of which $22,633,992 is attributable to the Residential Units, and of which $8,082,667 is attributable to the Gallery Unit, and of which $844,546 is attributable to the Retail Unit. Assuming the Property does not receive any abatement from real estate taxes, it is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the first year of Condominium operation will total approximately $2,711,869 based on an estimate prepared by Marcus & Pollack LLP, dated February 11, 2019, which assumes (a) an estimated taxable assessed valuation attributable to the residential portion of the Property of $21,502,293 for the 2021/2022 fiscal tax year and (b) a projected tax rate of 12.612%. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the second year of operation will be higher than the taxes during the first year of operation.

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

In arriving at the assessed valuation for each Unit in the Condominium, the Condominium is first assessed as an entity. This overall assessment is then apportioned among the respective units, each of which will be assigned a tax lot designation once the Condominium Declaration has been recorded with the City Register. For purposes of Schedule A, the projected real estate taxes were based on the Common Interest Percentages. It is possible that the apportionment will be based in part upon the proportion of the projected selling price presented in the Offering Plan for each Unit bears to the gross sellout price for all Units available for purchase in the Condominium, and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential, and existing leases on particular Units.

Please refer to the opinions of Holland & Knight LLP and Marcus & Pollack LLP as set forth in Part I of the Plan for further discussion regarding real estate taxes for the residential portion of the Property.

Prior to the issuance of separate tax lots, the real estate tax estimates for each Residential Unit will be determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by dividing the Common Interest of each Residential Unit by the total Common Interests of all Residential Units. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes

between the Residential Units in proportion to each Residential Unit's percentage interest in the Common Elements rather than Purchase Price, or some combination of the two, and if so, Residential Units having the same percentage interest may pay different real estate taxes.

The By-Laws provide that the Condominium Board is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Unit Owners, for the benefit and on behalf of (i) all Residential Unit Owners, or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

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

No guaranty or assurance is given that (i) any of the assumptions described above will be valid, (ii) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the average real estate tax rate that will be in effect during such first year) will approximate the actual amount, (iii) the estimated or actual amount of assessed value of the Property following the projected First Year of Condominium Operation and the taxes payable based upon such assessment or (iv) the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units in accordance with the values used by Sponsor's real estate tax consultant for such purpose, or that the Department of Finance 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 a share of the Property's real estate taxes for the period in question calculated based upon each Unit's proportionate share of the Common Interest. These allocation percentages reflect the relative approximate aggregate assessed values of each of these Units as estimated by Sponsor's real estate tax counsel and as set forth above in this Section V. The Condominium Board will pay such real estate taxes timely to the Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on the Property or any 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 Condominium Board will be entitled

to assess late charges and/or place a lien on their Units as if such unpaid share were Common Charges. (See "Collection and Lien for Non-Payment of Common Charges" in Part I above for further discussion.) After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes. 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 tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

There is no assurance that the proration of estimated 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 Condominium 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 above.

If the Condominium meets the requirements for qualification as a "homeowners association," which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. Sponsor anticipates that the Condominium will not qualify as a homeowners association. Assuming the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election as discussed below, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly the membership, income described in Section W of this Plan less expenses related to such income) is subject to federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. The budget for the first year of Condominium operation, Schedule B, does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996.

W. INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Residential Units by Purchasers who use such Residential Units as a personal residence was prepared by Sponsor based, in part, upon the income tax opinion of Holland & Knight LLP, counsel to Sponsor, a copy of which is set forth in Part I of this Plan.

Prospective Purchasers should note that the opinion letter addresses the tax consequences that would result from the ownership of a Unit by an individual resident of New York City for use as a qualified residence, as further described herein. It does not address, among other things, the tax consequences that might result from the ownership of a Unit by a taxpayer who is not an individual and a resident of New York City, including corporations and other entities, and foreign individuals or entities. It also does not address the tax consequences that might result from the ownership of a Unit that is held by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income.

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

1. Deductibility of Mortgage Interest and Real Estate Taxes

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

It is the opinion of Holland & Knight LLP that a Residential Unit Owner who uses his or her Residential Unit as a personal residence and itemizes his or her deductions will, under present law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that for the taxable years commencing on or after January 1, 2018 and before January 1, 2025 mortgage interest is deductible generally only with respect to (1) secured debt used to acquire or substantially improve a principal or second residence (up to a total indebtedness of $750,000). Interest on home mortgage debt in excess of those limitations would not be deductible. Special limitations also apply with respect to the deductibility of points and other prepaid interest, if any, on the mortgage debt and to the overall allowance of itemized deductions. For taxable years commencing on or after January 1, 2026, the amount of acquisition indebtedness for which a mortgage interest payment is deductible is increased from a maximum of $750,000 for married individuals filing joint returns to $1,000,000 and a separate "home equity" interest deduction is allowable for payments attributable to $100,000 in secured debt. Purchasers should also note that for taxable years commencing on or after January 1, 2018 and before January 1, 2026 deductions

for property taxes and state and local income taxes are limited to a combined total of $10,000 in any such year. For taxable years commencing on or after January 1, 2026 the $10,000 overall limit on property and state and local income taxes is removed. The Attorney's Income Tax Opinion provides greater details of the mortgage and interest deductions.

2. Taxation of the Condominium

If the Condominium meets the requirements for qualification as a "homeowners association," which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as income from assessments from the Non-Residential Unit Owners(s), and interest earned on any reserve funds (less expenses directly connected with the production of such income).

Sponsor anticipates that the Condominium will not qualify as a homeowners association. Assuming the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Schedule B, Budget for the First Year of Condominium Operation, does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996.

The qualification of an organization as a homeowners association is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year it may nevertheless qualify in one or more future years.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Holland & Knight LLP, as counsel to Sponsor, bases its opinion, will not change. In no event will Sponsor, Holland & Knight LLP, the Selling Agent, the Managing Agent or any other person connected with this offering be liable if at any time it is held that the Residential Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Offered Units under this Plan, and no one has been authorized to give any warranties.

X. TAX OPINION OF HOLLAND & KNIGHT LLP

Holland & Knight

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To ensure compliance with the Internal Revenue Service Circular 230 disclosure requirements, we inform you that the United States federal tax advice contained herein (i) is written in connection with the promotion or marketing by others of the transactions or matters addressed herein, and (ii) is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding U.S. tax penalties. Each taxpayer with respect to the subject matter addressed herein should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

September 4, 2018

540 West 21st Street Holdings LLC
c/o Casco Real Estate Development
534 West 21st Street
New York, New York 10011

Re: Condominium Offering Plan
540 West 21st Street Condominium (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the Residential Units for residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of (i) the ownership of Residential Units by corporations, other entities or foreign persons, (ii) ownership of the Unsold Residential Units, any Residential Unit that is used for mixed residential/non-residential purposes, or any Units other than the Residential Units (such as the Non-Residential Units), or (iii) any rebates or other payments that may be made, or benefits provided, to owners of Residential Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan

is the document pursuant to which owners of the Residential Units will acquire their Residential Units and that the relevant facts are as set forth therein.

Mortgage Interest and Real Estate Tax Deductions - Federal

On December 22, 2017 President Trump signed into law legislation commonly known as the Tax Cuts and Jobs Act (the "2017 Act"). The 2017 Act made changes to the Code that are generally effective for individual taxpayers for the period January 1, 2018 through December 31, 2025 at which point the relevant Code provisions in effect prior to 2018 again become effective. The 2017 Act makes significant changes to pre 2018 Code provisions relating to tax and interest deductions for home ownership. Because of the transitory nature of many of the tax law changes discussed in this opinion, we discuss both the current 2017 Act for the period January 1, 2018 through December 31, 2025 and the pre 2018 Code provisions for the period January 1, 2026 and thereafter.

January 1, 2018 Through December 31, 2025

Pursuant to the Plan, the Purchaser of a Residential Unit will receive legal title in fee simple to his or her Residential Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such Purchaser will have the right to place an individual mortgage on his or her separate Residential Unit and will be liable to the local tax authority for the real estate tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 C.B. 300.

Accordingly, based on the foregoing, it is our opinion that for the taxable year beginning on or after January 1, 2018 and before January 1, 2026 an owner of a Residential Unit who itemizes his or her deductions will be entitled under current law to deduct from his or her gross income for Federal income tax purposes, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority, subject to an overall limitation under the 2017 Act of $10,000 ($5,000 for a married individual filing a separate return) for the aggregate of state and local property taxes and state and local income taxes for such year. Since the deductions for state and local taxes are so restricted under the 2017 Act, Residential Unit Owners should consider whether to claim the standard deduction in lieu of electing to itemize deductions. In determining whether to itemize deductions, the 2017 Act increases the standard deduction to $24,000 for married individuals filing a joint return, $18,000 for head of household filers, and $12,000 for all other taxpayers but also eliminates the deduction for personal exemptions. Further, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax, however the 2017 Act increases the exemption amount for individuals to $109,400 for taxpayers filing joint returns and surviving spouses, $70,300 for single taxpayers, and $54,700 for married taxpayers filing separately, with a phase-out reduction of such exemption amounts for taxable income in excess of a prescribed amount. Owners of the Residential Units should consult their tax advisers regarding the applicability of the alternative minimum tax to the deductibility of real estate taxes and whether to claim the standard deduction instead.

Under the 2017 Act a taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to, for debt incurred on or after December 15, 2017, a maximum of $750,000 in indebtedness for any period ($375,000 in the case of a married individual filing a separate return). The deduction for interest allowable under the pre 2018 Code attributable to home equity indebtedness, not to exceed $100,000, is suspended through December 31, 2025 for calendar year taxpayers. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, for the taxable year beginning on or after January 1, 2018 and before January 1, 2026, to deduct from his or her gross income for Federal income tax purposes, interest paid or accrued by him or her on acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $750,000 ($375,000 in the case of a married individual filing a separate return) with respect to his or her Residential Unit. Such Unit Owners should also consider whether to take the increased standard deduction allowed under the 2017 Act and discussed in the tax deduction portion of this letter, in lieu of electing to itemize deductions. Since the rules and limitations regarding the deductibility of home mortgage interest are complex, Purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans.

January 1, 2026 and Forward

Effective for taxable years beginning on or after January 1, 2026, the pre 2018 Code provisions will be applicable to the deductibility of mortgage interest and real estate taxes. The pre 2018 Code provisions and its effect on our opinions are described below.

It is our opinion that an owner of a Residential Unit who itemizes his or her deductions with respect to a taxable year beginning on or after January 1, 2026 will be entitled to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, suspended during the period January 1, 2018 through December 31, 2025, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority. The $10,000 overall limit on the deduction of state and local property and income taxes under the 2017 Act will not apply. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax as in effect prior to January 1, 2018. Owners of the Residential Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

With respect to taxable years beginning on or after January 1, 2026 a taxpayer generally is

entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return), or (ii) is any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. The restrictions under the 2017 Act for $750,000 and $375,000 in acquisition indebtedness and the disallowance for home equity indebtedness will not apply in this period. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, under law in effect in the taxable year beginning on or after January 1, 2026, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, Purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

Mortgage Interest and Real Estate Tax Deductions – New York State and City

Each owner of a Residential Unit who uses his or her Residential Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes in the relevant periods. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Moreover, if an individual's New York State and New York City adjusted gross income exceeds $1,000,000, then no New York State or New York City itemized deductions are allowable for the mortgage interest and the real property tax payments. Furthermore, Purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Residential Units.

Because the 2017 Act limits deductions for property and state income taxes to a combined total of $10,000 a question arises during the period January 1, 2018 to January 1, 2026 whether all of the real property taxes paid, subject to a $10,000 limit, can be deducted for New York State and New York City purposes, or merely a proportionate amount of property taxes paid as results from the ratio of property taxes to total property and state income taxes multiplied by $10,000. We expect both the IRS and the New York State Department of Finance and Taxation will provide guidance, but in the absence of guidance we think the better view is that property taxes are deductible to the extent paid or accrued for New York State and New York City purposes subject to the $10,000 Federal limit in the applicable years and the limitations under New York law described above.

Section 528 Homeowners Association

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve funds (less expenses) directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Residential Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in Schedule A to the Plan, which shows that approximately 71% of the total square footage of all Units of the Condominium will be contained in the Residential Units, and assuming that the Residential Units are used by individuals for residential purposes under Treasury Regulation § 1.528-4, less than 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. If that should be the case, the Condominium will not be eligible to elect to be treated as a homeowners association.

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is

no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Condominium Board (the "Board") will each act as the agent of the Unit Owners represented by each such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium through the Board collecting such charges. If, however, the Condominium is properly considered a separate entity and is not incorporated under New York State law, the Condominium may elect to classify itself as a corporation. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium does not elect to be treated as a corporation and is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

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

* *

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS, any state or local tax authority, or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Holland & Knight LLP, the Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or IRS rulings on which we have relied which cause the owners of Residential Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

Holland & Knight LLP

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Y. 339-I OPINION OF HOLLAND & KNIGHT LLP

Holland & Knight

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Holland & Knight LLP | www.hklaw.com

September 4, 2018

540 West 21st Street Holdings LLC
c/o Casco Real Estate Development
534 West 21st Street
New York, New York 10011

Re: 540 West 21st Street Condominium
540 West 21st Street
New York, New York (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion regarding the allocation of common interests to the Units at the above referenced Condominium as required by NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Offering Plan for the referenced project (the "Plan").

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by First Service Residential as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of FirstService Residential.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law Section ("RPL") 339-i (1)(iv), i.e., based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

Accordingly, based on the foregoing it is our opinion that Real Property Law Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will the Sponsor, Holland & Knight LLP, the Selling Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

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

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

Holland & Knight LLP

Z. REAL ESTATE TAX OPINION OF MARCUS & POLLACK LLP

MARCUS & POLLACK LLP

ATTORNEYS AT LAW

INCLUDING PROFESSIONAL CORPORATIONS

633 THIRD AVENUE

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KRISTINE S. LOFFREDO

February 11, 2019

540 West 21st Street Holdings LLC
540 West 21st Street
New York, New York 10011

Re: 540 West 21st Street
Manhattan Block 692 Lots 53,57,61 and 63

Dear Sir/Madam:

You have requested that we project the real estate tax liability for the mixed-use residential and commercial condominium building to be constructed at 540 West 21st Street, for which you are the Sponsor under the Offering Plan.

The Aggregate Total Actual (target) and Transitional Assessed Valuations for the existing tax lots that make up the existing property for the most recent tax years are set forth as follows:

Tax Year	Actual Assessment	Transitional Assessment
2017/18	$5,749,200	$4,708,595
2018/19	$5,746,950	$5,071,860
2019/20	$1,554,750	$1,347,390

You have advised us of the following facts regarding this project:

1. 540 West 21st Street will be new construction held in the condominium form of ownership. Upon completion, there will be thirty-four (34) separately assessed residential condominium dwelling units, one (1) gallery unit, and one (1) retail unit. When completed, the property's total gross square footage will be 191,280 gross square feet on twenty (20) stories.

2. The site which comprises the subject property currently consists of the four tax lots identified on the New York City Department of Finance ("DOF") records as Block 692 Lots 53, 57, 61 and 63, in Manhattan.

3. The construction commenced in September 2018 with the excavation and pouring of footings and construction is projected to be completed August 2021. For purposes of this analysis, we estimate that the property will be assessed as complete on January 5, 2022, the taxable status date for tax year 2022/23. We estimate the 2022/23 tax year to be the first tax year in which the City's assessment roll fully reflects the value of the newly constructed building.

4. Once construction has been completed, the property will consist of a single condominium building with separately assessed condominium tax lots for each residential apartment, for the gallery unit, and for the retail unit.

5. The first year of condominium operation is scheduled to extend from July 1, 2021 through June 30, 2022. As this period corresponds with the City's 2021/22 fiscal tax assessment year, real estate taxes due for the first year of condominium operation will therefore be based on the assessed value of the tax lots for twelve (12) months of tax year 2021/22. We project that the 2021/22 assessed valuation will be based upon the assessment for a partially completed building. Estimated real estate taxes for the second year of condominium operation will be significantly higher, based upon the assessment for a completed building in tax year 2022/23.

There are three recognized appraisal methods which are employed by the DOF to determine the full market value of real property. These methods are the original cost method, capitalization of income approach and the sales price comparison method.

The original cost method is based on the theory that the value of a given property is reflected by its cost of construction plus the acquisition cost of the underlying land. This method of valuation is considered a significant indicator of value with respect to new buildings. Relevant data used in the cost method includes material and labor ("hard") costs, and financing, engineering, architectural, testing and professional fees and construction period taxes ("soft") costs.

The capitalization of income method is based upon the proposition that the annual net income generated by a property, when divided by the rate of return an investor at a given time would accept for his money in a competing investment, yields an estimate of the market value of the property. In the past the DOF has also utilized gross income multipliers to value residential property.

The sales price comparison method is founded upon the belief that value can be ascertained by surveying market prices. Market value has been defined as that price which a property would bring in a competitive and open market, wherein both buyer and seller are acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. However, the addition of sale prices of individual units may not be the basis for arriving at the assessed valuation of a residential condominium or cooperative housing corporation.

Real Property Tax Law §581 requires that the DOF assess residential condominiums without regard to their form of ownership. This requirement has been interpreted to mean that cooperatives and condominiums are to be assessed as if they were rental properties, thus requiring a valuation based upon the capitalization of income utilizing rents imputed from comparable rental properties.

In arriving at the assessed valuation for each unit in the Condominium, the building is first assessed in its entirety. This overall assessment is then apportioned among the respective units, each of which will be assigned a tax lot designation once the Condominium Declaration has been recorded with the City Register. In the past, the apportionment was based in part upon the proportion of the projected selling price presented in the Offering Plans for each residential unit bears to the gross sellout price for all residential units available for purchase in the project (hereinafter, "Proportionate Valuation"), and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases, if any, on particular units. However, more recently, DOF had enunciated a policy which has allocated assessed values for the residential units within a condominium by utilizing each unit's respective percent interest in the common elements.

We make no representation that the DOF will use any particular method to apportion assessed valuation among the units for the purpose of computing the portion of the condominium building's total assessed valuation that will be allocated to the units within the condominium building.

For our projections, we have placed greatest weight on the comparable assessment study method. The comparable assessment studies generally indicate that the City's assessment of newly constructed condominiums is often lower than what would normally be indicated by the capitalization of income method. These comparable assessment studies enabled us to ascertain the current assessing policies of the City of New York with regard to newly constructed and renovated residential building. However, there are no assurances that these policies will remain unchanged or that the indicators of market value will not be adjusted prior to completion of the project resulting in an assessment differing substantially from the estimates contained herein.

Reconciliation of the three approaches to valuation discussed above, for recently constructed residential apartment buildings throughout Manhattan, justifies an estimated overall Actual Assessed Value for the entire condominium building (including "land" and "building") upon completion of construction of $31,561,200 or approximately $165 per square foot based on the total building area of 191,280 gross square feet, and we estimated the Taxable Assessed Value to be $31,561,200. We project that the assessed value of the completed condominium building would first be reflected on the City's 2022/23 tax assessment roll.

The most recent and currently available tax rate for residential real property is 12.612% and for commercial property it is 10.514%. For purposes of the following projections, we have assumed that these overall rates will remain in effect for the 2021/22 and 2022/23 tax year. The estimated real estate taxes payable during tax year 2021/22 and 2022/23 for the residential apartments, the gallery unit, and the retail unit, as defined above, are projected as follows:

Estimated Real Estate Taxes for Tax Year 2021/22 - Before Completion of Construction:

For purposes of this analysis, we have estimated that the property will be assessed as a building still under construction and approximately 95% complete on January 5, 2021, the taxable status date governing the 2021/22 assessment roll. We estimated the total Actual Assessed Value for the property, inclusive of the thirty-four (34) residential condominium units, one (1) gallery unit, and one (1) retail unit, to be $29,983,145, and we estimated the total Taxable Assessed Value to be $29,983,145.

Estimated Real Estate Taxes for Tax Year 2022/23 - Upon Completion of Construction:

For purposes of this analysis, we have estimated that the property will be assessed as a completed building on January 5, 2022, the taxable status date governing the 2022/23 assessment roll. We estimated the total Actual Assessed Value for the property, inclusive of the thirty-four (34) residential condominium units, one (1) gallery unit, and one (1) retail unit, to be $31,561,205, and we estimated the total Taxable Assessed Value to be $31,561,205.

Allocation of Assessed Values for Tax Years 2021/22 and 2022/23:

We estimated that the estimated total assessed values will be allocated among the components based upon the common interest percentage factor. For purposes of this analysis, we estimated that in tax year 2021/22, the property will be assessed with separately assessed condominium tax lots for each residential apartment, for the gallery unit, and for the retail unit. This estimate assumed that the final assessment roll to be published in May 2021 will list separate tax lots for the condominium units.

The estimated allocated assessed values and fiscal year taxes are as follows:

TAX YEAR 2021/22

Compact	Common Interest Percentage	Estimated Taxable Assessment	Tax Rate	Estimated Fiscal Year Taxes	Estimated Taxes for First Year of Condominium Operation
Residential	71.7146%	$21,502,293	12.612%	$2,711,869	$2,711,869
Gallery	25.6095%	$7,678,534	10.514%	$807,321	$807,321
Retail	2.6758%	$802,318	10.514%	$84,356	$84,356

TAX YEAR 2022/23

Compact	Common Interest Percentage	Estimated Taxable Assessment	Tax Rate	Estimated Fiscal Year Taxes	Estimated Taxes for Second Year of Condominium Operation
Residential	71.7146%	$22,633,992	12.612%	$2,854,599	$2,854,599
Gallery	25.6095%	$8,082,667	10.514%	$849,812	$849,812
Retail	2.6758%	$844,546	10.514%	$88,790	$88,790

For tax year 2021/22, when we estimate that the building will be assessed as 95% complete, the residential component's real estate taxes are estimated to be $2,711,869 of which twelve (12) months will fall within the first year of the condominium operation.

For tax year 2021/22, when we estimate that the building will be assessed as 95% complete, the gallery unit's real estate taxes are estimated to be $807,321 of which twelve (12) months will fall within the first year of the condominium operation.

For tax year 2021/22, when we estimate that the building will be assessed as 95% complete, the retail unit's real estate taxes are estimated to be $84,356 of which twelve (12) months will fall within the first year of the condominium operation.

Estimated Real Estate Taxes for the First Year of Condominium Operation July 1, 2021 through June 30, 2022:

For the first year of condominium operation covering the period of July 1, 2021 through June 30, 2022, we projected that the real estate taxes will be based on twelve (12) months of tax year 2021/22 when it is estimated that, as of the taxable status date January 5, 2021, the property will be assessed as 95% complete. Thus, for the first year of condominium operation, the estimated real estate tax liability for the condominium will be as follows:

Residential Condominium Component:
July 1, 2021 to June 30, 2022
(12 months of tax year 2021/22)
$21,502,293 x 12.612% = $2,711,869

Estimated Real Estate Taxes for Residential Component's First Year of Condo Operation = $2,711,869

Gallery Condominium Unit:
July 1, 2021 to June 30, 2022
(12 months of tax year 2021/22)
$7,678,534 x 10.514% = $807,321

Estimated Real Estate Taxes for Gallery Unit's First Year of Condo Operation = $807,321

Retail Condominium Unit:
July 1, 2021 to June 30, 2022
(12 months of tax year 2021/22)
$802,318 x 10.514% = $84,356

Estimated Real Estate Taxes for Retail Unit's First Year of Condo Operation = $84,356

The above estimates do not take into account any uptrends in value and/or future increases in the level of assessed valuation applied to the property or any increases in the real estate tax rate.

This letter was prepared at the Sponsor's request. Certain figures set forth herein are approximations derived from material submitted by the Sponsor and are subject to variation. We have not passed upon the accuracy of any figures or estimates contained in the Plan, and offer no warranties of the amount of any tax liabilities for any period.

Prospective purchasers are advised that while there is a formula which has been utilized by the DOF in assessing such properties in the past, it has not been employed consistently, and it is therefore not possible to estimate or determine the post-construction assessed valuation of this property with any degree of certainty. However, the estimates are based upon our interpretation of the current policies and practices of DOF. All prospective purchasers are further advised that although the estimate of assessed valuation upon completion of construction is a good-faith estimate, such assessed valuation, when actually made, may be significantly more or less than as estimated herein.

The projections expressed are based on our interpretation of the Real Property Tax Law, Administrative Code of the City of New York, and the applicable rules and regulations, policies and practices of the DOF in effect as of the date hereof. While we believe our projections are well founded, they are not intended, and should not be construed as representations or warranties.

The laws, regulations and practices of the DOF upon which this projection is predicated may in the future be revised in a manner adverse to your interests, or there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, or Courts. We have not under undertaken to advise you should we become aware of the changes in the DOF assessment policies and practices or changes in the relevant statues laws rules or judicial precedents.

The foregoing analysis is based upon our experience with the DOF and the Tax Commission of the City of New York, and their assessment policies regarding newly constructed properties held in the condominium form of ownership. Application of a particular approach to valuation when actually made may result in assessed valuation significantly more or less than estimated herein.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

Marcus & Pollack LLP

MP: md

AA. WORKING CAPITAL FUND AND APPORTIONMENTS; NO RESERVE FUND

The Purchaser of each Residential Unit shall be required to make a contribution at the Closing of his Unit(s) to the working capital fund of the Residential Section (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) month's Common Charges in effect for such Unit(s). No reserve fund is being established for the Condominium.

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

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

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(3) charges for electricity and other utilities for the General and Limited Common Elements;

(4) cost of fuel on hand (plus sales tax), if any;

(5) charges and receipts in connection with service, maintenance and concession contracts;

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

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

(8) premiums for transferable insurance policies, if any;

(9) management fees; and

(10) other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

The Working Capital Fund will be held and used for the items described in 1-10 above, and to pay for repairs and replacements to the Residential Common Elements for the Residential Section's share of the cost of repairs and replacements to the General Common Elements and may be augmented by allocations from the monthly Residential Common Charges collected from each Residential Unit. While Sponsor controls the Condominium Board (see the Section entitled

"Control By Sponsor"), the Working Capital Fund will not be used to reduce estimated Residential Common Charges.

No representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Residential Common Charges or Residential Common Charges attributable to Unsold Residential Units.

In the event that capital expenditures for renewal or replacement of Building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, the Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws the Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

No reserve fund is being established for the Condominium. Sponsor has elected not to provide for such a reserve fund for capital replacements or repairs, because the Building will be newly constructed. The Condominium Board, in its discretion, and subject to certain restrictions contained in the Condominium By-Laws, may decide in the future to create a reserve fund by special assessment or by increases in Common Charges.

In the Board's discretion, subject to the terms of the By-Laws, the Board may decide in the future to establish a reserve fund or pay for necessary repairs or capital items to the Limited Common Elements by special assessment or by increasing Residential Common Charges.

In the event that capital expenditures for renewal or replacement of Building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy.

BB. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

1. Management Agreement

The Condominium Board will enter into a management agreement with First Service Residential, a company organized under the laws of the State of New York, and having a New York address at 622 Third Avenue, New York, New York 10017, as the Managing Agent, with respect to the Residential Section of the Building at or prior to the First Closing. Neither the Managing Agent nor the principals of the Managing Agent are affiliated with Sponsor or its principals.

The management agreement provides for a term of one (1) year, subject to the right of either party to cancel upon sixty (60) days prior written notice, with or without cause. The management agreement is not assignable by either party.

The Managing Agent will receive an annual fee of $60,000 payable in equal monthly installments of $5,000 for the first year. The annual fee will be increased annually by an amount equal to the management fee for the immediately preceding twelve month period multiplied by a percentage equal to the Consumer Price Index, however the percentage shall not be greater than 5% or less than 2%. The Board shall also reimburse the Managing Agent for expenses incurred at the Managing Agent's office such as postage, photocopying, long distance telephone calls, payment envelopes, facsimiles, etc. In addition, the Managing Agent shall receive the following per Unit payments for the preparation , distribution and processing of the following required forms and filings: (i) $6.00 per Unit for Window Guard; (ii) 12:00 per Unit for Lead-Based Pain Compliance; (iii) $11.00 per Unit for Fire Safety Plans; (iv) and $8.00 per Unit for Tax Abatement Credits. The Managing Agent's fee is comparable to the fee charged for comparable buildings.

In addition to the compensation paid to the Managing Agent by the Board, the Managing Agent shall be entitled to receive the following compensation from Unit Owners for the Managing Agent's services rendered to Unit Owners:

(1) For the Processing of Purchase and Lease Applications. Managing Agent may charge the Residential Unit Owners who make an application to lease their Residential Units or sell their Residential Units or the applicant(s) a processing fee in the amount of $850.00, which fee may be increased to cover the costs of additional or special consumer reports in the event they are required and photocopy and messenger costs, if any. In the event that Managing Agent attends a closing on the sale of each Residential Unit, an additional fee of $250.00 may be charged.

(2) For Coordination and Assistance with Financing or Refinancing. Managing Agent may charge Residential Unit Owners who finance or refinance their Residential Unit or Purchasers obtaining financing on acquisition, a fee of $300.00 for its coordination and assistance with a Unit Owner's financing or refinancing of its residential mortgage(s).

(3) For Processing of Lease Renewals. Managing Agent may charge Residential Unit

Owners who make an application to renew or extend leases with the same tenant, a processing fee of $300.00

(4) For Assisting with Unit Owner Alterations. Managing Agent shall accept applications from Residential Unit Owners who desire to make alterations to their Residential Units. Managing Agent shall submit such applications to the Residential Committee and assist the Residential Unit Owner and the Board with the application and all approved alterations pursuant to the applicable requirements. Managing Agent shall charge Residential Unit owner: $400.00 for regular alterations and $1,000 for major alterations.

(5) For Assisting with Collections. Managing Agent may charge Residential Unit Owners who's accounts, on a per attorney file bases, are turned over to the Residential Committee's attorney a fee of $50 for collection and/or when the Residential Committee decides to garnish the rent of Residential Units leased by delinquent Resident Unit Owners. In the event that the Managing Agent is required and/or so requested by such attorney to appear in court, Managing Agent may charge Resident Unit Owner an additional fee of $350.00 per appearance.

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

(a) Property Management Services. Provide for the operation, maintenance, repair, and cleaning of the Building, to the extent required or authorized under the Declaration and in accordance with the approved budget of the Condominium and the direction of the Board.

(b) Meetings of Condominium. Prepare and send out all notices of meetings of the Condominium, the Board or the Residential Unit Owners, and such other letters and reports as the Board may request and, when requested, arrange for a suitable meeting place and assist with the preparation of agendas for such meetings. Cause a representative to attend one (1) Board meeting per month, annual meetings and special meetings of the Board and Unit Owners; prepare minutes of such meetings.

(c) Budgets. Prepare and submit to the Condominium for approval, annual operating budgets for the Condominium.

(d) Collections. Distribute invoices and take all other actions necessary to bill and collect all common charges, assessments and other amounts due and payable by the Residential Unit Owners.

(e) Personnel. Provide routine supervision of all persons necessary to be employed in order to properly maintain and operate the Building.

(f) Residential Books and Records. Set up and maintain the records and accounts of the Condominium and render monthly statements.

(g) Tax Certiorari. Cooperate with tax certiorari attorneys.

(h) Entering into Contracts. The Managing Agent shall, on behalf and in the name of the Condominium (and at the expense of the Condominium), enter into contracts with third parties for the provision or performance of electricity, gas, steam, air-conditioning, water, elevator, telephone, window cleaning, trash removal, fuel oil, security services, extermination, other normal or essential services or such items or services that are advisable. Notwithstanding the foregoing, the Managing Agent shall not enter into any contracts for a term longer than one year or requiring annual payments in excess of 5,000.00 unless it is authorized by the Board or part of a previously approved operating budget or capital budget of the Board.

(i) Compliance with Laws. Recommend and, with the approval of the Board, take such action as may be necessary to comply with any and all orders, violations or requirements affecting the Condominium or Building by any federal, state, county, municipal authority or any order of the New York Board of Fire Underwriters, the New York Fire Insurance Exchange or other similar body have jurisdiction.

(j) Insurance. Interact with the Board's insurance agents and brokers for the purchase and/or renewal of insurance policies and in making any claims thereunder.

(k) Bill Payment. Review all bills received for services, work and supplies ordered in connection with maintaining and operating the Building; and pay all such bills, as and when same shall become due and payable.

(l) Tax Returns, Forms Etc. Cause to be prepared and filed, for the Condominium, the necessary forms for unemployment insurance, social security taxes, and all other tax forms. Cooperate with accountants in performing annual audits and tax returns. Send out all letters, reports and newsletters as the Board may request.

(m) Alteration Requests. Process on behalf of the Condominium requests from the Residential Unit Owners for Board approval, or any duly authorized committee thereof, of any alterations proposed to be made any Residential Unit that require notice to or approval of the Board or any committee thereof under the terms of the Declaration.

(n) Residential Moving Coordination. Supervise the moving in and moving out of Residential Unit by Residential Unit Owners (and their tenants), and, as far as reasonably possible, arrange the dates thereof so that there shall be a minimum disturbance to the operation of the Residential Units and of inconvenience to other Residential Unit Owners and tenants. Accept applications and references from all prospective Residential Unit Owners and tenants.

(o) Condominium Duties. Consider and attend to complains of Unit Owners, lawful tenants, subtenants and occupant. To the extent not addressed in subparagraphs (a) through (n) above, exercise all other powers and perform all other duties that have been assigned to the Condominium under the Declaration as its agent. Without limiting the generality of the foregoing, the Managing Agent shall assist the Board in enforcing its rights and remedies under the Declaration.

The Managing Agent shall not be obligated to make any advance to or for the account of the Board, but in the event that the Managing Agent incurs any liability or obligation for the account of the Board, within its authorized duties, the Board shall reimburse the Managing Agent promptly for any monies that the Managing Agent may elect to advance for the Account of the Board. The Board shall indemnify the Managing Agent against liability for authorized acts arising out of the Management Agreement, excluding acts of gross negligence or willful misconduct.

CC. IDENTITY OF PARTIES

1. Sponsor

Sponsor is 540 West 21st Street Holdings LLC, a Delaware limited liability company, formed on November 25, 2013, with an office at c/o Casco Real Estate Development, 534 West 21st Street, New York, New York 10011.

The principals of Sponsor who will be actively involved in this offering are Mr. Uri Chaitchik and Mr. Noam Teltch, having an office address c/o Sponsor at 534 West 21st Street, New York, NY 10011. Mr. Chaitchik is the President of Casco. He has extensive experience in the construction and development industry. In 1999 he founded a shipping investment company and later worked with a real estate development and financial investment in Israel, Europe and USA. His most recent development was 6 Remez Tower in Tel Aviv, a residential development that was recognized as a Best Tall Building Middle East & Africa Finalist in the 2013 Council on Tall Buildings and Urban Habitat Awards Program. Mr. Teltch is the Vice President of Casco. He has worked in management for over 15 years as a senior manager corporate finance at E&Y, a Senior VP and Board Member of a US-based investment company focusing on retail and energy, as a CFO and Board Member of a Canadian public company, and from 2008 has managed, consulted and advised on various financial and real estate ventures.

Prior Offerings

The principal of Sponsor has not taken part in a prior public offering in New York State.

There have been no prior felony convictions of Sponsor, or any principal of Sponsor and no prior convictions, injunctions and judgments against Sponsor, or any principal of Sponsor that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Sponsor and the principal of Sponsor have designated the Secretary of State for service of process.

2. Managing Agent

First Service Residential New York Inc., a New York corporation, having an office at 622 Third Avenue, New York, New York 10017 will be the managing agent for the Building. The Managing Agent has been engaged in the development ownership, operation and management of New York City multifamily residential properties for over twenty-five years.

Neither the Managing Agent nor the principals of the Managing Agent are affiliated with Sponsor or its principals.

There have been no prior felony convictions of the Managing Agent, or any principals of the Managing Agent; and no prior convictions, injunctions and judgments against the Managing Agent, or any principals of the Managing Agent.

A list of properties which have been managed by the Managing Agent include: 432 Park Condominium, Baccarat (20 West 53rd Street Condominium), The Plaza Condominium (1 Central Park South), and 443 Greenwich Street Condominium. First Service Residential manages over 500 properties, 70,000 units, made up of rental, cooperative and condominium ownership. Additional information concerning First Service Residential management portfolio can be furnished upon request.

3. Attorneys for Sponsor

Sponsor has retained the law firm of Holland & Knight LLP, having an office at 31 West 52nd Street, New York, New York 10019 to represent it in connection with the Plan ("Sponsor's Counsel"). Holland & Knight LLP prepared the Plan, the Declaration, the By-Laws and the forms of Agreement, Residential Unit Deed and Residential Unit Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to Purchasers of Residential Units and compliance with Section 339-i of the Real Property Law. Stuart M. Saft, Esq. had principal responsibility for the preparation of the Plan. Holland & Knight LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Unit Closings.

Sponsor has retained Marcus & Pollack LLP, having offices at 708 Third Avenue, New York, New York 10017 to represent it in connection with the Real Estate Taxes.

4. Sponsor's Architects/Engineers

The designer of the Building is Renzo Piano Building Workshop having an office at Via P. Paolo Rubens, 16158, Genova Italy. Renzo Piano Building Workshop is not affiliated with Sponsor or its principals.

The architect for the Building is AAI Architects, P.C., having an office at 14 Wall Street, 2nd Floor, New York, New York 10005, which has had extensive experience in residential design and overall planning. Representative properties include: 53W53 (MoMA Tower) and The New York EDITION. AAI Architects, P.C.is not affiliated with Sponsor or its principals.

Cosentini Associates ("Cosentini") having an office at Two Pennsylvania Plaza, Third Floor, New York, New York 10121, is the mechanical engineer for the Building. Cosentini is a full service consulting engineering firm specializing in mechanical, electrical, plumbing, fire protection, fire alarm and telecommunications design services. Representative properties include: Baccarat Hotel and Residences, City Point and Time Warner Center. Cosentini is not affiliated with Sponsor or its principals.

Desimone Engineers ("Desimone"), having an office at 228 East 45th Street, 3rd Floor, New York, New York 10121 is the structural engineer for the Building. Desimone has designed projects, and performed structural analysis and design for all types of buildings at all project phases. Representative properties include: 111 Murray Street, 220 Central Park South and 565 Broome SoHo. Desimone is not affiliated with Sponsor or its principals.

5. Sponsor's Budget Expert

First Service Residential, having an address at 622 Third Avenue, New York, New

York 10017, estimated all amounts of income and expenses in the projected "Budget for First Year of Condominium Operation, Schedule B", in consultation with Sponsor and provided its opinions regarding the adequacy of the Budget, the adequacy of the Common Charges payable by the Non-Residential Unit Owners(s) and Sponsor's compliance with Section 339-i of the Real Property Law.

DD. REPORTS TO UNIT OWNERS

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

(1) A certified financial statement of the Condominium prepared by a certified public accountant within 120 days after the end of the Condominium's fiscal year;

(2) Prior written notice of the Annual Meeting of Unit Owners; and

(3) A copy of the proposed annual budget for the Condominium at least 10 days prior to the date set for adoption by the Condominium Board and while the Sponsor is in control of the Condominium Board, such budget shall be certified pursuant to 13 NYCRR §20.4(d).

EE. DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a 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 years all without charge and for copying for a reasonable charge. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each 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 will be furnished to the Condominium Board.

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

FF. GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Agreement, form of Residential Unit Deed, form of Residential Unit Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

Under applicable Federal and local law, leaded paint can no longer be used in the construction of the Building.

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

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

Sponsor reserves the right, from time to time prior to the First Closing, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel an Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised not less than 15 days from the date of presentation of said amendment. Sponsor shall promptly return any Option Payment, together with any interest thereon, to Purchasers who rescind, except that Sponsor shall retain the Option Payment (and any interest thereon) of any Purchaser who is in default under the Agreement beyond any applicable grace period.

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

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

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

The Property and the Buildings have not been the subject of any prior public offerings.

No cooperative interest in realty or condominium unit has been offered for sale and no reservations, binding or non-binding, will be made until this Plan has been accepted for filing by the Department of Law. No deposits will be accepted by Sponsor until this Plan has been accepted for filing by the Department of Law.

No Units offered in the Building are occupied by residential or non-residential tenants as of the date of submission of the Plan to the Department of Law.

GG. DEVELOPMENT RIGHTS

As further described in the Declaration and By-Laws, all excess air or developmental rights (collectively, the "Development Rights") otherwise appurtenant to the Property both (a) prior to the First Closing, in connection with any renovation work to be performed by Sponsor at the Building; and (b) subsequent to the First Closing, not used in connection with any renovation of the Building prior to the First Closing have been retained by the Sponsor (the "Development Rights Owner"). As a result, unless Development Rights are separately acquired therefor on behalf of the Building or a Residential Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements and otherwise, may not be possible or may be limited. Further, the Sponsor or a successor Development Rights Unit Owner, as a result of such reservation, may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased in size as a result of such transfer or sale.

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

Neighboring properties had excess development rights that were transferred to the Property to be used in the development of the Building. There were two Transfers and Distribution of Development Rights Pursuant to Section 98-33(a) of the Zoning Resolution of the City of New York ("Transfers of Development Rights") recorded whereby 505-507 West 27 Street Limited Partnership transferred excess development rights to Sponsor from its properties located at Block 699, Lots 27 and 42. (Permitted Encumbrances numbers 18 and 21.) There was another Transfer of Development Rights recorded whereby Is-Ila Realty Corp. transferred excess development rights to Sponsor from its property located at Block 692, Lot 27. (Permitted Encumbrance number 20.) There was a third Transfer of Development Rights recorded whereby 509-511 West 27 Street Limited Partnership transferred excess development rights to Sponsor from its property located at Block 699, Lots 25 and 26. (Permitted Encumbrance number 22.) The Development Rights transferred from those neighboring properties will be used in the development of the Building. In the event there are excess Development Rights at the Property, they will be retained and used as described above.

Additionally, a Zoning Lot and Development and Easement Agreement ("ZLDA") was recorded on October 23, 2017 whereby DZ 20th Street LLC transferred excess development rights to Sponsor from its property located at Block 692, Lot 11 ("Owner Land"). (Permitted Encumbrance number 23). Sponsor combined the Property with the Owner Land to create a new,

combined zoning lot (the "Merged Zoning Lot") for the purpose of transferring DZ 20th Street LLC's excess development rights to Sponsor to use in the construction of the Building. The Merged Zoning Lot may be enlarged or subdivided in accordance with the ZLDA. Pursuant to Article XIV of the ZLDA, the rights and obligations of Sponsor under the ZLDA, including, without limitation, the rights to consent to modifications or amendments of the ZLDA and obligations to execute documents under the ZLDA, are vested in the Sponsor for so long as Sponsor retains a majority interest in the Condominium (regardless of whether Sponsor is in control of the Board). Upon the loss of a majority interest by Sponsor in the Condominium, the rights and obligations shall be vested in the Board. In no case will the consent of any individual Unit Owner be required. Each Unit Owner authorizes the Sponsor or the Board to act on the Unit Owners' behalf in respect to the enforcement and administration of the ZLDA.

Neighboring Block: 692, Lot 27 owned by Is-Ila Realty Corp. is located in the "High Line Transfer Corridor". When Is-Ila Realty Corp. transferred excess development rights to Sponsor, Is-Ila Realty Corp. was required to record a "Restrictive Declaration Highline Transfer of Development Rights" (Permitted Encumbrance number 19). The Restrictive Declaration Highline Transfer of Development Rights is made by ls-Ila Realty Corp. and it sets forth certain obligations of Is-Ila Realty Corp. related to its parcel. Sponsor is not a party to the document.

HH. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth as Exhibit 6 in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property.

PART II

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540 WEST 21ST STREET CONDOMINIUM

540 WEST 21ST STREET

NEW YORK, NEW YORK 10011

PART II

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EXHIBIT "1"

AGREEMENT

AGREEMENT

540 WEST 21ST STREET HOLDINGS LLC

Sponsor-Seller

TO

_____

Purchaser

UNIT NUMBER _____

540 WEST 21ST STREET CONDOMINIUM
540 WEST 21ST STREET
NEW YORK, NEW YORK 10011

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UNIT NUMBER(S)_____

540 WEST 21ST STREET CONDOMINIUM
540 WEST 21ST STREET
NEW YORK, NEW YORK 10011

(TO BE EXECUTED IN QUADRUPLICATE)

AGREEMENT (the "Agreement"), made as of _____, 20__, between 540 WEST 21ST STREET HOLDINGS LLC, a Delaware limited liability company, having an office at c/o Casco Real Estate Development, 534 West 21st Street, New York, New York 10011 ("Sponsor"), and _____, having an address at _____ ("Purchaser").

W I T N E S S E T H:

1. THE PLAN. Purchaser acknowledges having received and read a copy of the Offering Plan for 540 West 21st Street Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least three (3) days prior to Purchaser's signing this Agreement. If Purchaser has not received the Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as amendments to the Plan duly filed by Sponsor. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

2. THE UNIT. Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit(s) ("Unit"), together with the percentage of undivided interest in the Common Elements of the Condominium appurtenant thereto.

3. THE AGREEMENT.

3.1 This Agreement is a combination Option Agreement and Purchase Agreement. By executing this Agreement, Sponsor is hereby granting Purchaser an option to purchase the Unit for the Purchase Price described in paragraph 4.1 (the "Option"). The payment for the Option will be made in either (i) two installments; a First Installment and a Second Installment described in 4.1(a) and (b) (referred to individually, as an "Option Payment" and collectively, as the "Option Payments") or (ii) a single installment of 50% if the Purchaser is a foreign government or a person with diplomatic immunity (a "Non-US Resident"). The Option Payments are in payment of the Option and are nonrefundable regardless of whether or not the Purchaser exercises the Option, except as otherwise specifically provided in the Plan. At least

thirty (30) days prior to the Closing Date for the purchase of the Unit (the "Closing Notice"), Sponsor shall give Purchaser written notice that Purchaser shall have the right to close the acquisition of the Unit within fifteen (15) calendar days after the date of the Closing Notice (the "Notice Period"). During the Notice Period, Purchaser shall either close or terminate the Option Agreement by sending Sponsor written notice. Purchaser's failure to respond within the Notice Period shall be deemed to mean that Purchaser will proceed to purchase the Unit.

3.2 In the event that a) the Purchaser elects to close (or fails to respond during the Notice Period), the Closing of the Purchaser's acquisition of the Unit shall proceed and the Option Payments shall be applied toward the Purchase Price pursuant to the terms of this Agreement, or b) the Purchaser notifies the Sponsor during the Notice Period that Purchaser is not closing, i) the Option Payments shall be retained by the Sponsor as payment in full for the Option, ii) the Purchaser shall have no further obligation under this Agreement unless Sponsor made changes to the Unit at the request of the Purchaser in which event Purchaser shall reimburse Sponsor for the cost of putting the Unit into the condition described in the Offering Plan, and iii) Sponsor and Purchaser shall be deemed to have waived any claims against the other arising from this Agreement or the purchase of the Unit. Notwithstanding anything contained herein to the contrary, the Option Payment shall not be refundable, except as specifically provided in the Plan.

4. PURCHASE PRICE.

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

The Purchase Price is payable as follows:

(a) An Option Payment of $_____ [an amount that is at least 15% of the Purchase Price unless the purchaser is a Non-US Resident in which event the Option Payment is 50%] (the "First Installment"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged and, applied to the Purchase Price, if Purchaser exercises the Option to purchase the Unit or fails to provide notice of Purchaser's exercise of the Option during the Notice Period;

(b) An Option Payment of $_____ [an amount that with the First Installment equals at least 25% of the Purchase Price (the "Second Installment"; the term "Option Payment", as used herein, refers to both the First Installment and, if the same has been paid at the time in question, the Second Installment")], due on the earlier of: six months after the execution of this Agreement or 30 days after receipt of written notice that the Plan is declared effective, by check. [This paragraph is inapplicable to Non-US Residents.] With respect to Agreements entered into after the Offering Plan has been declared effective, Sponsor reserves the right to require both the Initial Option Payment and the Additional Option Payment due and payable upon execution of the Agreement. If the Purchaser exercises the Option to purchase the Unit or fails to provide notice of Purchaser's exercise of the Option during the Notice Period, the Second Installment shall be applied to the Purchase Price; and

(c) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check or, at Sponsor's option, by wire transfer payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the First Installment and the Second Installment shall be made payable to "Holland & Knight LLP, Escrow Agent". Checks for the balance of the Purchase Price shall be made payable to the direct order of "540 WEST 21ST STREET HOLDINGS LLC" or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for the collection of the Option Payment as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 15 hereof.

5. AGREEMENT NOT CONTINGENT UPON FINANCING. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) and Purchaser understands and agrees that the Purchaser's failure to obtain such financing will not relieve the Purchaser of the Purchaser's obligations hereunder. Purchaser further understands and agrees that if the Purchaser chooses to finance the Purchaser's purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in the Purchaser's financial status or condition shall release or relieve the Purchaser of the Purchaser's obligations pursuant to this Agreement.

6. CLOSING OF TITLE.

6.1 The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior written notice. In the event this Agreement is executed prior to the Plan being declared effective, the Closing shall not occur until at least thirty (30) days' notice is provided after the Plan is declared effective. Notwithstanding the foregoing, Purchaser may waive such prior notice period. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing the additional fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title, if Sponsor adjourns the closing, the time for Purchaser to close shall be increased by the number of days that Sponsor postponed the closing.

6.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

6.3 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit

is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

6.4 Sponsor has projected that, based upon currently anticipated schedules, construction of the Building will be sufficiently completed to permit closings of Units to begin on approximately July 1, 2021 (the "Estimated First Closing Date"). The actual date for the First Closing is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with other prerequisites described in the Plan. Purchaser acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of the Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor, Purchaser's rights as set forth in the Plan in respect thereof being in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of hereby expressly waived by Purchaser. Sponsor is not subject to damages and Purchaser has no basis to refuse to close or hold Sponsor liable if the First Closing is before or after the Estimated First Closing Date.

7. DELIVERY OF THE DEED AND RESIDENTIAL UNIT POWER OF ATTORNEY.

7.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by law, all of which shall be prepared by Sponsor.

7.2 Purchaser shall provide to Sponsor, at least five (5) business days prior to Closing, an Indemnity Agreement substantially in the form annexed hereto as Exhibit A or in such other form as may be acceptable to Sponsor (the "Title Agreement"), in its sole discretion, wherein Purchaser's title underwriter agrees to (x) timely submit the Unit Deed, all New York State and New York City real property transfer tax forms, including the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" ("transfer taxes") and checks for payment of such transfer taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser in connection herewith; and (y) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed and transfer tax forms and remit the payment of the required transfer

taxes in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency.

In the event the Title Agreement is not delivered as set forth above, (x) Purchaser will indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such Unit Deed and transfer tax forms and remit payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency; and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Purchaser acknowledges, however, that the Filing Deposit is not a maximum payment in the event the Unit Deed and transfer tax forms are not filed and/or the payment of the required transfer taxes are not paid in a timely manner. Section 7.2 shall survive Closing.

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

7.4 The deed and power of attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Managing Agent.

7.5 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRS §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

8. MARKETABLE TITLE.

8.1 Purchaser shall order a title report within ten (10) days of receiving a fully executed Agreement and Purchaser must deliver any title objections to Sponsor's attorney at least twenty (20) days prior to the Closing or any such objections shall be deemed waived. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to or waived by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) First American Title Insurance Company, having an address at 633 Third Avenue, New York, New York 10021 (Tel: (212) 850-0649 (the "Title Company") (or such other title insurance company as Purchaser may utilize), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser

that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8.2 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to the title company, together with the recording or filing fee; or (b) Purchaser's title company will insure Purchaser, at the title company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium).

8.3 Sponsor shall be entitled to adjourn the closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the Closing, then, for purposes of Article 15 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as having been requested by Purchaser.

8.4 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 8.4 shall survive the closing of title or the termination of this Agreement.

9. CLOSING ADJUSTMENTS.

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Residential Common Charges for the month in which title closes; and

(c) accrued rent and any other charges pursuant to an Interim Occupancy Agreement, if any, covering the Unit.

9.2 If a Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit.

9.3 Purchaser and Sponsor hereby agree that, if Purchaser or Sponsor obtain a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

9.4 The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

9.5 Any errors or omissions in computing adjustments shall be corrected and payment made to the proper party after discovery. The provisions of this subsection shall survive the Closing.

9.6 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 8 above, and title thereafter closes, then:

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) Purchaser shall pay Sponsor interest at the rate of 0.04% per day (or such lower rate per day which is the legal limit, if 0.04% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title on the rescheduled Closing Date.

10. MORTGAGE TAX CREDIT. In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at Closing, if Purchaser elects mortgage financing, Purchaser will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. Sponsor at Closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed. Alternatively, Sponsor may require in its sole discretion that Purchaser cause the

lender making the loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the mortgage as determined by Sponsor. Upon such assignment, that portion of the mortgage assigned by Sponsor will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the mortgage.

11. CLOSING COSTS AND TRANSFER TAXES.

11.1 In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

11.2 At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the New York State Real Estate Transfer Tax Return ("NYS Tax Form"), or such other forms as may then be required by law. The RPT Form and NYS Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11.3 Purchaser shall pay all New York City Real Property Transfer Taxes and New York State Real Estate Transfer Taxes (and, if applicable, the so-called "mansion tax"), and any other real property transfer tax due to the City or State of New York and the cost of any stock transfer stamps. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Article and to indemnify Sponsor as herein provided shall survive the closing or the termination of this Agreement.

12. OPTION PAYMENT. The Option Payment made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law and Sections 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Any Option Payment received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled "Procedure to Purchase" set forth in Part I of the Plan and as set forth in this section below. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Option Payment to Sponsor in the event Sponsor and Purchaser close title under this Agreement. Sponsor is required by law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Option Payment, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this paragraph.

12.1 The law firm of Holland & Knight LLP, with an address at 31 W. 52nd Street, New York, New York, telephone number (212) 513-3200, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Neither Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

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

12.3 The Escrow Agent has established a master escrow account at JPMorgan Chase Bank, N.A. (the "Bank") at its branch located at 51 West 51st Street, New York, New York, a bank authorized to do business in the State of New York. The master escrow account is entitled "Holland & Knight LLP - 540 West 21st Street Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Option Payments will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Option Payment and the Purchase Agreement. If an Option Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Option Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The Master Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per deposit, (the FDIC limit in effect as of the filing date hereof). Any deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank (as defined herein), the funds in said accounts will be added together with the Deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the $250,000 FDIC maximum coverage.

12.4 The Option Payment shall be paid by good certified check of Purchaser or official bank check or, at Sponsor's sole option, by wire transfer. All Option Payment checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the Option Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem this Purchase Agreement to be canceled and of no further force or effect.

12.5 If a Option Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Option Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Option Payments transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of August, 2018 is approximately .20%. Interest shall begin to accrue upon placing the Option Payment into the individual interest bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Option Payment will

remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts.

12.6 Within five (5) business days after the fully executed Purchase Agreement has been tendered to Escrow Agent along with the Option Payment, the Escrow Agent shall sign the Purchase Agreement and place the Option Payment into the Master Escrow Account. Within ten (10) business days after deposit of the first portion of the Option Payment into the Master Escrow Account, Escrow Agent will notify Purchaser and Sponsor that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Master Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

12.7 The Escrow Agent is obligated to send notice to the Purchaser once the Option Payment is placed in the Master Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the first portion of the Option Payment, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of this Agreement and the Option Payment to Escrow Agent or may apply to the Attorney General for relief. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Option Payment was timely deposited in the Master Escrow Account in accordance with the New York State Department of Law's regulations concerning Option Payments and requisite notice was timely mailed to Purchaser.

12.8 All Option Payments, except for advances made for upgrades, extras, or custom work received in connection with the 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.

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

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

(a) pursuant to terms and conditions set forth in Article 12 of this Agreement upon closing of title to the Unit; or

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

(c) in a final arbitration decision by JAMS.

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

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

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

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

12.11 Any provision of any 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 Option Payment in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflict or inconsistent provisions in this Agreement, the Plan or any amendment thereto.

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

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

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

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

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

12.17 Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, and deliver such form to Escrow Agent together with the Option Payment and this Agreement. Failure to receive a completed and signed Form W-9 or W-8, as applicable, at the time the Escrow Agent receives the Option Payment and this Agreement, shall not prevent the consummation of this Agreement. Within five (5) days following receipt of the Form W-9 or W-8, as applicable, the Option Payment will be transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser, and within ten (10) days following receipt of the Form W-9 or W-8, as applicable, Escrow Agent shall notify Purchaser of the deposit of the Option Payment into the individual interest bearing sub-escrow savings account.

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

12.19 Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under 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 itself.

13. DISPUTE RESOLUTION.

13.1 Any dispute, claim or controversy between Sponsor and Purchaser (Sponsor and Purchaser, individually, a "Party", collectively, the "Parties") arising out of this Agreement or the Payments shall be determined by arbitration in JAMS Headquarters, currently located at 620 Eighth Avenue, New York, New York, before one (1) arbitrator. Except as otherwise noted in this Agreement and/or the Plan, the arbitration shall be administered by JAMS pursuant to JAMS' Streamlined Arbitration Rules and Procedure. Judgment on any award issued by the Arbitrator may be entered in any court having jurisdiction.

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

13.3 The Parties shall bear the costs of their own expenses and witness preparation. The Parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. The Arbitrator shall award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing Party shall be reimbursed for their share of the JAMS administrative expenses.

13.4 Pursuant to New York Civil Practice Law and Rules ("CPLR") §7511, Escrow Agent shall not release the Option Payments from escrow until at least ninety (90) days after issuance of the Award. During that 90-day period Purchaser may bring an action pursuant to CPLR §7511 to vacate or modify the Award. During such interim period no statutory interest will accrue (or be deemed to have accrued) on the Option Payments. Escrow Agent shall continue to hold the Option Payments in escrow until otherwise directed by a final, non-appealable judgment or order of a court of competent jurisdiction directing the disposition of such funds.

13.5 The Parties shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by law or judicial decision.

13.6 The Award shall be final and binding upon the parties. Any motion to confirm or vacate the Award must be filed in a federal or state court located in the City, County and State of New York. Purchaser shall be liable for all legal fees and disbursements and out-of-pocket expenses incurred by Sponsor in defending or enforcing Sponsor's rights under this Agreement pursuant to Arbitration in the event Sponsor prevails in defending or enforcing Sponsor's rights. In addition, Purchaser shall pay the fees and disbursements of the Arbitrator and all other costs associated with Arbitration in accordance with JAMS' fee schedule in effect at the time of the commencement of Arbitration.

13.7 If the party, who lost the arbitration, is not successful on appeal, that party shall reimburse the other party for all of its fees and expenses including legal fees in appealing the arbitration decision.

13.8 This Section 13 shall survive the closing of title and the delivery of the Deed.

14. AGREEMENT SUBJECT TO MORTGAGE. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply in all

cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

15. DEFAULT BY PURCHASER.

15.1 The following shall constitute "Events of Default" hereunder:

(a) Purchaser's failure to pay the First Installment or Second Installment, if required, when due, or the balance of the Purchase Price or any closing apportionments or closing costs on the Closing Date designated by Sponsor; or

(b) Purchaser's failure to duly complete and sign before a notary public and deliver on the Closing Date the New York State and City transfer tax returns; or

(c) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(d) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

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

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

(g) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(h) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(i) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(j) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser.

15.2 TIME IS OF THE ESSENCE with regard to Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of Purchaser's other obligations hereunder, Sponsor shall give written notice to Purchaser of such default. If such default shall not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

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

15.4 Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by Purchaser hereunder, and that the Option Payment (including all interest) shall constitute and shall be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. The payment of the Option Payment (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. In addition to the foregoing, Purchaser shall also reimburse Sponsor for the cost of removing any changes made to the Unit at Purchaser's request and restoring the Unit to the condition described in the Offering Plan.

15.5 NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THE AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DOWN PAYMENT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL

AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

16. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE. The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). Purchasers shall be required to cooperate with the NYS Department of Law, Real Estate Financing Bureau's procedures relating to the Plan being declared effective. The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time limits prescribed in the Plan. Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

17. WITHDRAWAL OR ABANDONMENT OF PLAN. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in Part I of the Plan. Provided Purchaser is not then in default under this Agreement beyond any applicable grace period, if the Plan is withdrawn or abandoned or Sponsor elects not to declare the Plan effective or if after being declared effective the Plan will not be consummated for any reason, this Agreement shall be deemed canceled and, not later than ten (10) days thereafter, Sponsor shall return to Purchaser the Option Payment paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section entitled "Effective Date" in Part I of the Plan. After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent or Escrow Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

18. SPONSOR'S INABILITY TO CONVEY THE UNITS.

18.1 If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, and, upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must

be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

18.2 Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

19. FIXTURES, APPLIANCES AND PERSONAL PROPERTY. Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor in its possession which relate to appliances, equipment or fixtures located in the Unit.

20. ACCEPTANCE OF CONDITION OF PROPERTY. Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) minor details of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit. Purchaser acknowledges that while the Building or the Unit are undergoing construction, it is dangerous and there is a great deal of activity in order to complete the Building and the Unit as expeditiously as possible. Accordingly, neither the Purchaser nor the Purchaser's advisors or consultants will be granted access to the Building or the Unit. Purchaser shall have a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's representative prior to the Closing. Purchaser shall carefully inspect the Unit prior to the closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the closing of title, but all such obligations to complete work in the Unit shall cease once the work has been completed. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Unit shall not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a temporary or permanent certificate of occupancy covering the Unit. Purchaser shall provide written notice that he or she wishes to inspect the Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. If Purchaser fails to inspect such Unit prior to the Closing, Purchaser shall be deemed to have accepted the Unit in good condition and in

accordance with the terms of the Plan. Except as expressly provided in this Agreement or the Plan, including but not limited to subparagraph (1) of the subsection entitled "Sponsor's Obligations with Respect to the Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property.

Except as otherwise set forth in the Offering Plan, Sponsor will not be obligated to correct, and will not be liable to any Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

Notwithstanding the foregoing, prior to Closing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces.

21. DAMAGE TO THE UNIT. If between the date of this Agreement and the closing of title the Unit is damaged by fire or other casualty, the following shall apply:

21.1 The risk of loss to the Unit by fire or other casualty is assumed by Sponsor until the earlier of closing of title or possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

21.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed canceled and of no further force and effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

22. NO REPRESENTATIONS. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by

Sponsor, Selling Agent, Sponsor's attorneys, Escrow Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Residential or General Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on his own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans on file in Sponsor's office and [to be] filed in the City Register's Office, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 22 shall survive the closing of title or the termination of this Agreement.

23. PROHIBITION AGAINST SALES OR ADVERTISING. Purchaser hereby covenants and agrees that it shall not, for a period of twelve (12) months after the acquisition of the Unit, (a) sell the Unit without Sponsor's written approval, or (b) list the Unit for sale or resale with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale. Any such sale, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall be an Event of Default hereunder, entitling Sponsor to the remedies set forth in Article 15 hereof. The provisions of this Article 23 shall survive the closing of title or the termination of this Agreement.

24. SMOKING POLICY. Purchaser acknowledges and agrees that, unless and until changed by an amendment of the By-Laws, the Condominium's Smoking Policy is that smoking is not permitted in the Common Elements. Subject to law, smoking is permitted in the individual Units, provided that the smoke does not enter into other Units or the Common Elements. The Board shall have the right to obtain a court order enjoining the occupant of a Unit from smoking in the Unit or the Common elements if the smoke escapes the Unit and the Board shall have the right to seek the eviction of a tenant, who smokes in a Unit or the Common Elements if the smoke escapes form the Unit. In addition to all other remedies available to the Board, violation of this policy shall subject the Purchaser to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium to cause the smoke infiltration into the Common Elements or another Unit to cease (including legal fees) in enforcing this provision. The provisions of this Article 24 shall survive the closing of title.

25. BROKER. Purchaser represents to Sponsor that Sponsor, Sponsor's Selling Agent and _____ are the only brokers or sales agents with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the

commission earned by said broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the aforementioned brokers, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article 25 shall survive the closing of title.

26. AGREEMENT MAY NOT BE ASSIGNED.

26.1 Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall be required to pay Sponsor's reasonable attorneys' fees in advance, for preparation of an assignment agreement and otherwise comply with the Section of the Plan entitled "Assignment of Purchase Agreements". Notwithstanding the foregoing, Sponsor will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation or other grounds prohibited by law.

26.2 Notwithstanding the provisions of Section 26.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all the Purchaser's rights under this Agreement to a Purchaser affiliate or to member(s) of Purchaser's immediate family. For purposes of this Section 26.2 only: (i) "Purchaser affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing controlled by or under common control with Purchaser; (ii) "immediate family" means Purchaser's spouse, domestic partner, children, parents, grandchildren, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and distribution of its profits.

26.3 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

26.4 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of 49% or less of the stock, or in the case of a partnership, limited liability company, trust or other entity, 49% or less than of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one

percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

26.5 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), and three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification), Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), or other appropriate Form W-8, as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (it its sole discretion), the assignments, affidavits and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $2,500 made payable to Holland & Knight LLP (for services rendered in connection with the assignment), not less than five (5) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser's Unit as set forth in Article 23 above and in the Plan will remain in effect.

27. BINDING EFFECT. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within thirty (30) days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the Option Payment paid on the execution hereof shall be promptly returned to Purchaser. If Purchaser has not received the Plan and all amendments thereto at least three full (3) days prior to Purchaser's signing this Agreement, the Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement.

28. NOTICES.

28.1 Any notice, request, letter, consent or other communication hereunder or under the Plan shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Holland & Knight LLP, 31 West 52nd Street, New York, New York 10019, Attn: _____, in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication.

28.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel (Holland & Knight LLP) as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

29. JOINT PURCHASERS. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

30. PURCHASER'S REPRESENTATIONS.

30.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Option Payment represents Purchaser's own funds and that no other party (other than Purchaser or Seller, as provided herein) has any right or claim to all or any portion of the Option Payment.

30.2 Purchaser is not now, nor shall it be at any time prior to or at the Closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser not any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

30.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law

and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at Closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C 5312 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C Sections 1956 and 1957.

30.4 The provisions of this Article shall survive the closing of the title to the Unit or termination of this Agreement.

31. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

31.1 Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

31.2 As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

31.3 Purchaser irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as to a defense or otherwise in any suit, action or proceeding arising, directly or indirectly out of relating to this Agreement brought in the state courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court (ii) any claim that any such suit, action or proceeding has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

31.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 31.

31.5 Nothing in this Article 31 shall affect the ability of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

31.6 The provisions of this Article 31 shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

31.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

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

32. SECTION 1031 EXCHANGE. Sponsor hereby acknowledges that the acquisition of the Unit hereunder may be in connection with a tax deferred exchange under §1031 of the Internal Revenue Code and that Purchaser may be assigning all of its rights and obligations hereunder to a qualified intermediary as part of, and in furtherance of, such tax deferred exchange. Sponsor hereby agrees to reasonably assist and cooperate in such tax deferred exchange, provided, however, that: (i) any action taken in connection with such tax deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction contemplated by this Agreement (and, among other things, Purchaser acknowledges that a fee shall be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Sponsor in connection with or related to such tax deferred exchange or cooperation on the part of Sponsor in connection with or related to said tax deferred exchange will frustrate the purpose of this Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under this Agreement or increase any of Sponsor's obligations or duties under this Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of any tax deferred exchange, to convey any property (other than the Unit), acquire any property, or accept any form of payment in respect of the amounts due hereunder other than as set forth herein. Purchaser shall indemnify and shall hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees) or liabilities incurred by Sponsor in connection with or resulting from the said tax deferred exchange, and such indemnity shall survive the closing of title or the termination of this Agreement. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of the Unit.

33. PERFORMANCE BY AND LIABILITY OF SPONSOR.

33.1 Other than those obligations on the part of Sponsor that have been expressly stated to survive the delivery of the deed in this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e.

33.2 Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

33.3 Purchaser agrees that Sponsor may cancel this Agreement by forwarding Sponsor's check in the full amount of the Option Payments paid by Purchaser together with interest earned thereon, if any, together with a written termination notice, in the event that (i) any governmental bureau, department or subdivision thereof (x) imposes restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restrictions prevent Sponsor from obtaining such materials from Sponsor's regular suppliers or from using them in the construction and/or completion of the Residential Unit or (y) revokes or modifies any building permit on audit (not due to any violation thereof or default thereunder by Sponsor) and as a result of such revocation or modification Sponsor is unable to construct the Building as contemplated in the Offering Plan, or (ii) Sponsor is unable to obtain materials from Sponsor's usual sources due to events beyond sponsor's reasonable control.

Sponsor's liability under this Agreement for failure to deliver the Deed for any reason, other than Sponsor's willful failure to do so, shall be limited to the return of Purchaser's Option Payments paid hereunder, together with interest earned thereon, if any. Upon the return of Purchaser's Option Payment, together with interest earned thereon, if any, this Agreement shall be null and void and Purchaser and Sponsor will be released from any and all liability to each other and to Selling Agent. In any event, Sponsor shall not be required to bring any action or proceeding or otherwise incur any expense to render title to the Shares marketable or to cure any objection to title, except as may be set forth in the Plan.

If Sponsor delays or adjourns the closing for the purpose of curing defects or otherwise, Sponsor shall not be liable for the costs, if any, that Purchaser incurs as a result of the delay or adjournment.

34. 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.

35. COSTS OF ENFORCING AND DEFENDING AGREEMENT. Neither party to this Agreement shall be responsible for another party's legal fees and expenses in any dispute between the parties.

36. 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.

37. 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.

38. GOVERNING LAW. The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law. Subject to the provisions of Section 13 of this Agreement, Purchaser hereby grants jurisdiction to the Supreme Court of the State of New York in New York County and the United States District Court for the Southern District of New York for all disputes relating to the Condominium including this Purchase Agreement.

39. WAIVER OF JURY; DAMAGES. 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, the Offering Plan, or the relationship created thereby. 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. No party to this Agreement shall seek or receive consequential or punitive damages against the other. The provisions of this Article shall survive closing of title or the termination of this Agreement.

40. ENTIRE AGREEMENT. This Agreement supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

41. CERTAIN REFERENCES. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular

provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

42. NO RECORDING. Neither this Agreement nor a memorandum of this Agreement shall be recorded against the Property, the Building or the Unit.

43. CAPTIONS. The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof

44. RULE OF CONSTRUCTION. There shall be no presumption against the draftsman of this Agreement.

45. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and his heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

46. NO ORAL CHANGES. THIS AGREEMENT CANNOT BE CHANGED OR TERMINATED ORALLY. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.

47. AMENDMENTS TO THE PLAN. Subject to any provision of the Plan to the contrary, if there is a substantial amendment to the Plan that materially and adversely affects Purchaser, Purchaser will have a period of fifteen (15) days from the date of presentation of said amendment within which to rescind this Agreement and, if Purchaser exercises such right of rescission, Sponsor shall return the Option Payment, together with any interest thereon, pursuant to this Agreement within thirty (30) days.

48. CONFIDENTIALITY. Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential, except that Sponsor shall be permitted to disclose that this Agreement has been executed for the Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties respective lawyers, brokers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

49. COUNTERPARTS. This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature shall provide the other party with original counterparts of the

signature page promptly after delivery of the facsimile signature page, although the failure to do so shall not invalidate the effectiveness of the facsimile signature.

50. LIS PENDENS. Purchaser waives any right to place a Lis Pendens against the Unit or the Building. In the event of the Sponsor's failure to substantially complete the Unit in accordance with the terms of the Plan and this Agreement, Purchaser's sole remedy shall be the return of Purchaser's Option Payment(s). The Option Payment(s) shall only be returned if Purchaser has complied with the conditions contained in the Plan and this Agreement. Purchaser acknowledges that if Purchaser has not acted in compliance with the foregoing, Purchaser may not have the right to have the Purchaser's Option Payment(s) refunded.

51. OPTION AGREEMENT. The parties acknowledge that, for federal income tax purposes only, this Agreement is sometimes referred to as an "option agreement." This characterization is consistent with Sponsor's intention to treat the Agreement for purposes of applicable provisions of the Internal Revenue Code as similar to an option and to obtain the same tax treatment that the Sponsor would be entitled to under certain proposed treasury regulations that were promulgated by the Internal Revenue Service on August 4, 2008 (the "Proposed Regulation). If this characterization is respected, Sponsor will be able to account for the sale of the Residential Unit for federal income tax purposes in the same manner as it would be able to account for such sale if the Residential Unit had constituted a separate townhouse or other separate dwelling. If the Purchaser does not close on the Agreement, Purchaser will forfeit the Option Payment as liquidated damages. Purchasers should note that Sponsor's characterization of this Agreement is not binding on the Internal Revenue Service ("IRS") which may challenge such characterization. However, even if the IRS were to successfully challenge Sponsor's tax characterization of this Agreement and the Option Payment(s), as described above, there will be no adverse tax or other consequences to Purchaser.

52. CERTIFICATION OF SPONSOR AND PRINCIPAL. Consistent with a New York State Supreme Court, Appellate Division First Department decision, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by the Purchaser, individual unit owners (or a board on their behalf) in connection with or arising solely from such principal's execution of the Certification of Sponsor and Principal, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC. et al, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

53. MOLD. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for and Purchaser hereby waives any claim for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct

of Sponsor. The provisions of this Article shall survive closing of title or the termination of this Agreement.

54. FINANCIAL CRIMES ENFORCEMENT NETWORK DISCLOSURE. Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded an earlier issued Geographic Targeting Order ("Order") that applies to any corporation, partnership, limited liability company, or other similar business entity ("Covered Purchaser") using cash, a cashier's check, certified check, traveler's check, personal check, business check or money order in any form, a funds transfer or virtual currency whether wholly or in part, without a bank loan or other similar form of external financing, to purchase a Residential Unit in the Borough of Manhattan from Sponsor for a total price in excess of $300,000 (a "Covered Transaction"). The Order provides that in the event a Covered Purchaser enters into a Covered Transaction, the Covered Purchaser shall be required to deliver to the Title Company at Closing all documents and information necessary in order for the Title Company to comply with the requirements set forth in the Order, including without limitation the requirement to file a completed FinCEN Form 8300. Any failure by the Covered Purchaser to deliver such documents and information shall be deemed an Event of Default under the Agreement. Purchasers are advised to refer to the text of the Order itself for further details: https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20GENERIC_111518_FINAL.pdf.

55. SPONSOR'S RIGHTS IF PURCHASER ELECTS NOT TO EXERCISE OPTION OR DOES NOT REMAIN IN COMPLIANCE WITH THIS AGREEMENT. If (x) Purchaser does not elect to exercise the option granted hereunder on the Original Scheduled Closing Date, or (y) when Sponsor tenders the Deed (or any assignment thereof to Purchaser, Purchaser does not then sign any of the necessary purchase documents referred to in the Plan, or (z) Purchaser does not remain in compliance with any of the other terms of this Agreement. then Sponsor shall be entitled to terminate this Agreement and retain the Option Payment made hereunder with interest earned thereon, if any. In the event the Sponsor changed the Unit from the Unit description contained in the Plan, pursuant to the Purchaser's request, Purchaser shall also be responsible for the cost to return the Unit to the condition described in the Plan.

Before Sponsor may fully and finally terminate this Agreement and keep Purchaser's Option Payments. Sponsor must first send Purchaser a notice by Federal Express or other reputable overnight courier, by hand delivery or by registered or certified mail stating that Sponsor intends to terminate this Agreement and specifying the reason(s) therefor, and granting Purchaser a period of at least thirty (30) days within which Purchaser may reinstate this Agreement. The thirty day period described herein shall be the same period described elsewhere in this Agreement and the Plan. TIME SHALL BE OF THE ESSENCE WITH RESPECT TO PURCHASER'S OPPORTUNITY TO REINSTATE THIS AGREEMENT WITHIN THE SPECIFIED PERIOD, WHICH SPECIFIED PERIOD SHALL BE AT LEAST THIRTY (30) DAYS. AFTER THE SPECIFIED PERIOD EXPIRES, IF THIS AGREEMENT HAS NOT BEEN REINSTATED, SPONSOR MAY TERMINATE THIS AGREEMENT, RETAIN PURCHASER'S OPTION PAYMENT AS WELL AS THE WORK PAYMENT, IF APPLICABLE, TOGETHER WITH INTEREST EARNED THEREON (IF ANY), AND SELL THE UNIT TO ANOTHER PURCHASER AS IF THIS AGREEMENT HAD NEVER BEEN

ENTERED INTO. HOWEVER, IF THERE IS A DISPUTE OVER THE OPTION PAYMENT PRECEDING (OR SUBSEQUENT TO) DISBURSEMENT OF THE OPTION PAYMENT UPON TERMINATION OF THIS AGREEMENT, NO STATUTORY INTEREST WILL ACCRUE (OR BE DEEMED TO HAVE ACCRUED) ON THE OPTION PAYMENT OR OTHER MONIES DEPOSITED BY PURCHASER WHILE DISBURSEMENT OF THE OPTION PAYMENTS REMAIN IN DISPUTE.

56. BINDING EFFECT OF PLAN, DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SPONSOR:

540 WEST 21ST STREET HOLDINGS LLC

By: _____
Name:
Title:

PURCHASER:

_____

_____

_____
(Social Security or Federal I.D. Number)

Telephone No. _____

ESCROW AGENT
Accepted and agreed as to the provisions of Article 12:

HOLLAND & KNIGHT LLP

By: _____
Name:
Title:

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey of the Building and the Unit would show, or such other items as a personal inspection of the Property would show, provided such facts would not make title to the Unit unmarketable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Grantee to the Board and other parties, and the Floor Plans; as all of the same may be amended from time to time.

4. Consents by the Grantor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

8. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that the Grantor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Grantee shall pay all assessments due from and after the Closing Date.

11. Any declaration or other instrument affecting the Property which the Grantor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of

Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

12. Any encumbrance as to which First American Title Insurance Company (or such other New York Board of Title Underwriters member title insurance company which insures the Grantee's title to the Unit) would be willing, in a fee policy issued by it to the Grantee, to insure the Grantee that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

13. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of a Unit for residential purposes.

14. Any lease covering the Unit made from the Grantor to the Grantee.

15. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board or another Unit Owner to correct.

16. Party Wall Agreement dated 12/14/1984, recorded 12/18/1984 in Reel 857 Page 583. (affects the easterly wall of Lot 53).

17. Restrictions contained in Zoning Lot Declaration made by The Atlantic Foundation, dated 04/06/1999 and recorded 06/24/1999 in Reel 2901 Page 253 (affects Block 692 Lot 53).

18. Transfer and Distribution of Development Rights Pursuant to Section 98-33(a) of the Zoning Resolution of the City of New York made by 505-507 West 27 Street Limited Partnership to 540 West 21st Street Holdings LLC, dated as of 11/04/2014, recorded 11/21/2014 as CRFN 2014000387478, transfers Development Rights attributable to Block 699 Lot 42 ("Granting Parcel") to Block 692 Lots 53 and 57 (collectively the "Receiving Parcel").

19. Restrictive Declaration Highline Transfer of Development Rights made by ls-Ila Realty Corp. ("Declarant"), dated as of 09/04/2015, recorded 10/08/2015 as CRFN 2015000360817 (affects Block 692 Lot 27 and Block 692 Lots 53 and 57).

20. Transfer and Distribution of Development Rights Pursuant to Section 98-33(a) of the Zoning Resolution of the City of New York made by ls-Ila Realty Corp. to 540 West 21st Street Holdings, LLC, dated as of 09/04/2015, recorded 10/08/2015 as CRFN 2015000360818 - transfers Development Rights attributable to Block 692 Lot 27 ("Granting Parcel") to Block 692 Lots 53 and 57 (collectively the "Receiving Parcel").

21. Transfer and Distribution of Development Rights Pursuant to Section 98-33(a) of the Zoning Resolution of the City of New York made by 505-507 West 27 Street Limited Partnership to 540 West 21st Street Holdings LLC, dated as of 05/17/2016, recorded 06/06/2016 as CRFN 2016000190130, transfers Development Rights attributable to Block 699 Lot 27 ("Granting Parcel") to Block 692 Lots 53 and 57 (collectively the "Receiving Parcel").

22. Transfer and Distribution of Development Rights Pursuant to Section 98-33(a) of the Zoning Resolution of the City of New York made by 509-511 West 27 Street Limited Partnership to

540 West 21st Street Holdings LLC, dated as of 05/17/2016, recorded 06/06/2016 as CRFN 2016000190132, transfers Development Rights attributable to Block 699 Lots 26 and 25 ("Granting Parcel") to Block 692 Lots 53 and 57 (collectively the "Receiving Parcel").

23. Burdens contained in Zoning Lot and Development and Easement Agreement dated as of 09/15/2017 by and between DZ 20th Street LLC and 540 West 21st Street Holdings LLC recorded on 10/23/2017 in (as) CRFN 2017000389784 (Burdens Block 692 Lot 11 and benefits Block 692 Lots 53, 57, 61 and 63).

24. Burdens contained in Light and Air Easement Agreement dated as of 09/15/2017 by and between DZ 20th Street LLC and 540 West 21st Street Holdings LLC recorded on 10/23/2017 in (as) CRFN 2017000389785 (Burdens Block 692 Lot 11 and benefits Block 692 Lots 53, 57, 61 and 63).

25. Memorandum of Temporary Access Agreement to be recorded.

26. Restrictive Declaration for Lot Line Windows to be recorded.

EXHIBIT A
FORM OF TITLE INDEMNITY
[TITLE UNDERWRITER LETTERHEAD]

Dated: _____

_____
_____
_____

Re: The 540 West 21st Street Condominium
540 West 21st Street
New York, New York 10011 (the "Premises")

Ladies and Gentlemen:

In connection with the sale of certain units (the "Units") at the referenced Premises, you have asked for certain assurances regarding the recordation by [title underwriter] _____ ("TitleCo") or an abstract company or other person or entity selected by TitleCo (any of the foregoing, a "Title Closer") of the deeds for the Units and related documentation, including, without limitation, mortgage related documents (the "Closing Documents"), the payment of New York City and New York State transfer taxes (including the New York State Additional Tax pursuant to Article 31 of the Tax Law) due in connection with such conveyances and mortgage recording taxes or other fees, if applicable (collectively, the "Tax Payments"), for which TitleCo is insuring title.

As of the date hereof, TitleCo agrees to hold harmless and indemnify Sponsor _____ and Holland & Knight LLP and their respective agents, representatives, members, affiliates and the like (each, an "Indemnified Party") from and against all losses, liabilities, judgments, damages, costs and expenses that an Indemnified Party may incur or suffer from the failure of TitleCo or a Title Closer to (a) record the Closing Documents for any of the Units and submit the Tax Payments for any of the Units in a timely manner from the dates of conveyances for the Units, and (b) do such other act as a reasonably prudent title company of Title Closer would perform.

[Name of Title Underwriter]

By _____
Name:
Title:

EXHIBIT "2"

FORM W-9

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See **Specific Instructions** on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–			–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. person** ▶ **Date** ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the instructions for Part II for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester,* later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/Businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code,* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S persons (joint account maintained by an FFI)	Each holder of the account
4 Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee[1] The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1 671-4(b)(2)(i)(B))	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships,* earlier.

***Note:** The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint*. You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Visit *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

EXHIBIT "3"

FORM W-8

Form **W-8BEN**

(Rev. July 2017)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

▶ **For use by individuals. Entities must use Form W-8BEN-E.**
▶ **Go to *www.irs.gov/FormW8BEN* for instructions and the latest information.**
▶ **Give this form to the withholding agent or payer. Do not send to the IRS.**

OMB No. 1545-1621

Do NOT use this form if: **Instead, use Form:**

- You are NOT an individual W-8BEN-E
- You are a U.S. citizen or other U.S. person, including a resident alien individual W-9
- You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services) W-8ECI
- You are a beneficial owner who is receiving compensation for personal services performed in the United States . . . . . 8233 or W-4
- You are a person acting as an intermediary W-8IMY

Note: If you are resident in a FATCA partner jurisdiction (i.e., a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner

2 Country of citizenship

3 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country

4 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)

6 Foreign tax identifying number (see instructions)

7 Reference number(s) (see instructions)

8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line 9 above to claim a ____ % rate of withholding on (specify type of income):

_____.

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: _____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself for chapter 4 purposes,
- The person named on line 1 of this form is not a U.S. person,
- The income to which this form relates is:
  (a) not effectively connected with the conduct of a trade or business in the United States,
  (b) effectively connected but is not subject to tax under an applicable income tax treaty, or
  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ▶

_____ _____
Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date (MM-DD-YYYY)

_____ _____
Print name of signer Capacity in which acting (if form is not signed by beneficial owner)

EXHIBIT "4"

POWER OF ATTORNEY

RESIDENTIAL UNIT POWER OF ATTORNEY

_____

TO

THE RESIDENTIAL COMMITTEE OF 540 WEST 21ST STREET CONDOMINIUM

AND

THE CONDOMINIUM BOARD OF 540 WEST 21ST STREET CONDOMINIUM

AND

540 WEST 21ST STREET HOLDINGS LLC

540 WEST 21ST STREET CONDOMINIUM

540 WEST 21ST STREET, NEW YORK, NEW YORK 10011

RESIDENTIAL UNIT _____

COUNTY: NEW YORK

BLOCK: 692

LOT:

RESIDENTIAL UNIT POWER OF ATTORNEY

Terms used in this Residential Unit Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 540 West 21st Street Holdings LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as 540 West 21st Street Condominium and by the street number 540 West 21st Street, New York, New York 10011 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 20__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned (the "Principal"), the owner of the Residential Unit (the "Unit") in 540 West 21st Street Condominium which is (are) designated and described as Residential Unit No. _____ in the Declaration and also designated as Tax Lot _____, in Block 692 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute:

A. the Condominium Board of the Residential Section of the Condominium (hereinafter collectively referred to as "**Residential Committee**"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Residential Committee or in the name of their designee (corporate or otherwise), on behalf of all Residential Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Residential Unit Owners, to acquire or lease any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Residential Unit Owners, to acquire any Residential Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Residential Committee or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Residential Unit so acquired by them, or to sublease any Residential Unit so leased by them without the necessity of further authorization by the Residential Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Residential Committee, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Residential Committee deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Residential Section and/or the Condominium, which the Residential Committee, deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of

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, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium Board deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s) or the Condominium Board, in each case to the extent required in the By-Laws and Declaration, any consent any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Residential Committee shall constitute the acts of said attorneys-in-fact.

This Residential Unit Power of Attorney shall be irrevocable; and

C. the **Declarant**, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-Laws and the Declaration 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 Residential Units, Non-Residential 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 subdivision (a) or (b) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to 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 subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Residential Unit Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This Residential Unit Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

PRINCIPAL signs here: =>_____

=>_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT "5"

FORM OF UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20___, between 540 WEST 21ST STREET HOLDINGS LLC, a Delaware limited liability company, having an office at c/o Casco Real Estate Development, 534 West 21st Street, Suite 6002, New York, New York 10011 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The condominium unit (the "Unit") in the premises known as a 540 West 21st Street Condominium (the "Condominium") and by the street number 540 West 21st Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, 20__ and recorded in the New York County Office of the Register of The City of New York (the "City Register's Office") on _____, 20__ in City Register File Number _____, and also designated as Tax Lot(s) ____ in Block 692 of Section ____ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of said building, certified by _____, on _____, 20___, and filed in the Real Property Assessment Department of the City of New York on _____ _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, 20__, as Condominium Map No. _____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of the Condominium. (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws".)

Together with an undivided _____ percentage interest in the Common Elements (as such term is defined in the Declaration):

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

540 WEST 21ST STREET HOLDINGS LLC

By: _____
Name:
Title:

_____
Grantee

_____
Grantee

SCHEDULE B

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO PURCHASE AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "6"

DESCRIPTION OF PROPERTY

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540 WEST 21st STREET
NEW YORK, NEW YORK
DESCRIPTION OF THE PROPERTY AND BUILDING CONDITION:

THE FOLLOWING REPORT WAS PREPARED BY THE OFFICE OF AAI ARCHITECTS, P.C. ON 13 FEBRUARY, 2019

ARCHITECT:	**Mr. Nickolas Zigomanis** **AAI ARCHITECTS, P.C.** **14 Wall Street, 2nd Floor** **New York, NY 10005**
ADDRESS:	**540 West 21st Street** **New York, New York**
DESIGN CONSULTANT:	**RENZO PIANO BUILDING WORKSHOP** **Via P. Paolo Rubens 29** **16158 Genova - Italy**
INTERIOR DESIGN CONSULTANT:	**RDAI** **13 Rue du Mail** **75002 Paris, France**
STRUCTURAL ENGINEER:	**DESIMONE** **228 East 45th Street, 3rd Floor** **New York, NY 10018**
MEP ENGINEER: **LEED CONSULTANT:**	**COSENTINI** **Two Pennsylvania Plaza** **New York, NY 10121**
CURTAIN WALL / ABOVE-GRADE WATERPROOFING CONSULTANT:	**AJLP CONSULTING** **40 Worth Street Suite 826** **New York, NY 10013**
FAÇADE MAINTENANCE ENGINEER:	**ENTEK ENGINEERING, LLC** **166 Ames Street** **Hackensack, NJ 07601**
GEOTECHNICAL ENGINEER/ CIVIL ENGINEER/ BELOW-GRADE WATERPROOFING CONSULTANT:	**LANGAN ENGINEERING & ENVIRONMENTAL SERVICES** **300 Kimball Drive, 4th Floor** **Parsippany, NJ 07054-2172**
VERTICAL TRANSPORTATION ENGINEER:	**VDA (VAN DEUSEN & ASSOCIATES)** **120 Eagle Rock Avenue, Suite 310** **East Hanover, NJ 07936**

LANDSCAPE CONSULTANT:	**LVEP** **Paseo de los Serbales, 4** **Urb. Ciudalcampo** **San Sebastian de los Reyes** **28707 Madrid, Spain**
TELECOM, IT/AV, SECURITY CONSULTANT:	**COSENTINI** **Two Pennsylvania Plaza** **New York, NY 10121**
ACOUSTIC CONSULTANT:	**LONGMAN LINDSEY** **200 West 41st Street, Suite 1100** **New York, NY 10036**
SWIMMING POOL CONSULTANT:	**Trace PD** **333 Westchester Ave** **White Plains, NY 10604**
DOORS HARDWARE CONSULTANT:	**ASSA ABLOY DOOR OPENING CONSULTANTS**
SIGNAGE AND WAY FINDING CONSULTANT:	**TBD**
COMISSIONING AGENT:	**STEVEN WINTER ASSOCIATES, INC.** **307 7th Avenue** **New York, NY 10001**

This Report provides a general description of the Property, interior spaces and mechanical equipment and a fair summary of their general condition, but is not intended to be a complete detailed list of every piece of equipment or of their condition. Manufacturers and/or models are listed in general for equipment and fixtures description and may be equal other manufacturers or models. Emphasis is on their condition at the time of the inspection including deficiencies probably unknown to occupants, rather than description of material make-up usually obvious to residents. The contents of this Report are correct to the best of my knowledge and belief. The contents of this Report for engineering and specialist works are provided by various professional consultants listed in this report. This Report and the conclusions stated herein are, however, limited to actual knowledge based upon visual inspection, undertaken with due diligence, of visible portions of the Property and information voluntarily supplied by the Sponsor and other professional consultants retained by Sponsor listed in this Report. No representation is made, however, as to the truth, completeness or accuracy of this information.

This Report is not to be construed as a guarantee or warranty. It is not intended or prepared for the purpose of fixing a value to the Property or as an option as to the advisability to purchase the condominium units being offered pursuant to the Sponsor's Offering Plan.

DESCRIPTION OF PROPERTY AND SPECIFICATIONS OR BUILDING CONDITIONS

- **A. Location and Use of the Property**
- **B. Status of Construction**
- **C. Site**
- **D. Utilities**
- **E. Sub-Soil Conditions**
- **F. Landscaping**
- **G. Building Size**
- **H. Structural System**
- **I. Auxiliary Features**
- **J. Plumbing, Drainage and Fire Protection System**
- **K. Heating**
- **L. Gas Supply**
- **M. Air Conditioning**
- **N. Ventilation**
- **O. Electrical System**
- **P. Telephone, Intercom, Security Systems, and Data Transmission**
- **Q. Public Area Lighting**
- **R. Garage**
- **S. Storage Bins**
- **T. Swimming Pools**
- **U. Non-Residential Areas and other**
- **V. Permits and Certifications**
- **W. Violations**
- **X1. Construction Schedule**
- **X2. Unit Information**
- **X3. Safety and Warning Devices**
- **X4. Additional Information**
- **X5. Residential Unit Lighting**
- **Y1. Tenant Protection Plan**
- **Y2. Commissioning Agent**
- **Y3. LEED Certification**

A. Location and Use of the Property

1. Address:	540 West 21st Street New York, New York 10011
2. Block/Lot Number/ Air Parcel:	Block 692 / Lot 53 / Air Right Lot 11
3. Zoning District:	Commercial C6-3 (R-9 Equivalent), Manufacturing M1-5 Special Purpose District – Special West Chelsea
4. Permissible Uses:	Use Groups as Per New York City Zoning Residential – UG 2 Retail – UG 6 Commercial – UG 6c

5. Legal Limitations under CRFN#s:

These documents, listed below, do not impose limitations on the project site. Rather, these documents were executed to facilitate the development of the project site utilizing floor area transferred from Lot 11.

- CRFN 2017000389783 - Declaration of Zoning Lot Restrictions ("DZLR"): This document establishes that Lot 11 and the project site are to be treated as a merged "zoning lot", which is required for any floor area transfer.

- CRFN 2017000389784 - Zoning Lot Development and Easement Agreement ("ZLDA"): This document provides for, inter alia, the transfer of floor area from Lot 11 to the project site, in an amount equal to the total floor area permitted on Lot 11 less the floor area utilized by the existing building on that site; a light and air easement above Lot 11 for the benefit of the project site; and construction licenses over Lot 11 to facilitate development on the project site.

- CRFN 2017000389780 - Certification Pursuant to Zoning Lot Subdivision D of Section 12-10: This document is a certification by the title company as to the "parties in interest" to the combined zoning lot consisting of Lot 11 and the project site, which include two mortgage holders in addition to the fee owners.

- CRFN 2017000389781 - Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination to Zoning Lot Development and Easement Agreement: This document is a waiver by one of the two mortgage holders identified on the parties in interest certification of its right to execute the DZLR and a consent and subordination by said mortgage holder of its interest in the zoning lot to the ZLDA.

- CRFN 2017000389782 - Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination to Zoning Lot Development and Easement Agreement: This

document is a waiver by the other of the two mortgage holders identified on the parties in interest certification of its right to execute the DZLR and a consent and subordination by said mortgage holder of its interest in the zoning lot to the ZLDA.

- CRFN 2017000389785 - Light and Air Easement Agreement: This document memorializes, in a form required by the Department of Buildings ("DOB"), the light and air easement above Lot 11 that is set forth in the ZLDA.

- CRFN 2017000389786 - Zoning Lot Description and Ownership Statement: This document is a form required by DOB in connection with a building permit application that states that the zoning lot comprises Lot 11 and the project site.

6. The applicable zoning regulations of the Special West Chelsea District provide that, on the portion of the project site mapped within a C6-3 district, if 1.25 FAR of High Line Transfer Corridor floor area has been purchased, an additional 1.25 FAR floor area bonus may be obtained if affordable housing is provided, either on- or off-site, in an amount equal to at least 10% of the total residential floor area on the zoning lot. Here, 1.25 FAR of High Line Transfer Corridor floor area has been purchased, and certificates have been purchased for 13,260 square feet of off-site affordable housing, which exceeds the minimum 10% required of residential floor area required to obtain the bonus. Accordingly, the affordable housing certificates generate a 1.25 FAR floor area bonus.

7. Air Rights for Lot 11

   As described in CRFN above, the ZLDA transfers to the project site all of the floor area permitted on Lot 11 except for the existing floor area (24,289 square feet) that is retained by Lot 11.

8. This building is not built under Quality Housing Program regulations.
   a. The building is located in a non-contextual zoning district and therefore the quality housing program is not a requirement. Addtionally, the building is located within a Special Purpose District – Special West Chelsea District - and pursuant to ZR 23-011(c) the Quality Housing regulations do not apply to the Special West Chelsea district.

B. Status of Construction

1. Class of Construction: Erected Class (Class 1B-Fireproof), conforming to all applicable regulations of the Building Code of the City of New York

Building Element	Fire Resistance Rating
Structural frame (excluding columns supporting floors)	2-hrs
Structural columns supporting floors	3-hrs
Load bearing walls - exterior	2-hrs
Load bearing walls - interior	2-hrs
Nonbearing walls and partitions - exterior	
Fire separation distance <5'	1-hr
(note: as per DOB Bulletin 2015-017, Part V. 100% openings are permitted in the exterior wall for a residential (R-2) building when the distance from any neighboring building, measured in any direction and any agle to the nearest portion of such neighboring building (including rooftop equipment, bulkheads, etc.)	
Fire separation distance ≥ 5' to <10'	1-hr
Fire separation distance ≥ 10' to <30'	1-hr
(however 75% openings are permitted when fire separationdistance is 15' or greater)	
Fire separation distance ≥30'	0-hrs
Nonbearing walls and partitions - interior	0-hrs
(See additional notes below for stair, corridor, demising walls)	
Floor construction (including supporting beams and joists)	2-hrs
Roof construction (including supporting beams and joists)	1-hr

Note: roof supports: fire-resistance ratings of structural frame and bearing walls are permitted to be reduced by 1 hour where supporting a roof only.
Note: for the steel supporting the gallery skylight roof, because every part of the steel roof assembly is located 20' or more above the lowest floor level, the roof steel supporting the skylight roof is not required to be protected.

Residential unit separation (demising) walls	1-hr
Residential common corridor walls	1-hr
Egress stair enclosure walls	2-hrs
Vertical shaft (elevators, ducts, etc.) enclosure walls	2-hrs

2. Status of Construction: The construction of the building is anticpated to commenced on August 1, 2018, and it is scheduled to be substantially complete to obtain Temporary Certificate of Occupancy on or about the Second Quarter of 2021.

3. Certificate of Occupancy: A Temporary Certificate of Occupancy will be issued prior to initial occupancy.

4. Permits and Description: The Project will comply with the 2014 edition of the Building Code of the City of New York, project specific Building Department approvals and all applicable sections of the current edition of Fair Housing Act.

   Schedule of DOB Documents:
   NB Project 121187820 filed Non Directive 14
   Doc 1 Architectural/OT Work Type Filed 12/28/17, Partial Approval Issued for Zoning, Full Approval pending resolution of final objections
   Doc 2 Foundation Work Type Filed 2/22/18, Approved 8/23/18
   Doc 3 Structural Work Type Filed 2/27/18, Currently Disapproved pending resolution of final open objections
   Doc 4 Support of Excavation Work Type Filed 3/2/18 Approved 8/23/18
   Doc 5 Plumbing and Mechanical Work Types, Currently Disapproved pending resolution of final open objections

   Current Schedule A in system link here: http://a810-bisweb.nyc.gov/bisweb/JB2ScheduleAServlet?requestid=3&passjobnumber=121187820&passdocnumber=01&allbin=1076121

C. Site

1. Size: Site Area: Lot 53 = 20,675.94 SF

2. Number and Use of the Building: There will be one building on the site. The building will contain (1) Retail unit on the ground floor, (1) Commercial Gallery on floors ground through three, and Residential Dwelling Units on Floors 4 through 21. There will be one floor below grade (Cellar Level) which will contain Residential Amenitiy spaces and building support and service spaces.

3. Streets: The property is fronted by streets on two sides. To the north is West 21st Street, and to the West is 11th Avenue.

4. Sidewalks: There will be new sidewalks built of concrete and the curbs will be new NYCDOT approved steel faced curbs.

West 21st Street is owned and maintained by the City of New York (NYCDOT).

1. Roadway pavement is asphalt and is in fair/poor condition.
2. Existing sidewalk is concrete with an approximate width of 14.8-feet and it is to be replaced by a new concrete sidewalk per NYCDOT standards.
3. Existing steel faced concrete curbs are to be replaced with new steel faced concrete curbs per NYCDOT standards.
4. There are three existing curb-cuts that will be removed and a new one will be installed per NYCDOT standards.
5. There is one existing light pole on West 21st Street approximately 83 feet from the western property line. The existing street light is to remain on the same location and be preserved during construction. The existing street light is a steel Davit Pole with a HPS Cobra Head luminaire. It is part of the New York City lighting system and
appears to be in working condition.

11th Avenue is owned and maintained by the State of New York (NYSDOT).

1. Street Paving is concrete and is in fair condition.
2. Existing sidewalk is a combination of approximately 4-foot wide patterned granite cobble strip at curbline with trees and approximately 6.2-feet-wide concrete strip on the east side by the property line. The cobbles may be replaced or rest as needed and the concrete strip will be replaced by a new concrete sidewalk per NYSDOT standards.
3. Existing granite curb with special granite inlays is to remain and be preserved during construction.
4. There is one existing catch basin on 11th Avenue located near the intersection with West 21st Street. This is part of the New York City stormwater drainage system.
The existing catch basin and drainage system appear to be in working condition.
5. There is one existing light pole on 11th Avenue approximately 20 feet from the northern property line. The existing street light is to remain on the same location and be preserved during construction.

Sidewalks, ramps and curbing: The sidewalks adjacent to the property are to be replaced with new standard concrete sidewalks, free of tripping hazard and ponding, providing access to the building. Sidewalks are pitched to drain to catch basins in the public streets.

The existing curbing is to be replaced with new steel faced concrete curbing. New ADA compliant pedestrian ramps with detectable warning strips are to be installed at the pedestrian crossing. New curb cuts are to be installed on West 21st Street fronting the loading berth. Curb cuts are to be constructed of reinforced concrete with steel faced concrete drop curbs. There will be a curb cut that is 15 feet wide located on West 21st Street to provide vehicular access to the loading dock through drive.
Sidewalks, ramps and curb cuts shall comply with NYCDOT / local law and ADA requirements.

Catch basins, drainage: Existing catch basins are part of the New York City storm water drainage system. The existing catch basins and drainage system fronting the site appear to provide adequate drainage. No new catch basins are required.

Street Lighting: No new street lighting is proposed. Present street lighting is provided by pole mounted high pressure sodium fixtures maintained by the City of New York. Lighting is in working condition.

Sidewalk Vaults: Electric vaults (one transformer vault) providing service to the building will be installed in the ROW below the West 21st Street sidewalk, approximately 15 feet from the east property line and approximately 4 feet from the north property line against the curb. The electric vault will be maintained by Con Edison.

D. Utilities

1. Electricity is provided by Consolidated Edison Company. The electricity to each apartment unit is sub-metered at the core electrical closets throughout the building. Electricity consumed by the Common Elements is metered by Consolidated Edison. Electricity consumed by the Gallery is metered by Consolidated Edison on a separate meter.
2. Gas- Gas will be provided by Con Edison Company. Gas for the Residential Units will be collectively metered. The cost of the gas consumed in the Residential Section (including all gas used for cooking) will be borne by the residential unit owners as a common expense. Gas for the Commercial/Retail Units and voluntary generator will be individually metered by Con Edison.
3. Water and Sewage- Water and Sewer service will be provided by the City of New York. Water consumed by the Building will be metered by N.Y.C. The Commercial/Retail Units will be provided with sub-meter from the

service to the Residential Space and the cost (including the sewer charges) will be borne by the Commercial Unit and paid to the Condominium Board as measured by such sub-meter and the then applicable water/sewer charges of the taxing authority, plus applicable taxes. The charges for water and sewer service provided to the balance of the Building will be levied on the basis of metered usage and the cost of the same will be borne by only the Residential Unit Owners as a Residential Common Expense. Supply of water for interior domestic system and fire protection system is provided by existing municipal water mains. Waste and rainwater collected in the building is discharged by gravity via combined building sewer to the municipal sewer collection system.

4. Telephone - See Section P
5. Cable Television – See Section P
6. Data Transmission – See Section P
7. Drains – See Section J

E. Sub-Soil Conditions –

The site's sub-soil conditions generally consist of a surficial layer of uncontrolled fill underlain by soft organic clay, gray to brown sand with lenses of silt and clay, decomposed rock, and finally bedrock. All the following elevations are referenced to the North American Vertical Datum of 1988 (NAVD88). Classification numbers of the soil strata are assigned according to the NYC Building Code 2014.

The site is underlain by a fill layer directly beneath the slabs and the sidewalk ranging from 18.5 to 30 feet thick, with the bottom of the layer at el -11.5 to el -23. This layer of miscellaneous fill material (Class 7) consists of grayish-brown to dark brown coarse to finegrained sand with various amounts of gravel, silt, brick, wood, concrete, asphalt, coal, coal ash, slag, and petroleum-impacted materials. The fill material contains concentrations of volatile organic compounds (VOCs), semivolatile organic compounds (SVOCs), metals, and lead above the New York State Department of Environmental Conservation (NYSDEC) Soil Cleanup Objectives (SCOs).

Underneath the fill is a thick layer of soft organic clay with medium to high plasticity (Class 6). The thickness of the stratum ranged from 21 to 42 feet thick, with the bottom of the layer at el -45 to el -55. The thickness of the stratum generally increases towards 11th Avenue.

The soft organic clay is underlain by glacial till consisting of as loose to very dense, gray to brown, fine to medium grained sand, with interspersed layers of silt, gravel, and clay (Class 3a/3b and 5a/5b). The glacial till has thicknesses between about 15 and 45 feet, with the bottom of the layer at el -75 to el -100. Underneath the till is a thin layer of weathered rock. A discontinuous layer of Decomposed Rock (Class 1d) with a thickness ranging from 1 to 15 feet is encountered below the till layer and overlies the bedrock.

The bedrock typically consists of as gray, medium to hard, slightly to moderately weathered, mica schist and amphibolite (NYC Class 1a, 1b, and 1c). The depth to rock varies from el -75 to el -105.

The groundwater table was measured at a depth of about 8 feet below the sidewalk, corresponding to about el -1.

The building is located within a Special Flood Hazard Zone Area. According to the preliminary FIRM for the City of New York, Community-Panel Number 3604970182G, the site lies within the limits of the Flood Hazard Zone AE – "areas of 1% annual chance flood (100-year flood)." The Base Flood Elevation is at el 11, which is at about 4 feet above sidewalk elevation. Zone AE is the area of 1% annual chance flood, and the Base Flood Elevation (BFE) is at el 11, which is about 4 feet above sidewalk elevation.
The Design Flood Elevation of the building is 1 foot above the BFE. This means the floodproofing should be designed to el 12 so that the 100-year flood (to el 11) will not inundate the cellar.

Detailed subsurface information is provided by Langan Engineering, Environmental, Surveying and Landscape Architecture, D.P.C. (Langan) in a Geotechnical Engineering Report dated 19 September 2017.

Sub-soil Environmental Conditions

The results of a remedial investigation (RI) consisting of 11 soil borings, 5 groundwater monitoring wells, and 7 soil vapor probes are summarized in the January 25, 2018 Remedial Investigation Report (RIR). Historic fill exhibiting evidence of petroleum-like impacts in soil was identified from 6 to 11 feet below ground surface (bgs) across the central and eastern portions of the site. Several contaminants of concern (COCs), including volatile organic compounds (VOCs), semi-volatile organic compounds (SVOCs), pesticides, and metals, were detected above Unrestricted Use Soil Cleanup Objectives (UU SCOs) and/or Residential Use (RU) SCOs.
Lead was detected in one sample at a concentration exceeding the Resource Conservation and Recovery Act (RCRA) hazardous limit for lead. In groundwater, COCs were detected at concentrations exceeding the Technical and Operation Guidance

(TOGs) 1.1.1. Ambient Water Quality Standards (SGVs) for Class GA waters. In soil vapor, trichloroethene (TCE) and tetrachloroethene (PCE) were detected at concentrations exceeding the New York State Department of Health (NYSDOH) Air Guideline Values (AGVs) at concentrations requiring mitigation. A New York State Department of Environmental Conservation (NYSDEC) Spill was registered (Spill No. 1505292) when petroleum-like odors, staining, and photoionization detector (PID) readings were observed during the RI.
The site is being enrolled into the New York City Office of Environmental Remediation (NYCOER) Voluntary Cleanup Program (VCP) and a Remedial Action Work Plan (RAWP) was submitted to NYCOER on May 2, 2018. The proposed remedial action consists of a Community Air Monitoring Program (CAMP) during construction activities involving the disturbance of site soils, selection of site-specific Track 4 SCOs, site-wide excavation of soil/fill down to the proposed development cellar depth and removal of soil/fill exceeding the selected Track 4 SCOs, collection and analysis of endpoint samples to confirm the performance of the remedy, construction of a concrete slab beneath all building areas, installation of a waterproofing membrane/vapor barrier at least 20 mils thick and capable of preventing the intrusion of soil vapors, and several other remedial actions as described in the RAWP. Upon completion of remediation, a Remedial Action Report (RAR) will be submitted and a Notice of
Completion will be issued by NYCOER upon approval of the RAR.

The Remedial Action Report (RAR) will be provided after completion of the remediation. The remedial action includes the removal of all soil exceeding Track 4 Site-Specific Soil Cleanup Objectives (SCOs) throughout the development depth; therefore, no hazardous materials will be left in soil. Soil vapors will be mitigated by the construction and installation of a engineered composite cover consisting of an 18- to 20-inch concrete slab underlain by a waterproofing membrane/vapor barrier. Because Track 1 SCOs will not be achieved, the E designation will remain on the property. Further monitoring and remediation will not be required; however, future periodic inspections shall be conducted in accordance with a Site Management Plan (SMP) to be established for long-term effectiveness of all engineering and institutional controls (EC/ICs). The ECs to be inspected and maintained include the composite cover and vapor barrier. The ICs impose the following restrictions:

- Continued registration of the E-Designation for the property
- Submittal of an SMP in the RAR for approval by OER
- vegetable gardens and farming on the Site are prohibited when in contact with residual soil;
- use of groundwater underlying the Site is prohibited without treatment rendering it safe for its intended use;
- all future activities on the Site that will disturb residual material must be conducted pursuant to the soil management provisions in the approved SMP;

- the Site will be used for residential and commercial use and will not be used for a higher level of use without prior approval by OER.

All of the above information is provided in detail in the May 2018 Remedial Action Work Plan.

F. Landscaping –

There are no street trees on West 21st Street, and six street trees will be planted on this frontage per the NYC DPR standards. The DPR permit holder must maintain and guarantee street trees and tree beds installed for two years after planting, after which the property owner is responsible for maintaining the tree bed, while DPR retains the responsibility over the tree itself.

There are three street trees to remain on 11th Avenue and need to be preserved during construction.

G. Building Size –

1. Total Height: The building height is measured from the Flood Resistant Construction Elevation, which is EL.+12.00' (NAVD 88) for the site as defined by the NYC Zoning Resolution. The top of the roof is 250'-0" above this elevation base line, with a NAVD88 elevation of EL. +262'-0". The top of the mechanical bulkhead roof is at EL.+302'-0".

2. Number of Floors: There is one sub-grade level plus 20 stories above-grade and a mechanical Bulkhead above the roof which contains mechanical rooms, elevator machine rooms, and access stairs.

All references to floor designations refer to marketing floors unless otherwise noted.

CONSTRUCTION FLOOR	MARKETING FLOOR	ELEVATOR CALL BUTTON	OCCUPANCY
CELLAR	LL	LL	Residential Amenity Spa, Fitness, Lounge & Family Room; Residential Tenant Storage
			POEs and Building Services/Support/Storage Spaces
			Gallery Elevator Machine Rooms
GROUND	L	L	Residential Entrance Lobby
			Retail
			Gallery
2	2	2	Gallery

			Building MEP/Support
3	3	3	Gallery
			Building MEP/Support
4	4	4	Apartments
			Building MEP/Support
5	5	5	Apartments
6	6	6	Apartments
7	7	7	Apartments
8	8	8	Apartments
9	9	9	Apartments
10	10	10	Apartments
11	11	11	Apartments
12	12	12	Apartments
13	14	14	Apartments
14	15	15	Apartments
15	16	16	Apartments
16	17	17	Apartments
17	18	18	Apartments
18	PHC	PHC	Apartment
19	PHB	PHB	Apartment
20	PHA	PHA	Apartment
Bulkhead L1	R	R	Private Terrace
			Building MEP/Support
Bulkhead L2	-	-	Building MEP/Support
Bulkhead L3	-	-	Building MEP/Support
Bulkhead Roof	-	-	-

4. Equipment Rooms:

Cellar: Compactor & Refuse Room, Pool AHU & Equipment Rooms, Gallery Elevator Machine Rooms, Amenity Electrical Room, Water Meter Room, Storm Detention Tank and Pumps, Flood Barrier Storage

Ground Floor: Water Service Closet, Electrical Room,

2nd Floor: Generator Room, Electrical Switch Board Room, Gallery Duplex Domestic Booster Pump Room, Residential Domestic Booster Pump Room, Fire Pump Room, Electrical Room

3rd Floor: Gallery Fan Room, Gallery Electrical Room, Gallery Elec/Mech Room, Residential Amenity Fan Room, Gallery Mechanical Room

Bulkhead L1: Boiler Room, Elevator Machine Room

Bulkhead L2: Energy Recovery Unit, Cooling Tower, Heat Exchanger Room, Hot Water Tank Room, Domestic Water and Fire Reserve Water Tanks

Bulkhead L3: Elevator Machine Room, Building Maintenance Unit

5. Parapet Heights: The typical parapet heights are approximately 42" above the finish floor/roof levels.

H. Structural System

1. Foundation and Support of Excavation

The building foundation is supported on bed rock and is designed in accordance with the New York City Building Code.

The foundation system of the building is designed to transfer the superstructure loads onto the rock. It is composed of reinforced concrete mat foundation and pile caps supported by caissons. At selected locations, rock anchors (tie downs) are provided. The thickness of the structural concrete pressure slab (cellar floor slab) varies between 20" and 18" throughout the floor. The waterproofed structural slab is designed to resist the hydrostatic pressures resulting from groundwater. There is no underslab drainage system provided. At the two shear wall cores, the mat thickness is 60".

2. Superstructure

The building's primary superstructure is constructed of reinforced concrete and structural steel. It is designed to meet the NYC Building Code.

Typical floors and roofs (except for East Gallery) are constructed of cast-in-place reinforced concrete construction where slabs and beams are supported by concrete columns and walls with openings and penetrations as required.

The lateral load resisting system is comprised of a series of concrete shear walls that transfer the load onto the building's foundation.

For the Gallery on the East end of the building, floors 2 and 3 are constructed of composite structural steel and concrete construction mixed with cast-in-place reinforced concrete construction. The 5th floor roof over the East Gallery is constructed of structural steel framing supporting a glass skylight system.

The support-of-excavation system does not consist of any underpinning piers. The system consists of soil-mix columns, secant piles, and sheet piles with internal braces.

The method of below-grade waterproofing is a positive-side waterproofing membrane system. Membranes manufactured by Carlisle will be used for both lowest slabs, pile caps, and foundation walls. Pre-applied membranes (Miraply-H or Miraply-V) will be

used at slabs, pile caps, and all one-faced walls. Post-applied membranes (Miradri 860) will be used at the two-faced walls.

3. Wall Construction:

Exterior: The exterior walls of the building consist of a custom aluminum curtain wall system with glass-reinforced concrete panels, glass or metal panel cladding. The curtain wall system has an internal water management system which drains to the exterior. All GFRC and metal cladding panels that are integrated into the curtain wall system are designed and installed as a rainscreen system with a continuous weather and thermal barrier. The aluminum curtain wall system is thermally broken and is designed to provide a system U-value of 0.341 at the vision glass and a U-value of 0.116 at the opaque assemblies. The custom curtain wall system is installed per manufacturer's specifications and complies with local building codes and referenced standards. Insulated CMU walls will be provided at the lot line buildings adjacent to existing neighboring buildings.

For New York City buildings, in accordance with Local Law 11 of 1998, known as "Façade Inspection Safety Program" (FISP), see description below for the next relevant inspection starting cycle number, starting year and inspection frequency. See also below for FISP (periodic report) requirements and those report's classifications (Safe, SWARMP, Unsafe).

Once a new building is issued the first Temporary Certificate of Occupancy, the 5 year "grace period" begins. After this 5 year period is over, the building must file during next applicable cycle. If the 5 year period ends before or during the building's corresponding window, the building must file during that cycle. If the 5 year period falls after the filing window has closed, the building does not have to file until the next cycle. The current Local law Cycle 8 ends on 2/21/19 for reference. All exterior walls must be inspected with the exception of walls which are less than twelve inches from the exterior wall of an adjacent building. In addition to visual inspections of the building, close-up inspections of the street façade(s) from scaffolding are performed. Roofs, terraces, and balconies are reviewed. All of the Building's appurtenances are examined - such as canopies, antennae, satellite dishes, air conditioners, and fire escapes. FISP inspection reports must be filed every five years by a Registered Architect (RA) or Professional Engineer (PE). The condition of the Building is classified as **Safe, Safe with Repair and Maintenance Items** (SWARMP), or **Unsafe**. A **Safe** building needs no further action, a building that is **Safe With Repair And Maintenance Items** (SWARMP) must be repaired in the time frame listed by the Engineer or Architect in the report, and an Unsafe building must provide immediate protection of the public and be repaired within 30 days. Any item that jeopardizes safety of pedestrians below is an unsafe condition. Examples include

loose brickwork, mortar, or concrete; leaning parapet walls, cracked or broken windows, fractured terracotta, loose metal, improperly secured window-mounted air conditioners and any loose material, such as wood, bricks, debris, planters and the like. The law requires that unsafe conditions be addressed immediately, within a 30-day time frame and subsequently an amended report filed with the DOB to confirm the conditions have been addressed. An extension may be given for the unsafe conditions to be corrected if needed.

Compliance for the LL 11 / FISP Program for newly completed buildings starts 5 years from obtaining the initial TCO for the building. Based on the projects construction schedule I believe you're inspection will occur even beyond the future Cycle 9 which runs from 2/2020 to 2/2024. The actual two-year filing window is dependent on the last digit of your block number, that window hasn't been determined yet because you will most likely fall into Cycle 10 which hasn't been created.

Flood Resistance: The flood resistance of the building is being achieved by various strategies and systems. Where there is an opaque wall at the ground floor, there exists a cantilevered cast-in-place concrete flood wall behind the exterior wall cladding which is designed to resist the hydrostatic, hydrodynamic, and debris impact loads and keep the building dry (dry floodproofing strategy) up to the design flood elevation. Where there is a fixed (non-operable) glass storefront at the ground floor, the glass and storefront system has also been designed to keep the building dry (dry floodproofed) and is designed to resist the hydrostatic, hydrodynamic and debris impact loads. At all of the building entrances except for the residential service entrance and the exit at Stair C, the flood protection is provided by a deployable flood barrier system. The deployable flood barrier system will consist of a metal post and log system (approximately 5' high) with gaskets and seals that is stored within the building (on the cellar level) and, in the event of a storm or flood event, shall be deployed to protect the entrances and keep the building dry. The deployable barriers are designed to resist hydrostatic, hydrodynamic and debris impact loads. At the residential service entrance and Stair C exit, there exists flood vents and a wet floodproofed vestibule. The vestibules are designed to be water-tight to retain the flood waters within the vestibule while keeping the adjacent spaces and spaces below dry.

A flood emergency plan will be in place and adopted by the condo board which will include an emergency evacuation plan with instructions for all occupants of the building. The preparation of the plan is the responsibility of the building owner and should include evacuation procedures during the warning period (before the flood), after the flood (with barriers installed), and during annual testing/inspection periods of the flood

barrier systems. Assisted rescue for persons with mobility impairments during the flood event and during annual testing periods (with barriers installed) should also be addressed by the owner's flood emergency plan and should include provisions for assisting persons with mobility impairments in navigating flood stairs and entering rescue boats.

Interior: Interior walls and partitions are either a drywall/stud partition, concrete masonry partion, or formed structural concrete walls. Demising walls between units will meet NYC Building Code requirements for both fire resistance rating and acoustical separation.

4. Floor Construction and acoustics

The floor finish assembly throughout the residences includes an engineered hardwood floor with underlayment (as described in the Residential Finishes Section) and a continuous acoustic resilient underlayment (Pliteq GenieMat Type RST – 3/8" thick or approved equivalent) to provide the code-required minimum IIC rating of 50. It is expected that the installed floor assembly will provide an IIC rating in excess of 55.

5. Windows

Windows in the Residential Units will be part of the custom curtain wall and will be out-swing casement type with limit stops to restrict the opening to 4" per NYC Department of Health regulations. The stainless steel limit stop shall be at the head and sill of the window frame. Residential Units are also provided with mechanical make-up air supply per NYC Building Code. All vision glass, including windows, in the exterior wall of the residential units will be made up of an insulated glazing unit. The windows will be manufactured by Gamma/Wicona and they will be provided with a manufacturer's standard warranty. Window screens will be provided at operable windows. All residential units shall comply with the NYCBC light and air requirements.

The operable parts (window opening lever) of the windows within the apartments, in accordance with the New York City Building Code (NYCBC), will be required to be adapted for persons with mobility impairments due to the height exceeding the maximum reach ranges for persons in a wheelchair. NYCBC 1107.2.4 states that operable parts shall be designed to be operable by the use of adaptive devices. As agreed with the Sponsor/developer, the Sponsor shall provide adaptive devices at the time a person with physical disabilities takes occupancy of the unit, or within 10 days of the date the request is made by a person with physical disabilities, whichever is later, at the Sponsor's (developer's) expense.
There are Lot Line Windows on the south façade adjacent to Lot 7501. As required by New York City Building Code, all lot line windows do not count towards providing required natural light or ventilation for the habitable spaces within the apartments.

Fire-rated lot line windows are denoted on the plans with "FRLLW". These windows are not operable and are thermally broken. Because these windows are inherently fire-rated, they would not be required to be filled-in with fire-resistive construction if neighborhing properties were to vertically expand.
Non-fire rated lot line windows, denoted on the plans as "LLW" will have a restrictive declaration against the tax lot in accordance with New York City's Buildings Bulletin 2015-008 and 2015-017, requiring that the owner shall immediately close such windows with the required fire-rated construction per the New York City Building Code if any neighboring building is later altered or constructed to come within the 60 foot distance limitation set forth in New York City's Buildings Bulletin 2015-017. The following units have lot line windows which will be required to be closed-in at a future date if vertical expansion of adjacent properties were to occur:

Unit 14B: refer to plans and "LLW" designation for locations
Units 15B-17B: refer to plans and "LLW" designation for locations
Unit 18B: refer to plans and "LLW" designation for locations

6. Storefront

Custom metal and glass storefront system will be installed on the ground floor, running the length of the residential lobby and retail space on West 21st Street, a portion of the retail space on 11th avenue, and the a portion of the Gallery West 21st Street. The storefront is designed to provide dryflood proofing protection by resisting flood waters up to the flood-resistant construction elevation, as required by New York City Building Code.

7. Parapets and Copings

The inside face of parapets will be glass and metal railing systems or glass-reinfoced concrete panels. The exterior face will be comprised of a glass and metail railing system or a curtain wall system with glass reinforced concrete panels. All copings will be formed aluminum or metal. The height of railing/parapet above the roof is a minimum of 3'-6". All hardware to be used for parapets and copings are non-corrosive.

8. Chimney and Caps

There will be boiler flues that run from Bulkhead L1 and discharge at the Bulkhead L2 roof. Flues will be terminated 3 feet above the highest construction point, meeting the code required clearances. All flues will be code compliant double-wall metal vents where exposed to the exterior, and 10 Guage and 16 Gauge on the interior. There will be an emergency generator on the 2nd floor. The flue will run horizontally and terminate at the East exterior wall, within the property, meeting code required

clearances. The building will have a trash compactor in the cellar with a metal rubbish chute that is vented above the bulkhead roof. The rubbish chute is enclosed in CMU masonry and concrete walls.

9. Residential Fireplace

There will be no fireplaces installed in the building.

10. Balconies & Rooftop Terraces

There are private unit rooftop terraces on the 5th, 7th, 19th, 20th , 21st and Rooftop levels.

The finish floor of the terraces will be structural porcelain pavers on a pedestal paver system over an IRMA (Inverted Roof Membrane Assembly) type roof. The pavers and support system does not void the warranty of the roof. The 5th floor terrace and Rooftop terrace will contain recessed pools private to each apartment.

There are balconies on each residential floor (floors 4 through 21).

Landscaped areas will be provided as shown on the plans. Additional areas designated to support future landscaping provisions are also indicated on the plans. Landscaping planter weights shall not exceed the maximum live load criteria specified by the structural engineer for the supporting structure.

Each terrace or balcony has a parapet, glass guardrail, and coping as described in section H-6, above. Each private terrace and balcony is accessed via a sliding or swinging glass door with an aluminum, thermally broken frame. The terrace doors are specified to be by Wicona or an approved equal.

11. Primary Exterior Entrances

Primary residential entrance will be along West 21st Street. There will be a custom glass and metal storefront system running the width of the residential lobby. The entry to the lobby is through a double-leaf swinging glass door. The exterior entrance door will be constructed of a thermally-broken aluminum frame with insulated glass infill and will be provided with pivot swinging hardware, a locking lever and exit device with card reader activation, and an in-ground automatic door operator/closer with a push-button operator. The vestibule doors will be construted of aluminum frames with non-insulating glass infill, pivot hardware, passage lever, exit device, and an in-ground automatic door operator/closer with a push-button operator. Lighting and a canopy at this entrance will be provided. The mailboxes will be located in a room to the west of the elevators. All mailboxes will be ADA compliant and will meet USPS regulations. There will be a separate package room.

Retail entrance doors will be at the corner of West 21st Street and 11th Avenue. There will be a custom glass and aluminum storefront system running the width of the retail space. Lighting and a canopy at this entrance will be provided.

Primary Gallery entrance will be along West 21st Street. The entry to the lobby is through a double-leaf swinging glass door. Lighting at this entrance will be provided.

12. Service entrances

There will be one insulated metal Residential service entrance located on West 21st Street, which can also be utilized for daily access to the bicycle storage room and service elevator. There is an additional shared insulated metal service door located between the residential lobby and the retail space which will serve as a means of emergency evacuation in the event of a flood. The Retail space will have a dedicated insulated metal metal service door on 11th Avenue at the south side of the space. The service entrance doors will be equipped with pivot or butt hinge hardware, a locking lever set and a closing device.

The Gallery will have an insulated glass and metal-framed bi-folding service entrance on the ground floor which will serve as a means for transporting large works of art to within and outside of the Gallery. There is also an insulated glass-reinforced concrete clad sliding service door on the third floor of the main gallery which will serve the same purpose of transporting large works of art to within and out of the building. The door will be equipped with a motorized operatator and will slide along face-mounted exterior metal tracks. When the door is closed, the perimeter of the door will be sealed with a gasketed seal maintained by a dedicated compressor. There will be a mechanical geared system to permit closing or opening of the door in the event of power failure. Flood protection at the door is achieved by means of a deployed flood barrier as described in previous section.

13. Loading Entrances

There will be one insulated metal and glass overhead door located on the ground floor on West 21st Street serving the Gallery loading/workshop space. The door and berth will be managed and operated by the Commercial Art Gallery facility. The door will be equipred with an electric motor and a top rail and jamb rails to facilitate the operation of the door. Flexible weather stripping and seals will be provided at the bottom section, jambs and header of the door. Standard entrampment protection will be provided. The door is 14'-0" tall x 12'-0" wide. The loading berth is designed for the use of the Commerical Art Gallery which occupies the space and will accommodate the loading/unloading of works of art. The live load capacity of the loading berth floor is 150 lbs/sf. Flood protection at the door is achieved by means of a deployed flood barrier as described in previous section.

14. Roof and roof structures

The main roofing systems will be a multi-component polymethylmethacrylate (PMMA) based resin, manufactured by Siplast Inc. or an approved equal. The roofing system will have a 20-year manufacturer's warranty. The insulation will range in thickness between 4" and 6" and will consist of extruded polystyrene rigid boards with an R-value of R-5 per inch of thickness The surface finish of the roofs will be structural porcelain pavers. Rooftop swimming pools and landscaping beds will be integrated into the roof design. The flashing and counter flashing will comprise of metal flashing, membrane flashing, and/or liquid applied membrane flashing that is compatible with the roofing system and adjacent materials. The roofs will be drained with 2-stage cast iron roof drain assemblies piped to plumbing leaders within the building. Drain bodies will be cast iron. The building shall be provided with 'main and emergency overflow drain bodies' as required by code. There will be (1) emergency overflow drain provided approximately (1"-0") from each main roof or Terrace drain.

There will be gutters at lot line conditions above the adjacent building parapets to capture storm water from run-off from the façade and drain it within the building's storm drainage system. The roof pavers and support system installation does not void the roofing warranty.There will be two exterior non-corrosive metal roof-access ladders. One will provide access to the Level 3 Gallery skylight from the Level 2 roof. The other will provide access to the top of the bulkhead roof from Bulkhead level 3. There will be two wood water tanks sitting on steel dunnage located at Bulkhead level 2.

Private roof terraces where required to be separated from an adjacent Unit's terrace will be separated with a glass terrace divider. All exterior private terraces belong to individual resident owners. There are no amenity terraces on the building that will be available to multiple building residents.

There will be no rooftop antennae or lightning protection equipment.

Rooftop antennae (Satellite, DSS, or GPS for DAS) – None provided

Lightning Protection – None provided

FAA Lighting – As required by FAA

Skylights:
There will be a large glass skylight over the third floor Gallery space with an integral exterior solar shading device and 3'-0" walkable grating around the perimeter of the skylight. The skylight glass will be cleaned and maintanined via a movable maintenance platform on top of the skylight. The skylight is a square shape in plan measuring 54'-0" x

54'-0", not including the perimeter gutters. The skylight glass is ridged in the center and slopes to the perimeter gutter on two sides.
There be four custom fabricated glass skylights over the 1st floor gallery exhibit and workshop spaces. These skylights will also be ridged in the center and slope to the exterior. The dimensions of these four skylights are as follows:

10'-5" x 18'-5"
10'-5" x 20'-11"
10'-5" x 6'-4"
10'-5" x 5'-10"

All skylights will be custom fabricated units made of non-corrosive metal and insulated glass units.

Bulkheads:
The mechanical and stair/elevator bulkhead will consist of (3) levels of mechanical equipment enclosures and screens housing elevator machine rooms, egress stair vestibules, energy recovery units, heat exchangers, a cooling tower, and other accessory mechanical equipment. The exterior cladding on the bulkhead will consist of GFRC and metal panels installed within the same unitized aluminum curtain wall system described above. There is an internal stair connecting each level of the mechanical bulkhead. The roof of the bulkhead will consist of an insulated PMMA fluid-applied roofing membrane system. There are two exterior painted metal ladders around the perimeter of the bulkhead. One ladder provides access to the bulkhead roof and the other ladder provides access to the water storage tanks.

Exterior metal work at roof levels:
There is one panted exterior metal convenience (non-egress) stair which connects the Level 2 roof to the roof of the existing adjacent building on Lot 11. Both roof are owned and operated by the same owner, the David Zwirner Art Gallery. There is a painted metal roof access ladder with an integral fall protection cage to provide access from the Level 2 roof to the skylight over the Level 3 gallery. All perimeter metal guardrails at roof edges are 3'-6" tall and are constructed of painted steel.

15. Fire Escapes – None

16. Yards and Courts

There will be a viewing garden located in the Rear Yard Equivalent at the second floor level. The viewing garden will only be accessed by gallery building maintenance staff only and will not be an occupiable roof. It will have a porcelain-paved walkway around the perimeter with integrated plantings in the center. The paving system will be over a PMMA roof with roof drains.

17. Interior Stairs

Residential – Each residential floor has access to two exit stairways. The stair enclosures will be constructed of reinforced concrete block masonry or gypsum wall board assembly providing a 2-hour fire rating. Stairs will be cast-in-place concrete or metal pan with painted steel handrails.

Residential Units – Duplex units 5/6A, 5/6B and 5/6C, and the Penthouse Unit A (level 21) will have interior stairs to provide access to various floors within the unit, but are not required for egress. Each floor of these units will have access to the required two egress stairs. The stairs for units 5/6A & 5/6B are spiral stairs constructed with a painted metal stringer, solid wood treads, and open risers. The perimeter guardrail is painted metal with an integral solid wood handrail. The stair for Unit 5/6C is a cast-in-place concrete stair with solid wood treads and risers. The stair is surrounded by painted interior gypsum board partitions. The handrail is solid wood and is recessed into the perimeter wall.

Gallery – Each gallery floor has access to two dedicated egress stairways. The stair enclosures will be constructed of reinforced concrete block masonry or gypsum wall board assembly providing a 2-hour fire rating. Stairs will be cast-in-place concrete or metal pan with painted steel handrails.

The cellar level will be served by two remote egress stairs exiting to the ground floor. The stair enclosures will be constructed of reinforced concrete block masonry or gypsum wall board assembly providing a 2-hour fire rating. Stairs will be cast-in-place concrete or metal pan with painted steel handrails.

18. Interior Doors/Frames

The entry doors of Residential Units will have wood doors with wood-clad painted metal frames, both with a wood veneer finish, and custom hardware. The doors will have STC Rating of 35 and fire rating of 45 minutes. All unit entries doors are self-closing.
Doors within residential units are flat panel metal and glass doors.
Stairs, equipment rooms, storage rooms and mechanical spaces will have hollow metal frames with wood or metal doors with required code compliant hardware and fire ratings.

19. Elevators

There will be a total of six (6) elevators, including one freight elevator in the building. All elevators will be manufactured by Fujitec. Security for limited access floors (i.e.

elevators that open directly to a unit) will be provided by a RFID key card access control system located within the elevator.

Residential – The residential floors will be serviced by two passenger elevators (PE1, PE2) and one service elevator (SE1). See table below for additional information:

	Passenger Elevator PE1	Passenger Elevator, PE2	Service Elevator, SE1
Type	Passenger Gearless Traction	Passenger Gearless Traction	Service Gearless Traction
Capacity in Pounds	3000	3000	3500
Speed (fpm)	500	500	500
Number of Landings	20	19	22
Floors Served	Cellar through Roof (no stops on floors 2 or 3)	Cellar through 21 (no stops on floors 2 or 3)	Cellar through Roof
Openings	All front	All front	All front
Operation	Simplex selective collective	Simplex selective collective	Simplex selective collective
Control	Variable Voltage Variable Frequency	Variable Voltage Variable Frequency	Variable Voltage Variable Frequency
No. of Push button risers	One (1)	One (1)	One (1)
Platform Size	5'-10" x 6'-2"	5'-10" x 6'-2"	7'-0" x 6'-2"
Guide Rails	Steel Tees	Steel Tees	Steel Tees
Cab Enclosure	TBD	TBD	TBD

Door Size	3'-6"w x 9'-0"h	3'-6"w x 9'-0"h	3'-6" x 9'-0"h
Door operation	Single speed center opening	Single speed center opening	Single speed side opening
Machine Location	Overhead Bukhead Level 3	Overhead Bulkhead Level 1	Overhead Bukhead Level 3
Power Supply	208 – 3 -60	208 – 3 -60	208 – 3 - 60

Gallery – The gallery floors will be serviced by two passenger elevators (PE4, PE5) and one freight elevator (FR1).

	Passenger Elevator PE4	Passenger Elevator, PE5	Freight Elevator, FR1
Type	Passenger Dual-roped holeless Hydraulic	Passenger Dual-roped holeless Hydraulic	Freight Class "C3" Dual-roped holeless Hydraulic
Capacity in Pounds	3000	3000	15000
Speed (fpm)	150	150	100
Number of Landings	3	3	3
Floors Served	1st through 3rd	1st through 3rd	1st through 3rd
Openings	All front	All front	Front and Rear
Operation	Duplex selective collective	Duplex selective collective	Simplex selective collective
Control	AC for hydraulics	AC for hydraulics	AC for hydraulics
No. of Push button risers	One (1)	One (1)	Two (2)

Platform Size	7'-0" x 5'-6"	7'-0" x 5'-6"	8'-11" x 12'-2"
Guide Rails	Steel Tees	Steel Tees	Steel Tees
Cab Enclosure	TBD	TBD	TBD
Door Size	3'-6"w x 9'-0"h	3'-6"w x 9'-0"h	8'-7"w x 10'-0"h
Door operation	Single speed center opening	Single speed center opening	Vertical bi-parting (power)
Machine Location	Cellar	Cellar	Cellar
Power Supply	208 – 3 -60	208 – 3 -60	208 – 3 - 60

20. Elevator Cabs

Residential - The passenger cabs will have a stone floor, wood finish side walls, a mirrored glass back wall, and a wood/stainless steel ceiling finish with integrated indirect lighting. The service elevator cab will have a rubber floor, stainless steel mesh weave wall finish and a stainless steel ceiling with integrated lighting. There will be a life safety system speaker installed in the cab control panel for communication during an emergency.

Gallery - The passenger cabs will have a polished concrete floor, wood finish side walls, a mirrored glass back wall, and a wood ceiling finish with integrated indirect lighting. The freight elevator cab will have a diamond plate studded steel floor, stainless steel wall finish and a stainless steel ceiling with integrated lighting. There will be a life safety system speaker installed in the cab control panel for communication during an emergency.

21. Emergency Lighting

Selected architectural lighting fixtures will be utilized for normal and emergency lighting. Light levels and locations for emergency lighting shall meet New York City Building Code.

The emergency lighting system will be powered via the building generator. One automatic transfer switch shall support the standby system that will power emergency lighting.

a. Emergency lighting for egress paths through residential Common Elements is supported by a 550kW natural gas generator via an automatic transfer switch (ATS) located on the fourth floor. Panels are stragically located throughout the building to allow the lighting fixtures to tie into the emergency power system

b. Emergency lighting for the Gallery shall be supplied from a 90 minute rated central emergency lighting inverter. The inverter shall derive power from the Gallery electrical service to charge batteries and operate lights during normal operation.

c. Emergency lighting for the future retail area shall be supplied by battery packs integral to the lighting fixtures. Once a retail tenant has agreed to lease the space, emergency lighting is now the responsibility of the tenant.

22. Window Washing and Exterior Building Maintenance Equipment

Maintenance of the exterior vertical facades of the tower portion of the building (floors 5 through 21) will be accomplished through a Building Maintenance Units ("BMU") located on Bulkhead Level 3. The Building Maintenance Units (BMU) will incorporate a long rotating and telescopic boom arm to access all portions of the facade. All terraces must be accessible to maintenance personnel for emergency rescue only, and not for normal operation of the BMU. Although direct access is not required by the workers, the ropes that are used for the platform transfer will be draped over the terrace while the platform is over the side. For this reason, the terrace will not be able to be used while drops are being performed in these areas..

A separate glass handling winch system ("GHU"), as part of the BMU, will be provided to assist glass replacement from the exterior. The winch system will be controlled from the platform and its speed synchronized with that of the platform hoist. Replacement glass is anticipated to be brought in from the inside of the building passed out through the opening and attached to the GHU. In addition to glass replacement the BMU can be used for unscheduled building maintenance and repairs.

As platform and other accessory building maintenance equipment traverse down and back up the façade, vertical guide track mullions, intermittent stabilization anchors, and/or bumper rollers are used to track and stabilize the work platform during façade maintenance operation. During exterior building maintenance operations, maintenance and accessory equipment shall be temporarily visible from the interior of the unit, and potentially in front of operable windows, from time to time for specified durations by building management.

Electrical power shall be provided to operate the BMU. A hose bib will be provided on bulkhead level 3.

Building Maintenance Unit Description:
Manufacturer: Gind, www.gind.es
Model: SJ-2630

Vertical Run: 305ft
Hoisting System: Drum system
Equipment Maintenance contract to be for 8 times in one year.
Traversing System: Static Machine
Dead Weight: 122,600 pounds
Warranty: guarantee against defects in material, workmanship, or installation for all components, providing for repair or replacement for a minimum period of one year, including material and labor.

The building does not have permanent provisions for maintenance of the building façade below at the podium setbacks along the north and west sides of the Building. Maintenance shall be accomplished by access from the street.

I. Auxiliary Features

1. Laundry Room:

   Each Unit will have a washer and dryer closet. The dryers will be vent-less. There is no common laundry in the building.

2. Residential Refuse Disposal:

   The refuse chute will be located within the refuse room located in the core adjacent to the service elevator on each residential unit level. Occupants will discard their refuse in the chute which feeds a hydraulically operated ram-type compactor located in the cellar refuse/compactor room. The compactor will have 5 HP motor, capable of displacing approximately 65 cubic yards per hour. It will be Model PCS KIK-20 manufactured by Premier Compaction Systems, LLC or equal. Recycle bins will be located within each refuse room on each residential unit floor. The recyclables will be removed by the building staff. The retail and Gallery units will be responsible for their own refuse disposal.

3. Family Room:

   There will be a resident family room containing custom built-in millwork and furniture located on the Cellar level. The room will be approximately 470 s.f. floor area and maximum code allowable occupancy of 22 persons.

4. Tenant Exercise Rooms:

   There will be a Tenant Exercise Room on the Cellar Level which will contain a variety of exercise equipment, including aerobic equipment as well as multi-stations strength equipment for Residential Unit Residents' use. There will be separate dedicated areas

for Yoga and Weight Lifting activities. The Exercise Room, inclusive of Yoga and Weight Lifting spaces, will be approximately 2,170 s.f. floor area and maximum code allowable occupancy of 44 persons.

5. Locker Rooms:

   There will be custom millwork lockers located adjacent to the spa and fitness areas in the Cellar. There will be two single-occupant shower/changing rooms and two single-occupant restrooms.

6. Tenant Pool and Spa:

   There will be a Tenant Pool/Spa Area located on the Cellar floor consisting of a relaxation area with a hot stone and showers, a steam room, a sauna, a cold-plunge pool, a Whirlpool and a lap pool. Hours of operation will be subject to the building amenity operator or management's program.

7. Bicycle Storage:

   There will be two Residential bicycle storage rooms. One will be located on the ground floor near the residential service entrance and the other will be located in the Cellar near the compactor room. In accordance with New York City Zoning Regulation, these rooms will provide a minimum of 1 bicycle parking space for every 2 Residential Units in the building with total of 17 bicycle parking spaces in wall and frame-mounted hangers for Residential Unit Owners' use. Primary access will be provided from the street or from Service elevator (SE1). Security to access the bicycle storage room will be provided by a POE (electrified lock) with a key card access control system located adjacent to the latch side of the door. Residents who store their bicycles here will be provided with security credentials to access their bicycles.

   Independent 5 bicycle parking spaces will be provided by the Gallery on the 1st floor, providing minimum 1 bicycle parking for every 10,000 square feet of floor, as required by the New York City Zoning Regulations.

8. Package Room:

   The package room is located on the ground floor and can be accessed by front-office personnel.

J. Plumbing, Drainage and Fire Protection System

1. Water Supply:

    a. One 6-inch domestic water service with a double check backflow preventer and water meter will be provided from the public water main in 11th Avenue. Domestic hot water will be provided via hot water heat exchangers. Valved outlets for domestic cold water will be provided for Ground Floor Retail Space. Gallery Spaces to utilize Local Electric water heaters. Main shut off valve is located at foundation wall in the cellar level.

    Common Water Service Meter will be provided and paid by the Unit Owners. Sub Meters shall be provided and paid by Owners with private pools.

    b. The piping system will consist of type L copper tubing with 95-5 tin-antimony soldered joints and stainless steel piping with victaulic or screw type joints. All hot and cold water piping will be insulated with 1"-2" fiberglass insulation throughout.

2. Water Pressure and how it shall be maintained:

    a. Domestic water pressure for the entire building will be maintained by duplex constant-pressure booster pump sets located on the 2nd floor. (1) set shall be dedicated for Residential Apartments and (1) set for the Gallery Spaces. Refer to Plumbing Schedule Drawing for capacities.

3. Fire Protection System

Combined fire standpipe and sprinkler system provided for the entire building. System is hydraulically designed in accordance with New York City Building Code.

a. Water Services:
Primary automatic water sources are (2) two 8" fire services from 11th Avenue and from West 21st street with 8" double detector check valves for each service provided to supply building fire protection system.

Two (2) secondary fire reserve water gravity tanks with total capacity of 30,000 gallons will be located at the building Bulkhead 2 level. Fire Reserve Water StorageTank to be provided on Bulkhead level 2 and to be of wood construction. Access to tank to be via vertical gooseneck ladder outside and inside the tank.

Fire protection system will be pressurized by a 1,000 GPM automatic fire pump, which will be supplied from both fire water services and gravity tank.

An auxiliary non-automatic source of water supply is provided from the fire department combined Siamese connections located on the exterior of the building on West 21st street and 11th Avenue.

Combined fire standpipe/sprinklers risers are cross connected to Siamese connections.

In all Residential Units commercial concealed sprinkler heads to be provided in areas with suspended ceilings. Comercial concealed sidewall sprinkler heads to be provided in areas without suspended ceilings.

b. Fire Standpipe System:

Combined fire standpipe/sprinklers system is a single zone system.

Wet fire standpipe system is provided throughout the entire building.

Combined 6" FSP/Sprinkler risers are located within stair enclosures.

2½" angel hose valve with cap and chain is provided at each floor.

Roof manifold is located at the top of combined fire standpipe and sprinkler system in the stair with four 2½" capped valves with cap and chains.

Lobby hose cabinet and required signage are on the main entrance floor, 10th floor and 20th floor.

c. Sprinkler System:

Combined 6" FSP/Sprinkler risers are located within stair enclosure.

Complete automatic wet pipe sprinkler system (except dry system at the loading dock, generator room and ERU room and deluge system for cooling tower) is provided throughout the building from Cellar up to roof. Each floor sprinkler connection is provided with a floor control valve with temper switch, water flow indicator and sprinkler test and drain connection.

Each floor Sprinkler system is hydraulically calculated.

Sprinkler protection is provided for trash chute above the top service opening and above service opening at alternate floors. The chute vestibule on all floors is also protected with automatic sprinklers.

d. Fire Extinguishers:

Portable fire extinguishers are provided based on the requirements of the New York City Fire Prevention Code with reference to prescribed square foot area and length of travel for each floor based on occupance classification. In addition, portable extinguishers are provided in mechanical, electrical, telephone and building storage rooms.

4. Sanitary Sewage System: Connection to municipal combined sewer in West 21st Street has been approved by NYC DEP.
    a. Sewage Piping: Sanitary sewage will be conveyed by gravity via vented soil and waste branches, stacks and house drains, to combined house sewer. Drainage and vent piping will be no-hub cast iron piping with stainless steel couplings and rubber gaskets.

    b. Sewage Ejector Pumps: (2) Duplex sewage Ejector Pump sets are located in the cellar level. Refer to Plumbing Schedule Drawings for Capacities.

    c. Sewage Disposal: One (1) 12-inch combined sewer DEP approved, to be connected to street municipal sewer on West 21st Street.

5. Permits required: All permits will be obtained by the plumbing and sprinkler contractors.
6. Storm Drainage System: Gravity roof drainage from roof drains, and terrace drains to one (1) 12" combined house sewer via storm detention tank in cellar and connected to street municipal sewer in West 21st Street. There is a Storm detention Tank located in the cellar. The Storm Detention Tank will be 17,519 Gallon capacity and will be constructed of poured in place concrete.

    Storm Detention Tank construction warranty to be (1) Year.

    a. Catch Basins: None.

    b. Roof and Terrace Drains: Roof and terrace drains will be located on the main roof and terraces

    c. Piping: Cast iron piping with hub and spigot fittings and push-on joints and/or cast iron no hub piping with heavy duty couplings.

    d. Sewage Ejectors for (2) Ejector Pits Shall be Manufactured by FLYGT COMPANY – (Model NP-3102)
    e. Efficiency rating for Sewage Ejectors = 45% Warranty for Sewage Ejectors = 5 years.
    f. 4- Sump pumps shall be Manufactured by FLYGT COMPANY - (Model NP- DP-3069) Efficiency Rating for Sump Pumps =45% Warranty for Sump Pumps = 5 years.

K. Heating

1. The central heating plant is located in the penthouse MER and will house four (4) 3,000 MBH gas input, high efficiency condensing type natural gas fired hot water boilers. Each boiler shall be based on Raypak XVers, model 3006 or approved equal. Each boiler will have approximately at minimum/maximum water flow of 29/143 gallon per minute (GPM) for 40

degrees delta T and operate at minimum/maximum gas pressure of 4"/14". The boiler plant will supply hot water for both space heating and domestic hot water use. Apartment space heating will be provided with both a perimeter hot water loop feeding perimeter fin tube radiators (FTRs) and a hot water injected into the condenser water system serving the apartment water-cooled unit (WCU) Varible Refrigerant Flow units (VRFs). Each boiler has the AHRI thermal energy efficiency of 95.5%. Limited warranty of ten (10) years from date of installation for the heat exchanger; twenty five (25) years warranty from date of installation for the thermal shock; one (1) year warranty from date of installation for any other part manufactured by Raypak.

2. Retail/Commercial: Temporarily electric unit heaters with thermotstats are provided for the space. The permanent heating system shall be provided by the retail/commercial tenant. The valved and capped hot water supply and return piping will be provided for tenant's use.

3. Gallery: AC units with VAV boxes&reheat coils provide heating to the gallery spaces and offices within the gallery floors. Hot water supply and return are provided from the central boiler plant on the Bulkhead level 2.

4. Residential: The water-cooled unit (WCU) Varible Refrigerant Flow (VRF) and its AC units provide heating to the spaces within each condo unit. Hot water fin tube radiators (FTRs) and electric heat mats provide heating at the glass box and slab overhang respectively. All bathrooms and powder rooms will be provided with electric heat mats. Hot water supply and return for the FTRs are provided from the central boiler plant on the Bulkhead level 2.

5. Residential Amenity Space Systems: The water-cooled air conditioning units with VAV boxes & reheat coils provide heating to the amenity spaces. The pool and spa area are served by a dedicated, dehumidification, water-cooled air conditioning unit. Hot water supply and return are provided from the central boiler plant on the Bulkhead level 2.

L. Gas Supply

1. Type: The Building will be provided with Con Edison high pressure gas service from West 21st street. Base building gas service shall be provided for HVAC boilers, Residential cooking and retail space. A dedicated high-pressure gas service shall be provided for the building Emergency Generator. High pressure gas shall be adjusted by way of Con Edison supplied Pressure Reducing valves located in the cellar level gas meter room.

2. Meters: Separate gas meters shall be provided for HVAC boilers, Residential cooking, Ground floor Retail Space and the building Emergency Generator.

3. Piping Material: Black steel Schedule 40 pipe with malleable fittings for low pressure piping 3 inch and smaller and welded joints for low pressure piping over 3 inches.

M. Air Conditioning

1. Retail/Commercial: The air conditioning system shall be provided by the retail/commercial tenant. The valved and capped condenser water supply and return piping will be provided for tenant's use.

2. Gallery: AC units with VAV boxes provide cooling to the gallery spaces and offices within the gallery floors. AC units serving gallery are listed below.

   AC-1-1G model #KACE-048H5AARS-668G By Thermoplus Air, EER=16.1
   AC-2-1G model #F630VLE By Mammoth, EER=11.8
   AC-3-2G model #VVX-393-FHST By Mammoth, EER=12.3
   AC-3-3G model # VVX-393-FHST By Mammoth, EER=9.9

   The AC units supply air via medium pressure duct with VAV boxes. Supply air ducts are specified with internal acoustical lining, each VAV box is interfaced with a space temperature sensor for temperature control and programming thru the building management system. Some VAV box serves one space/office and some VAV box serves multiple spaces/offices.

   Warranty is 5 years for compressors.

3. Residential: The water-cooled unit (WCU) Varible Refrigerant Flow (VRF) and its AC units provide air conditioning to the spaces within each apartment unit. VRF(WCU) unit and AC unit for the residential are by LG, model ARWN and ARNU respectively. Each apartment is served by one or more WCU and associated AC units. AC unit supplys air to its respective space/area via supply duct equipped with acoustical lining. Each AC unit is interfaced with a remote temperature sensor in each space it serves and associated remote thermostat to be located in the WCU closet for 7-day programming.

WCU-4.4 ton EER=14.0
WCU-6 ton EER=14.60
WCU-8 ton EER=13.80
WCU-12 ton EER=12.50

Warranty is 5 years for compressors.

4. Residential Amenity Space Systems: The water-cooled air conditioning units with VAV boxes provide cooling to the amenity spaces. The pool and spa area will be served by a dedicated, dehumidification, water-cooled air conditioning unit.

Cooling Towers

1. Cooling towers will be located on the Bulkhead level 2 of the building. A central condenser water system will be provided consist of a central cooling tower and a condenser water distribution system with all pumps, valves piping and appurtenances.

2. Cooling towers shall be a two (2) cell induced draft, galvanized steel cooling tower with a total water flow capacity of 1,200 GPM, 600 tons. Cooling tower shall be designed for peak load condenser water operation with condenser water supply and return temperatures of 85°F - 100°F.

N. Ventilation

1. Retail/Commercial: Louvers are provided along the west and north façades for the retail/commercial tenant's use.

2. Gallery: Ventilation air is provided for each AC unit serving the gallery spaces.

3. Residential/public corridor: Ventilation air for each apartment unit and public corridor are provided via a rooftop AC unit.

4. Pool: Ventilation air for the pool area is provided via an outside air to the AC unit serving the pool in the cellar.

5. Residential amenities and storage rooms/units: Ventilation air is provided for the AC unit serving these spaces.

Toilet Exhaust System

i. Retail tenants shall provide their own toilet exhaust fan and connect to base building provided exterior louvers.

ii. Gallery toilet exhaust requirements shall be provided with dedicated toilet exhaust fans connected to exterior louvers.

iii. Common/public areas:
    1. All public toilet exhaust systems shall ventilate each toilet at a rate of 75 cfm per water closet/urinal.

iv. Apartment:

    1. A vertical sheet metal toilet exhaust system for each vertical stack of toilets in apartments

will deliver toiler exhaust to the outdoor air energy recovery units. Toilet exhaust will be connected to the outdoor air energy recovery unit (ERU) to allow for recovery of sensible and latent energy from this air before it is exhausted from the building. Bathrooms shall be ventilated at a rate of 50 CFM each. Register connections shall be provided with a 5" x 4" branch duct connection to the riser.

2. At each riser connection, a constant airflow regulator type (CAR) damper shall be provided to restrict air volume to the specified quantity for each connection.

Residential Kitchen Exhaust Systems:

1) A vertical 18 gauge sheet metal kitchen exhaust riser will be provided for each stack of kitchens in apartment with fans on the roof. Each exhaust duct is connected to a kitchen hood with an exhaust air quantity of no more than 550 cfm. Fire dampers or sub-ducts (for up flow only) shall be provided. At each connection to the hood, a 2 position CAR damper will be provided which will only open to the maximum position when the exhaust hood is activated.

2) Kitchen exhaust fans are provided on the roof. Kitchen exhaust fans are provided with static pressure control to modulate each fan for the amount of exhaust flow in the risers.

O. Electrical System

Description:

1. Electric service will be provided by Consolidated Edison Company at 120/208V, 3 Phase, 4 Wires to the electrical service switchboard located on the 2nd floor.
2. This switchboard will feed multiple distribution panelboards and/or switchboards servicing Common Elements, the Gallery, apartment units and future retail spaces.
3. Residential distribution panels shall be located on floors 5, 8, 11, 14, 17 and 20 in the core electric closet. These are connected to the service switches in the switchboard on the 2nd floor.
4. Residential Units shall be provided with utility electrical service as directed below from the Residential distribution panels:
    a. 150 Amp, 120/208V, 3 phase, 4 wire (Apartments 4A, 4B, 4C, 4D, 4E & 4F)
    b. 200 Amp, 120/208V, 3 phase, 4 wire (Apartments 7A, 7B, 8A, 8B, 9A, 9B, 10A, 10B, 11A, 11B, 12A, 12B, 13A, 13B, 14A, 14B, 15A, 15B, 16A, 16B, 17A & 17B)
    c. 300 Amp, 120/208V, 3 phase, 4 wire (Apartments 18 & 19)
    d. 400 Amp, 120/208V, 3 phase, 4 wire (Apartments 5A, 5B, 5C & 20)
    e. Each apartment will be furnished with an electrical panel sized per the service breakdown shown above. Where apartment panels cannot be furnished in the sizes listed above due to industry standard sizes, the next

size up will be provided. Note that this does not increase the available service allotted for the tenant.

Metering:

1. The Gallery shall be metered by Consolidated Edison Company via a company provided meter. This meter(s) will be installed in conjunction with activation of Gallery service.
    a. The Gallery shall also be submetered in compliance with the 2016 New York City Energy Conservation Code via the ASHRAE 90.1 (2013) compliance path.
2. Future retail shall be metered by Consolidated Edison Company via a company-provided meter(s). This meter(s) will be installed in conjunction with activation of tenant service.
3. Common Elements and the apartment units will be metered by Consolidated Edison Company via a common, company provided meter.
    a. Apartment units will be submetered via a revenue-grade submetering system approved by New York City Public Works Commission (such as Quad-Logic or Satec) for billing purposes.
    b. Common Elements shall be submetered in compliance with the 2016 New York City Energy Conservation Code via the ASHRAE 90.1 (2013) compliance path.

Switchboards & Transformer:

1. The service switchboard is a 4000A, 120/208V, 3 Phase, 4 Wire service-rated switchboard located on the 2nd floor.
2. The service switchboard shall be provided with separate service switches for each entity in the building (Gallery, future retail, Common Elements and apartment units). These switches are sized according to anticipated loads calculated per the 2011 NYC Electrical Code.
3. All overcurrent devices sized larger than 800 amps shall be bolted pressure switches with appropriately sized fuses, per the 2011 NYC Electrical Code. All overcurrent devices 800 amps or smaller shall either be quick-make, quick break switches or circuit breakers, depending on engineering judgement.
4. The only transformer provided is for the dedicated use of the Building Maintenance Unit (BMU) on the Bulkhead 3 level. It is used to convert a 208V, 3 phase, 3 wire input into a 277/480V, 3 phase 4 wire output. It is located outdoors in a NEMA 3R enclosure and is compliant with 2011 NYC Electrical Code and 2016 Department of Energy Efficiency Standards.

Emergency Power:

1. A 550 Kw, 120/208V, 3 phase, 4 wire, natural-gas fired generator is being supplied to support emergency loads, standby loads and optional loads per the 2011 NYC Electrical Code. Note that optional loads are loads that the design team and/or building owner has requested to be supported by the generator, but are not required to do so per 2011 NYC Electrical Code.

2. The generator will be a Cummins C550N6 model. It is located on the second floor in a dedicated room next to the electrical service switchboard room. There is no captive fuel storage system, as the generator is being directly supplied natural gas via a dedicated Con Edison gas line. The generator will operate as long as

there is an electrical utility outage and adequate gas pressure from Con Edison. Warranty is typically two (2) years after successful completion of site start up and acceptance testing.

3. The generator will **not** be used to support code-required loads in the Gallery or Future retail portions of the building. Emergency power for these tenants will be provided by the tenant design and will have no impact to the Residential and Common Elements.
4. Automatic transfer switches (ATSs) will be provided for each generator-backed load classification (emergency, standby, optional). The elevators servicing the Residential Units and Common Elements will be provided with a common ATS, separate from other standby loads, per best engineering practices. The fire alarm and ARCS system will be provided with a common ATS, per 2011 NYC Electrical Code separate from other Emergency Loads.
5. In the event of a utility power failure, the following equipment/systems will be supported by the generator:
    a. Fire Alarm System
    b. Auxiliary Radio Communication System (ARCS)
    c. Emergency Egress Lighting and Exit Signs
    d. Generator Accessories
    e. Elevator Appertuncies (Cab lighting, ventilation, etc.)
    f. Domestic Water Pumps
    g. Fire Service Elevator
    h. Passenger Elevator (2)
    i. Fire Suppression Components (compressors, heat trace, tank heaters, etc.)
    j. Fire Command Centers
    k. Security System
    l. Telecommunciations System
    m. Sump Pumps
    n. Sewage Ejector Pumps
    o. Stormwater Pumps
    p. Building Maintenance Unit (BMU)
    q. Hot Water System (Boilers, Hot Water Pumps)
    r. Cooling Tower Heaters
    s. Heat Trace (Freeze protection)

6. In addition to the loads listed above, each apartment will be provided with a 120/208V, single phase, three wire, 30 amp panelette supported by the generator. These panels will be connected to the optional ATS via electrical panels located in the core electrical closet. Each panelette will support the following:
    a. Apartment refrigerators and freezers located in kitchens. Excludes wine refrigerators.
    b. Apartment smoke/carbon monoxide alarms.
    c. One (1) duplex receptacle per bedroom (including rooms classified as Libraries, Studies and Family Rooms on contract documents). Excludes Master Bedrooms.
    d. Two (2) duplex receptacles in each Master Bedroom.
    e. One (1) Duplex receptacle per Hallway and/or Corridor.
    f. One (1) Duplex receptacle per Living Room. Two (2) duplex receptacles for apartments 4A, 4B, 4C, 4D, 4E & 4F.
    g. One (1) Duplex receptacle per Dining Room. Excludes apartments 4A, 4B, 4C, 4D, 4E & 4F.
    h. One light fixture in or near each kitchen area.
    i. One light fixture at each apartment entrance.

j. One light fixture at each elevator vestibule opening into an apartment. Excludes apartments 4A, 4B, 4C, 4D, 4E & 4F.
k. One light fixture at the top and bottom of the internal stairs. Applies only to apartments 5A, 5B, 5C and 20.

P. Telephone, Intercom, Security Systems, and Data Transmission

Services

Telephone/Voice:
The Building will be wired for "local" telephone service to be provided by a third party service provider. Unit Owners will be responsible for contracting independently with the telephone service provider available in the building for service to their respective Units

Terrestrial Cable TV/Direct Broadcast Satellite TV:
The Building will be wired for cable television service and Satellite TV Service to be provided by a third party service provider. Unit Owners will be responsible for contracting independently with the Cable TV/DSS service provider available in the building for service to their respective Units.

Internet/Data Access:
Data transmission services will be provided by a third party service provider. All Residential Units throughout the Building will be pre-wired Cat6 and/or RG6U Coax. Unit Owners will be responsible for contracting independently with the data service provider available in the building for service to their respective Units.

Security:
Two separate security systems will be provided: one for gallery and second for Residential. All access from residential portions to Gallery areas will be protected by Gallery. All access from Gallery to Residential areas will be protected by Residential Security systems. The cameras located in the common locations will be shared between gallery and residential systems.

Gallery

Access Control

The access control will be provided for entries, office area, from common areas to gallery. The system will be controlled and monitored from the security room.

Intrusion Alarm

The intrusion alarm system includes motion detectors, laser scan detectors and door contacts monitored from security room. The devices will be activated during off-hours

Video Cameras

CCTV IP cameras will be provided for lobby, Back of house areas, elevators, galleries and public circulation areas. The cameras will be monitored from Security room, reception desk and recorded to Network Video Recorders installed in Security room.

Residential

Access Control System

Access Control System will be provided for Back of House critical areas, Amenities and for building perimeter doors. Hardwire readers and door electrified hardware will be used. All residents will be supplied with access fobs.

Intercom System

The Viseo Intercom system will be provided for communication between concierge and building entries. Intercom voice system will be provided for communications between concierge and apartment units.

Video Cameras

CCTV IP cameras will be provided for exteriors, lobby, Back of house areas, elevators, Amenities. The cameras will be monitored from concierge desk and recorded to Network Video Recorders installed in equipment room.

Public Area Lighting

a. Lighting in mechanical/electrical rooms, plumbing equipment rooms, storage areas, and other "back of house" areas will be supplied by industrial type LED lighting fixtures. Mounting configuration varies based on ceiling heights, equipment layouts, environmental conditions, etc.
b. Exterior lighting for mechanical areas will be supplied by industrial type LED lighting fixtures mounted to the building exterior. These fixtures shall be weatherproof rated for outdoor use.
c. All public lighting fixtures will be controlled in a manner compliant with the 2016 NYC Energy Conservation Code via the ASHRAE 90.1 (2013) compliance path.
d. All lighting fixtures shall run on 120V power.
e. Select fixtures in public areas shall be wired to electrical panels connected to the emergency ATS. These fixtures shall illuminate the egress path at code-minimum lighting levels in the event of a power outage.

Q. Public Area Lighting

Adequate lighting will be provided in all public areas and will comply with the applicable Energy codes. Public area lighting will be a combination of the following types: Fluorescent, incandescent, halogen and LED. Emergency lighting is provided in stairs and public spaces and corridors.

R. Garage – None

S. Storage Bins

There are 21 Resident Storage Lockers located on the Cellar level and are accessed through secured doors. The storage lockers shall be made with heavy duty wire mesh partitions and wire mesh lockable doors with a padlock hasp.

T. Swimming Pool

General:

All bodies of water will be constructed of a self-supporting stainless steel structure.

Indoor Lap Pool in Cellar:

The indoor lap pool in the Cellar level shall be 82' long by 18' wide. The depths shall run from 4'0" to 4'6"with main drains set at the deepest point.

The capacity for the lap pool will be 59 people.

A handicap lift shall be included for ADA access at the base of the stairs. Interior lights shall also be included for safety. The stair entry is on one side of the pool with two grab rails.

Signage, safety and maintenance equipment will be provided as required by local Department of Health Code.

The lap pool water which will be moved via skimmers, main drains and wall returns.

Spa Pool and Cold Plunge Pools Adjacent to Indoor Lap Pool:

Both the spa pool and cold plunge pools will be approximately 7'-5" long and approximately 9'-11" wide, with a depth of 3'-0" for the spa and 4'-0" for the cold plunge pool.

A portable handicap lift shall be included for ADA access to be set at the base of the stairs when used. Interior lights shall also be included for safety.

Signage, safety and maintenance equipment will be as required by local Department of Health Code.

Steam Rooms: A Steam Room will be located in the Cellar Spa area.

Steam room equipment will include:

- Tiled ceiling, floor, and wall with two (2) brushed nickel steam heads, and 30 minute spring timer
- Vapor barrier, vapor-proof light
- Hi-temp alert
- Water softener

Saunas: A Sauna will be located in the Cellar Spa area.

Sauna equipment includes:

- Four (4) Walls and ceiling/floor, tongue and groove western red cedar wood, fully insulated with vapor barrier

- Room light, thermometer, bucket and ladle
- Digital timer control, audible hi-temp alarm and shut-off
- Benches, standard height fence
- Door-heat tempered glass, sealed edges, magnetic secure latch
- Heater, rocks and heater guard

Rooftop Private Pools:

There are three private rooftop pools located on the 5th floor terraces and one private rooftop pool located on the Roof of the building. The pool belonging to unit 5A will be 20'-0" long x 7'-0" wide. The pool belonging to unit 5B will be 20'-0" long x 7'-0" wide. The pool belonging to unit 5C will be 6'-10" long x 4'-4" wide. The depths shall range from 3'-0" to 3'-2"with drains set at the deepest point for the 5th floor pools. The pool belonging to unit PHA will be 65'-0" long x 11'-0" wide. The depth shall range from 3'-6" to 3'-8"with drains set at the deepest point for the penthouse pool.

Interior lights and a pool cover shall be provided.

Filtration:

The outdoor pools will comply with flow and turnover rates required by New York City Building Code. Pumps will be provided to ensure proper flow. All pumps are designed for dirty filter loads.

Pool Heaters:

Pool water will be heated via hot water from the building hot water boilers via heat exchangers. The hot water consumption will be metered through BTU meters.

U. Non-Residential Areas and Other Uses

1. Commercial Gallery (Floors 1 through 3 with a an elevator pump room in the Cellar)
2. Commercial/Retail space on Ground Floor

V. Permits and Certifications – Building Permits and Regulatory Permits will be obtained as required by all Applicable Codes. The Certificate of Occupancy will be obtained upon the completion of the work filed under Application No. 121187820

Building cooling towers, back flow preventers, water tanks and fire prevention equipment shall be inspected by building maintenance personnel and shall be in compliance with all applicable requirements of law

Fire alarm systems shall be inspected and tested in accordance with the New York City Fire Code and manufacturer's specifications. Generator testing and inspections shall occur semi-annually, as per the NYC Electrical Code.

W. Violations – All violations will be addressed and cleared prior to obtaining the first Temporary Certificate of Occupancy.

X1. **Construction Schedule** –
Construction will start in Q3 2018 and is scheduled to be substantially complete on or about Q3 2021.

X2. **Unit Information**

There will be a total of 34 residential Units on the 4th floor through the 21st floor Penthouse.

The types of Residential Units, together with the type and number of rooms in each of the same, are as follows:

RESIDENTIAL UNIT INFORMATION

RESIDENTIAL UNIT MATRIX				
APARTMENT	NUMBER OF BEDROOMS	APARTMENT TYPE	BALCONY	TERRACE
4A	1 BED	SIMPLEX		
4B	1 BED	SIMPLEX		
4C	1 BED	SIMPLEX		
4D	1 BED	SIMPLEX		
4E	1 BED	SIMPLEX		
4F	1 BED	SIMPLEX		
5/6A	5 BED	DUPLEX	1	1
5/6B	5 BED	DUPLEX	1	1
5/6C	3 BED	DUPLEX		1
7A	4 BED	SIMPLEX	1	1

7B	3 BED	SIMPLEX	1	
8A	4 BED	SIMPLEX	2	
8B	3 BED	SIMPLEX	1	
9A	4 BED	SIMPLEX	2	
9B	3 BED	SIMPLEX	1	
10A	4 BED	SIMPLEX	2	
10B	3 BED	SIMPLEX	1	
11A	4 BED	SIMPLEX	2	
11B	3 BED	SIMPLEX	1	
12A	4 BED	SIMPLEX	2	
12B	3 BED	SIMPLEX	1	
14A	4 BED	SIMPLEX	2	
14B	3 BED	SIMPLEX	1	
15A	4 BED	SIMPLEX	2	
15B	3 BED	SIMPLEX	1	
16A	4 BED	SIMPLEX	2	
16B	3 BED	SIMPLEX	1	
17A	4 BED	SIMPLEX	2	
17B	3 BED	SIMPLEX	1	
18A	4 BED	SIMPLEX	2	
18B	3 BED	SIMPLEX	1	
PT C (Level 19)	5 BED	SIMPLEX (PENTHOUSE)	2	2
PT B (Level 20)	5 BED	SIMPLEX (PENTHOUSE)	2	2
PTA (Level 21)	5 BED	SIMPLEX (PENTHOUSE)	2	3

UNIT TYPE (INCLUDING FLEX)	UNIT TYPE COUNT			
1 BEDROORM	6			
3 BEDROOM	12			
4 BEDROOM	13			
5 BEDROOM	3			
TOTAL UNITS	**34**			

RESIDENTIAL UNITS FINISHED CEILING HEIGHTS

The approximate finished ceiling heights in residential units are measured vertically from the top of floor finish in the room to bottom of ceiling finish in the room. Ceiling heights mentioned below refer to the predominant area of the subject room ceiling. There may be partial lowered ceiling bulkheads or soffits within each room that are lower than the predominant height of the mentioned room.

Finished ceilings in residential units 4A & 4F shall be approximately:

9'-6" in Living/Dining/Kitchen and Master Bedroom;
9'-0" in Master Bath and Powder Room

Finished ceilings in residential units 4B, 4C, 4D & 4E shall be approximately:

9'-6" in Living/Dining/Kitchen, Master Bathroom, Master Bath and Powder Room;

Finished ceilings in residential unit 5/6A shall be approximately:

10'-10" in Living Room and Library
10'-4" in Master Bedroom and Bedrooms 2, 3 and 4
9'-7" in Dining, Kitchen and Bathrooms
9'-1" in Bathrooms and Bedroom hallways

Finished ceilings in residential unit 5/6B shall be approximately:

10'-10" in Living/Dining Room and Bedroom 5
10'-4" in Master Bedroom and Bedrooms 2, 3 and 4
9'-7" in Kitchen and Stair Hall
9'-1" in Bathrooms and Bedroom hallways

Finished ceilings in residential unit 5/6C shall be approximately:

10'-10" in Living/Dining Room
9'-7" in Kitchen, Foyer and Powder Room
9'-1" in Master Bedroom, Master Bath, Bedrooms 2&3 and bedroom hallways
8'-3" in bedrooms on-suite to Bedrooms 2&3

Finished ceilings in residential units 7A through 14A shall be approximately:

10'-4" in Living/Dining Room, Master Bedroom and Bedrooms 2&3
9'-1" in Master Bath, Gallery Hall, Kitchen, Library/BR4 and Bathrooms

Finished ceilings in residential unit 7B through 14B shall be approximately:

10'-4" in Living/Dining Room, Master Bedroom and Bedrooms 2
9'-1" in Bedroom 3, Master Bath, Gallery Hall, Kitchen, Library and Bathrooms

Finished ceilings in residential units 15A through 18A shall be approximately:

10'-10" in Living/Dining Room, Master Bedroom and Bedrooms 2&3
9'-7" in Master Bath, Gallery Hall, Kitchen, Library/BR4 and Bathrooms

Finished ceilings in residential unit 15B through 18B shall be approximately:

10'-10" in Living/Dining Room, Master Bedroom and Bedrooms 2
9'-7" in Bedroom 3, Master Bath, Gallery Hall, Kitchen, Library and Bathrooms

Finished ceilings in residential unit 18A shall be approximately:

11'-4" in Master Bedroom and Bedrooms 2&3
10'-1" in Living/Dining Room, Library/BR4, Master Bath, Hallways and Bathrooms
9'-7" in Gallery Hall, Kitchen
8'-2" in Powder Room

Finished ceilings in residential unit 18B shall be approximately:

11'-4" in Bedrooms 2
10'-1" in Living/Dining Room, Master Bedroom
9'-7" in Bedroom 3, Gallery Hall, Kitchen, Library and Bathrooms
9'-4" in Elevator foyer
9'-3" in Master Bath

Finished ceilings in residential unit PHC shall be approximately:

11'-10" in Bedroom 2 and Library/Study
11'-6" in Living Room, Master Bedroom, Bedroom 4, Bedroom 3
10'-7" in Dining, Kitchen, Entrance Hall, Family/BR5, Master Bath

Finished ceilings in residential unit PHB shall be approximately:

11'-6" in Living Room, Master Bedroom, Bedrooms 2, 3, 4, and Library/Study
10'-7" in Dining, Kitchen, Entrance Hall, Family/BR5, Master Bath

Finished ceilings in residential unit PHA shall be approximately:

12'-7" in Entrance Hall, Master Bedroom, Bedroom 2, and Family/BR5
12'-2" in Living Room, Bedroom 3, 4
11'-4" in Dining, Kitchen, Entrance Hall, Family/BR5, Master Bath, Library/Study

FINISH SCHEDULE RESIDENTIAL FLOORS

Legend:

WD	Wood	WIC	Walk-in Closet
ST	Stone	W/D	Washer/Dryer
CT	Ceramic Tile	BCL	Bedroom Closet
WC	Wall Covering	LCL	Linen Closet
PC	Poured Concrete	CCL	Coat Closet
PT	Paint	WPM	Waterproof Membrane/Coating
LT	Leather Tile	EP	Epoxy Paint
GL	Glass	VCT	Vinyl Composite Tile
CP	Carpet	RB	Rubber Base

Finish Schedule - Residential Units

Spaces	Floor	Walls	Base	Ceiling
Foyer	WD	PT	WD	PT
Living Room	WD	PT	WD	PT
Bedrooms	WD	PT	WD	PT
Kitchen (open)	WD	PT	WD	PT
Kitchen (Enclosed)	ST	PT	WD	PT
Master Bath	ST	ST/GL	-	PT
Secondary Bath	ST	ST/GL	-	PT
Powder Room	ST	ST/PT	ST	PT
Closets (BCL, LCL, CCL)	WD	PT	PT/WD	PT
W/D Closet	PC	PT	WD	PT
WIC	WD	PT	WD	PT

Wood floors: Wood floors will be Tongue and grooved and end matched 3/4 inch X 12 inch pre-finished cross-banded and true balanced engineered plank flooring. Construction of planks: top and bottom layers to be 4mm thick plain-sawn European White Oak, cross- banded with 10mm

segmented Baltic Birch core, finished semi-gloss or matte. Wood floors will have double layers of ¾" wood subfloor underlayment.

Kitchen Countertops and Cabinets: Kitchen countertops are constructed of Lava Stone with an enameled finish. The cabinets are constructed of wood mdf cores with wood oak veneer. Interior of kitchen cabinets have a plastic-laminate finish. Kitchen countertops and cabinets are manufactured by Obumex.

Window shades: Retractable window drapes and tracks will be provided by the Sponsor at each curved glass corner within each Unit. The Sponsor will not provide window shades at any other windows, however a pocket and the required structural backing will be provided at each window to accommodate a dual, vertically stacked, rolling window shade assembly. Empty conduit has been provided to each window location to allow for future power and/or home automation connectivity. Should the owner elect to install window shades, the shade fabric must match the fabric that has been specified for the building to maintain visual consistency from the exterior. The fabric for the owner-provided window shades shall be as follows:

Solar Screen Fabric:

Bedrooms: SunShadow 3000 NET Series; 5% Openness; N003 White/Gray Color
Living Rooms: SunShadow 3000 NET Series; 10% Openness; N003 White/Gray Color

Blackout Fabric:

SierraSol Blackout Fabric Mesa Series; White Color

Residential Paint finishes:

(1) Gypsum Board - Walls - Latex Finish:
  (a) 1 coat interior latex primer sealer
  (b) 2 coats latex coating
(2) Gypsum Board – Ceilings - Latex Finish:
  (a) 1 coat latex primer sealer
  (b) 2 coats latex coating
(3) Wood baseboards – Latex based Finish:
  (a) 1 coat Latex based primer sealer
  (b) 2 coats Latex based coating

FIXTURES AND APPLIANCES

Subject to Sponsor's right to make substitutions as set forth in the offering plan, the Residential Units will be equipped with the following fixtures and appliances or equal:

Bathroom Fixtures: Typical Residential Unit:

Location	Description	Size	Manufacturer	Model #	Remarks
Master Baths: 5/6A-C, 7-18A&B	Lavatory Sink				Custom Stone basin
	Bathtub		BETTE	3465 CFXXS	
	Freestanding Spout and Hand Shower for Bathtub		CEA DESIGN	GRA 24 +INC01	
	Water Closet		DURAVIT	222209 HAPPY D.2	Wall Mounted
	Bidet Spray		CEA DESIGN	FRE 84 + BOX21	
	Faucet		CEA DESIGN	GI016	
	Shower Head		CEA DESIGN	FRE 35, BRA 01	
	Hand shower		CEA DESIGN	FRE 94 +SHOWER ARM	

Location	Description	Size	Manufacturer	Model #	Remarks
Penthouse Master Baths: PHA, PHB, PHC	Lavatory Sink				Custom stone basin
	Bathtub		BETTE	3465 CFXXS	
	Freestanding Spout and Hand Shower for Bathtub		CEA DESIGN	GRA 24 +INC01	
	Water Closet		TOTO	CT992CUMFG - ELONGATED BOWL	Floor Mounted
			CEA DESIGN	FRE 84 + BOX21	Bidet Spray
	Faucet		CEA DESIGN	GI016	
	Shower Trim		CEA DESIGN	FRE 128 + INC 11	Built in Shower Head
			CEA DESIGN	FRE 94 +SHOWER ARM	Hand Shower
			CEA DESIGN	FRE 35, BRA customized	SHOWER W/ ARM

	Rain Jet/Chromotherapy		CEA DESIGN	FRE 160 + INC 18	
Master Baths: 4A, 4B, 4C,4D, 4E, 4F	Lavatory Sink				Custom stone basin
	Bathtub		BETTE	3145 CWW5	
	Water Closet		DURAVIT	222209 HAPPY D.2	Wall Mounted
	Bidet Spray		CEA DESIGN	FRE 84 + BOX21	
	Faucet		CEA DESIGN	GI0 42 +PTR 01 +GI011	
	Shower Trim		CEA DESIGN	FRE 35, BRA 01	Shower Head
	Hand Shower		CEA DESIGN	FRE 94 +SHOWER ARM	

Location	Description	Size	Manufacturer	Model #	Remarks
Secondary Bathrooms: All units	Lavatory Sink				Custom stone basin
	Water Closet		DURAVIT	222209 HAPPY D.2	Wall Mounted
	Faucet		CEA DESIGN	GI016	
	Shower Trim		CEA DESIGN	FRE 35, BRA 01	Shower Head
	Hand Shower		CEA DESIGN	FRE 94 +SHOWER ARM	
5/6A,C only	Hand Shower w/ Bar		CEA DESIGN	FRE 173	
	Bathtub		BETTE	3400	
	Mixer and Spout		CEA DESIGN	GI0 42 +PTR 01 +GI011	

Location	Description	Size	Manufacturer	Model #	Remarks
Powder Rooms	Lavatory Sink				Custom stone basin
	Water Closet		DURAVIT	222209 HAPPY D.2	Wall Mounted
	Faucet		CEA DESIGN	GI016	

Kitchen and Laundry Appliances: Typical Residential Units:

Units 4A, 4B, 4C, 4D, 4E

Kitchen Appliance	Size	MFG.	Model #
Cook top	36"	Gaggenau	CI292610
Hood	36"	Gaggenau	AF210791
Oven	24"	Gaggenau	BO450611
Microwave (speed oven)	24"	Gaggenau	BM450710
Refrigerator/Freezer	30"	Gaggenau	RB472701
Dishwasher	24"	Gaggenau	DF251761
Washer/Dryer	24" stacking	Miele	W1/T1

Units 4F

Kitchen Appliance	Size	MFG.	Model #
Cook top	24"	Gaggenau	VE260614
Hood	36"	Gaggenau	AF210791
Oven	24"	Gaggenau	BO450611
Microwave (speed oven)	24"	Gaggenau	BM450710
Refrigerator/Freezer	30"	Gaggenau	RB472701
Dishwasher	24"	Gaggenau	DF251761
Washer/Dryer	24" stacking	Miele	W1/T1

Note: Kitchens in Units 4A, 4E and 4F are classified as Kitchenettes under the New York City Building Code Chapter 12 due to the kitchen being located more than 30' from an operable

window. The area of the kitchenette is limited to 80 square feet and is provided with mechanical ventilation, as required by the New York City Building Code.

Duplex Unit 5/6A

Kitchen Appliance	Size	MFG.	Model #
Cook top	36"	Gaggenau	CX491610
Hood	36"	Gaggenau	AF210791
Oven	36"	Gaggenau	EB333610
Combi-steam oven	30"	Gaggenau	BS484611
Microwave (speed oven)	30"	Gaggenau	BM484710
Espresso Machine	24"	Gaggenau	CM450710
Warming Drawer	24"	Gaggenau	WS463710
Warming Drawer	30"	Gaggenau	WS482110
Refrigerator	30"	Gaggenau	RC472704
Freezer	30"	Gaggeanau	RF471704
Wine Storage	24"	Gaggenau	RW466764
Dishwasher	24"	Gaggenau	DF251761
Washer/Dryer	24" side-by-side	Miele	W1/T1

Duplex Unit 5/6B

Kitchen Appliance	Size	MFG.	Model #
Cook top	36"	Gaggenau	CX491610
Hood	36"	Gaggenau	AF210791
Oven	36"	Gaggenau	EB333610
Combi-steam oven	30"	Gaggenau	BS484611
Microwave (speed oven)	30"	Gaggenau	BM484710
Espresso Machine	24"	Gaggenau	CM450710
Warming Drawer	24"	Gaggenau	WS463710
Refrigerator	36"	Gaggenau	RC492704
Freezer	24"	Gaggeanau	RF463705
Wine Storage	24"	Gaggenau	RW466764
Dishwasher	24"	Gaggenau	DF251761
Washer/Dryer	24" side-by-side	Miele	W1/T1

Duplex Unit 5/6C

Kitchen Appliance	Size	MFG.	Model #
Cook top	36"	Gaggenau	CX491610
Hood	36"	Gaggenau	AF210791
Oven	36"	Gaggenau	EB333610
Combi-steam oven	30"	Gaggenau	BS484611
Microwave (speed oven)	30"	Gaggenau	BM484710
Espresso Machine	24"	Gaggenau	CM450710
Warming Drawer	24"	Gaggenau	WS463710
Warming Drawer	30"	Gaggenau	WS482110
Refrigerator	30"	Gaggenau	RC472704
Freezer	24"	Gaggeanau	RF463705
Wine Storage	24"	Gaggenau	RW466764
Dishwasher	24"	Gaggenau	DF251761
Washer/Dryer	24" side-by-side	Miele	W1/T1

Units 7A through 18A and 7B through 18B

Kitchen Appliance	Size	MFG.	Model #
Cook top	36"	Gaggenau	CI292610
Hood	36"	Gaggenau	AF210791
Oven	30"	Gaggenau	BO480611
Steam oven	24"	Gaggenau	BS471611
Microwave (speed oven)	30"	Gaggenau	BM484710
Espresso Machine	24"	Gaggenau	CM450710
Warming Drawer	24"	Gaggenau	WS463710
Refrigerator	36"	Gaggenau	RC492704
Freezer	24"	Gaggeanau	RF463705
Wine Storage	24"	Gaggenau	RW466764
Dishwasher	24"	Gaggenau	DF251761
Washer/Dryer	24" side-by-side	Miele	W1/T1

Penthouse Units A through C

Kitchen Appliance	Size	MFG.	Model #
Cook top	36"	Gaggenau	CX491610
Hood	36"	Gaggenau	AF210791
Oven	36"	Gaggenau	EB333610
Combi-steam oven	30"	Gaggenau	BS484611
Microwave (speed oven)	30"	Gaggenau	BM484710
Espresso Machine	24"	Gaggenau	CM450710
Warming Drawer	24"	Gaggenau	WS463710
Warming Drawer	30"	Gaggenau	WS482110
Refrigerator	30"	Gaggenau	RC472704
Freezer	30"	Gaggeanau	RF471704
Wine Storage	24"	Gaggenau	RW466764
Dishwasher	24"	Gaggenau	DF251761
Washer/Dryer	24" side-by-side	Miele	W1/T1

Note: Units PHA, PHB and PHC will also have a midnight kitchen (kitchenette) located within the master bedroom. Each midnight kitchen will contain a sink and a 24" under-counter refrigerator (Mfg: Thermador Model: T24UR800DP)

All kitchens will have an in-sink waste disposal. Make/Model: Ininkerator Pro 750 Evolution Series

FINISH SCHEDULE AMENITY FLOORS

The following is finished schedule or equal for the Amenity Floors

AREA	FLOOR FINISH	WALL FINISH	CEILING FINISH
Ground Floor – RES Lobby	Stone	Stone, GFRC, Wood, Glass	Wood, PT
Ground Floor – RES Mail Room	Stone tile	PT	PT
Ground Floor – RES Package Room	Concrete	PT	PT
Ground Floor –Lobby	Concrete	PT	PT

Restroom			
Ground Floor – Service Corridor	Concrete	PT	PT
Cellar Pool & Spa	Stone	Stone, PT	PT
Cellar Spa Chaging Rooms	Stone	Tile	PT
Cellar Steam Room	Stone	Stone, PT	PT
Cellar Sauna	Wood	Wood, PT	PT
Cellar Fitness	Wood, Rubber	PT	PT
Cellar Family Room	Wood	PT	PT
Cellar Amenity Lounge	Stone	Stone	PT

FINISH SCHEDULE COMMON AREAS

The following is finished schedule or equal for the Common Areas

AREA	FLOOR FINISH	WALL FINISH	CEILING FINISH
Common Corridors (Front of House)	Wood	PT	PT
Service Corridors	Concrete	PT	PT
Egress Stairs	Concrete	PT	PT
Mechanical and Building Maintenance Rooms	Concrete or Resinous	PT	PT
Bicycle Storage	Concrete	PT	PT
Residential Unit Storage Room	Concrete	PT	PT

Substitution:

Where materials, appliances, equipment, fixtures and other construction and design details are specified in this report, Sponsor has the right to substitute in their place similar finishes, materials, appliances, equipment, manufacturer and/or fixtures of substantially equal or better quality and may utilize different finishes, materials, appliances, manufacturer, equipment and/or fixtures in Sponsor's model apartments.

X3. Safety and Warning Devices

X4. **Additional Information**

1. Method for Measuring Units:

    a. The Gallery and Retail Units have been measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shearwalls, shafts, shaftways, floor openings, escalator openings, chases, chaseways and conduits are not deducted from the measurement) to the centerline of the partitions separating the Retail or Gallery Unit from another Unit, or separating the Retail or Gallery Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements; or to the exterior side of the opposite exterior walls or to the exterior side of any lot line walls.
    b. Each Residential Unit has been measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shearwalls, shafts, shaftways, chases, chaseways, conduits, and floor openings for interior stairways are not deducted from the measurement of such Units) to the centerline of the demising walls separating one Residential Unit from another Unit, or separating one unit from egress stairs, elevators, and other mechanical equipment spaces and Common Elements not within a Unit and to the outer (corridor-side) finished face side of the non-unit side of the interior walls separating the Residential Unit from public corridors. Each Unit will consist of the area measured vertically from the lowest concrete floor of the Unit (located under the finished flooring and sub-floor materials) to the underside of the highest concrete ceiling atop the Unit with respect to Residential, Retail and Gallery Units. The approximate square footage of exterior terrace space for each Residential Unit, where indicated, is measured horizontally from the exterior face of the Residential Unit to the inner face of the parapet curb inclusive of guardrails and/or divider screens.

    The approximate square footage of the Storage Bins are measured horizontally from the centerline of the Storage Bin enclosure to the centerline of the demising

enclosure walls, and includes any structural elements in whole or partially within such enclosures. Storage Bin areas are subject to small dimensional changes due to field conditions. Any Common Elements located within a Unit shall not be considered a part of such Unit.

2. The interior room dimensions shown on the Floor Plans for the bedrooms, living rooms, dining rooms, kitchens and other rooms of the Residential Units are only approximate and are measured horizontally from the interior face of the sheetrock on the wall on one side of the room to the interior side face of the sheetrock on the opposite wall or to the interior face of the mullion . Space occupied by finishes and millwork items, such as kitchen cabinets and bathroom vanities, is not taken into consideration in such stated dimensions and will reduce the usable square footage of such rooms.
   a.

3. Further Development: None

4. No asbestos or lead paint to be used in this building.

X5. Residential Unit and Common Area Lighting

Residential lobby lighting includes the main lobby, mail room, corridor to fire stair & restroom. These spaces are primarily illuminated from low-brightness minimal LED accentlights & wallwashers which are dimmable and high-CRI. Special highlights include linear LED concealed above the ceiling & behind an architectural metal louver to illuminate plantings, to meet requirements set by Landscape Architect. Stake mounted uplights with deep-regress snoots illuminate the underside of the tree canopies. This interior landscape lighting is on a separate control zone & set to automatically turn on from sunrise to sunset, with control overrides. Additionally, minimal pendants above the lobby desk & a recessed-jbox is allowed for future pendant by Owner, also on separate control zones from architectural lighting. Residential elevator cabs are illuminated by an indirect cove to softly illuminate the space from the walls. Call buttons & threshold are illuminated to meet requirements & attached to a local dimmer. Corridor at fire stair is illuminated by wallwashers, as is typical of all residential floors. Control scene stations will be located near the lobby desk; additionally, astronomic timeclock controls will operate exterior lighting.

Exterior lighting at ground level is discreet LED exterior-rated fixtures integrated within architecture: micro downlights in GRC soffits, small downlights attached to custom canopy, inground uplights at the commercial entrance & a wall-mounted mini-accentlight at the West entrance. Fixtures in the soffits, canopy and accent illuminate the ground for exterior egress requirements. Uplights at the commercial entrance gently illuminate the ceiling to indicate a special point of entry & have light sources that are

lensed and deeply regressed to reduce glare. Exterior lighting will automatically turn on with nighttime & will have the ability to adjust light levels from the lobby desk. The commercial space will also have an independent control override for the uplights at its entry.

The cellar level lighting includes lobby, spa check-in, family room, restrooms, shower areas, gym, yoga room, spa & pool. Fixtures include LED micro downlights, accentlights, wallwashers, cove lights, linear uplights, vanity face-lighting & task lighting. An indirect cove in the lobby & corridor to changing rooms continues into the gym to visually connect the amenity spaces. The lobby wallwashers allow for special attention to wall materials, discreet accentlights highlight furniture. The family room's perimeter cove indirectly illuminates the space which can be separately controlled from discreet micro-downlights. Restrooms & changing rooms have internal face-lighting & accentlighting which may be dimmed during operating hours and full-on for cleaning. Gym's wallwashers & covelights illuminate special wall materials while discreet accentlights provide general illumination for work-out space. The spa and pool foremost features a below-deck lensed uplight to emphasize the stone walls & barrel-vaulted ceiling. Additional lighting for the deck areas are lensed linear lines of light & micro-cell downlights recessed into the dropped valley beams. Internal illumination in pools and spas are also provided. Controls are centrally located at the spa staff desk, with overrides in the yoga room & family room.

Common corridors on residential floors are illuminated by recessed dimmable LED downlights. Fixtures are dimmable & set to automatically dim at nighttime hours.

Interior apartment unit lighting includes the living rooms, libraries, play rooms, glass corner boxes, kitchens, bathrooms, bedrooms, staircases, corridors & closets. Lighting in these areas will use high-CRI, low-glare dimmable recessed downlights for general ambient lighting in the corridors, kitchens, and bathrooms; dimmable linear strip lights mounted in architectural coves, bathroom vanity accent details, and kitchen task lights; primary closet lighting will be dimmable linear LED concealed in millwork and W/D closets will have tasklight above door. Roof penthouse will have wallwashers to enhance the two-story walls, detached from the stairway. Glass corner boxes will have minimal uplight sconces to highlight the unique architectural piece.

Switched ceiling j-boxes will be provided in dining rooms, libraries, family rooms and master bedrooms to allow for future decorative lighting by individual apartment Owner. Switched wall outlets in bedrooms, living rooms, family rooms and libraries will be provided for Owner-supplied portable table and floor lamps. No pendant lights shall be provided in the Residential Units.

Exterior apartment unit lighting will be provided for the terraces and selected loggia balconies. Garden lights will highlight planting on large terraces. Select loggia ceilings & penthouse roof will have dimmable low-glare minimal recessed downlights. As required, micro-accentlights are mounted above doors to (2) terraces. All fixtures are controlled from interior units on control system. Additional Owner-supplied portable lighting may be added by connecting to exterior-rated outlets. Exterior pools & spas on terraces will have internal illumination.

Local control switch stations will be provided to control the interior & exterior light fixtures, ceiling j-boxes and switched wall outlets. Switches will be used in single or multi-gang configurations with common faceplates. Closets with specialty millwork have automatic door switches to control internal illumination with door movement.

Y1. **Tenant Protection Plan**

The building will be occupied before a permanent Certificate of Occupancy for the building is issued. Accordingly, a "Tenant Protection Plan" will be implemented. A copy of the "Tenant Protection Plan" will be distributed to each Residential Unit Owner.

Y2. **Commissioning Agent**

The Architect of record has not been retained by the Sponsor to perform as Inspections/Commissioning Agent on the project.

Steven Winter Associates is the commissioning agent.

Y3. **LEED Certification**

The project is targeting LEED Gold for New Construction (version 2009) certification. Below is a summary of operations requirements associated with the LEED Gold certification:

a) Light Pollution Reduction

Operational requirement: Reduce input power from non-emergency luminaires with direct line of sight to envelope openings by 50% between 11pm and 5am (Option 1), or provide shielding at envelope openings (Option 2). This requirement applies to common building areas and commercial spaces; residential units are exempt from interior lighting requirements of this credit.

b) Water Efficient Landscaping, Reduce Potable Water Use by 100%

Operational requirement: Do not provide permanent irrigation. Remove any temporary irrigation systems after the initial plant establishment period. Manual watering and/or hose-bib connection is acceptable.

c) Storage & Collection of Recyclables

Operational requirement: Maintain separate and accessible areas for the collection and storage of recyclables in the building. This includes space in typical trash rooms at each residential floor, as well as a central room for recycling at the cellar level.

d) Environmental Tobacco Smoke Control

Operational requirement: Prohibit smoking in all common areas of the building, commercial spaces, as well as within 25 feet of building entrances, air intakes and operable windows.

e) Indoor Chemical & Pollutant Source Control

Operational requirement: Provide weekly maintenance (at minimum) of roll-out mats at all regularly used commercial and residential entrances to the building.

f) Green Housekeeping

Operational requirement: Implement a green housekeeping policy to ensure the use of sustainable and non-toxic building cleaning products and methods.

g) Cooling Tower Water Management

Operational requirement: Maintain conductivity meter(s) and automatic controls to adjust the bleed rate and maintain proper concentration of cooling tower water at all times.

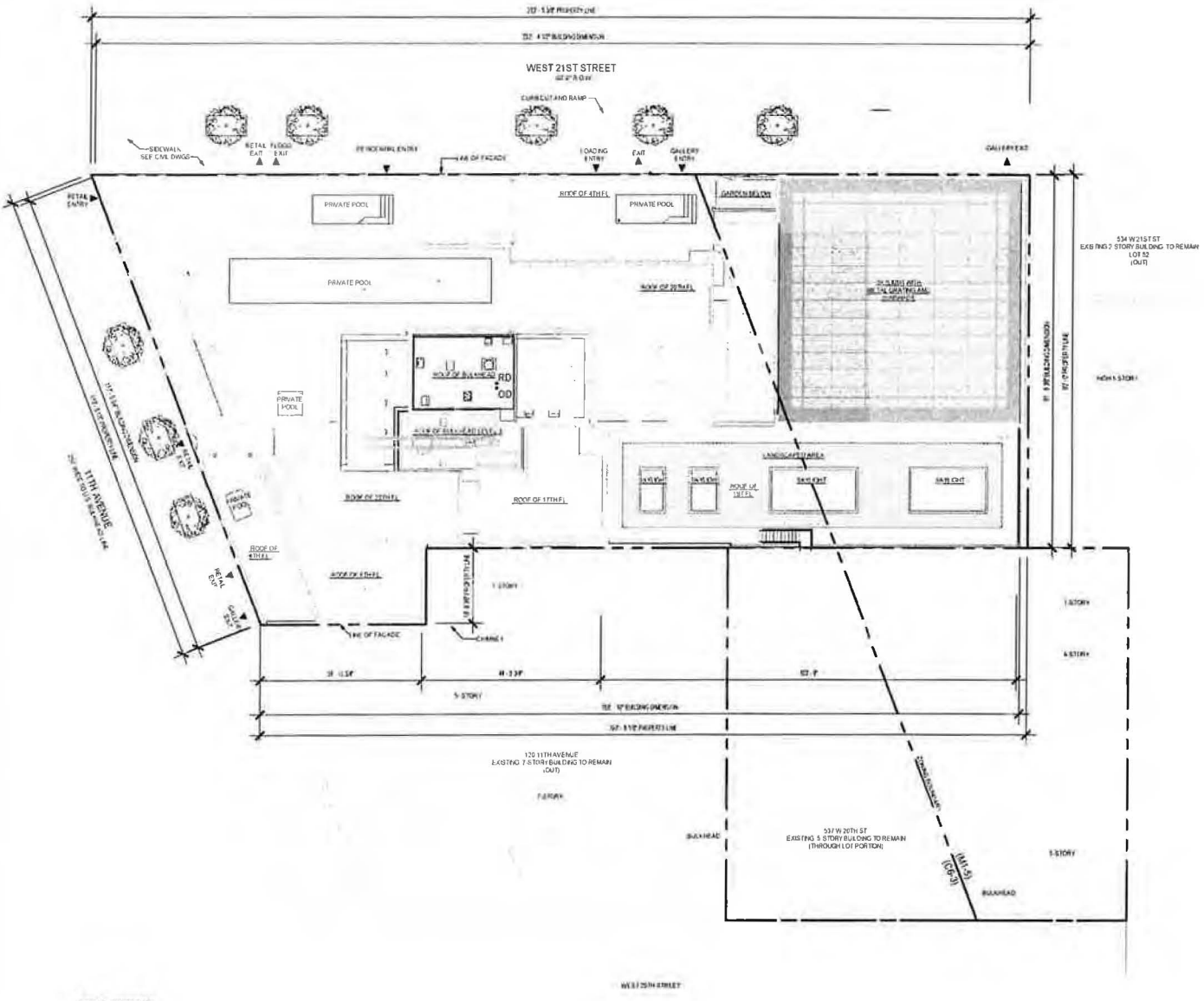
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EXHIBIT "7"

FLOOR PLANS



ABBREVIATIONS

RD ROOF DRAIN
OD OVERFLOW DRAIN

N

0 20' 40'

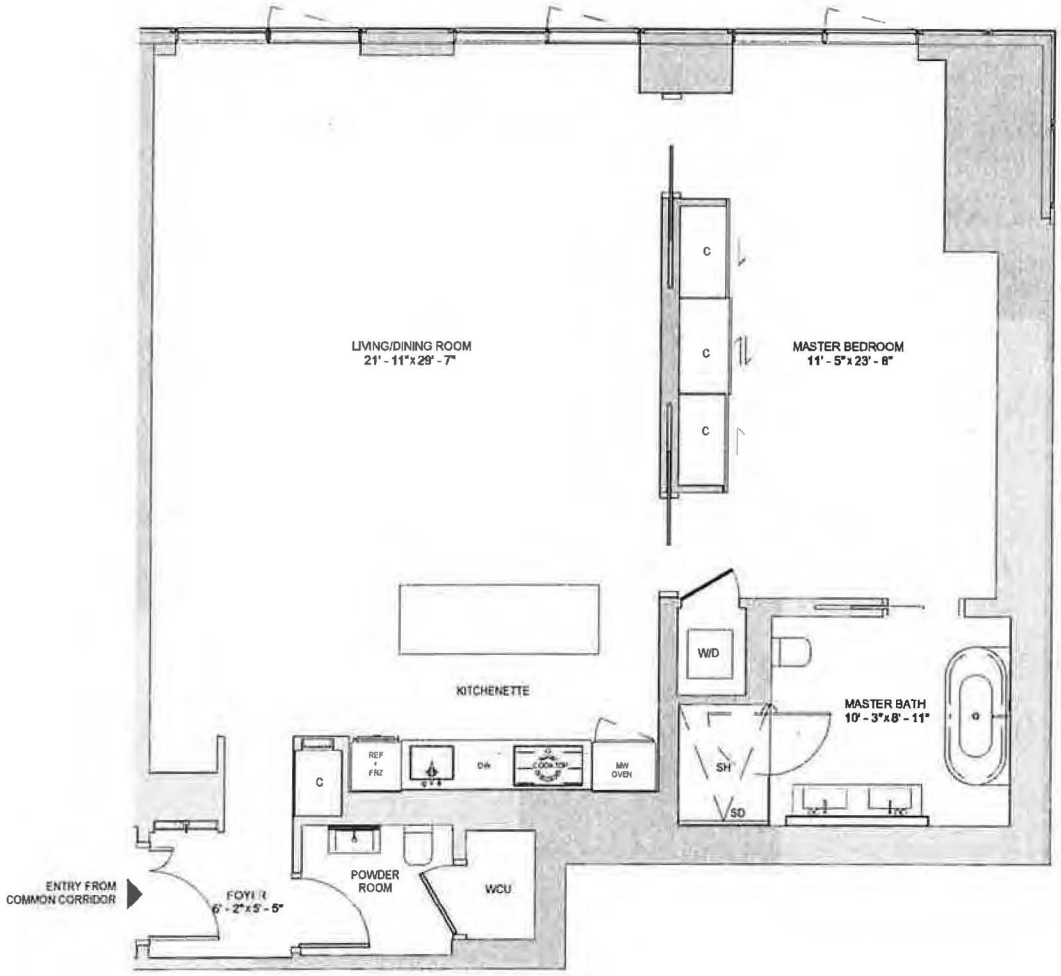
SITE PLAN

540 WEST 21ST STREET

AG-001

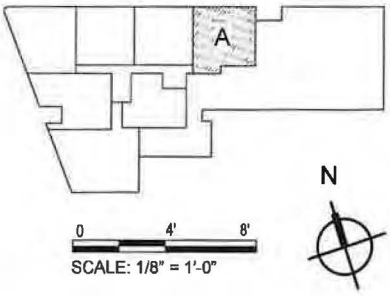
GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE



RESIDENCE 4A PLAN

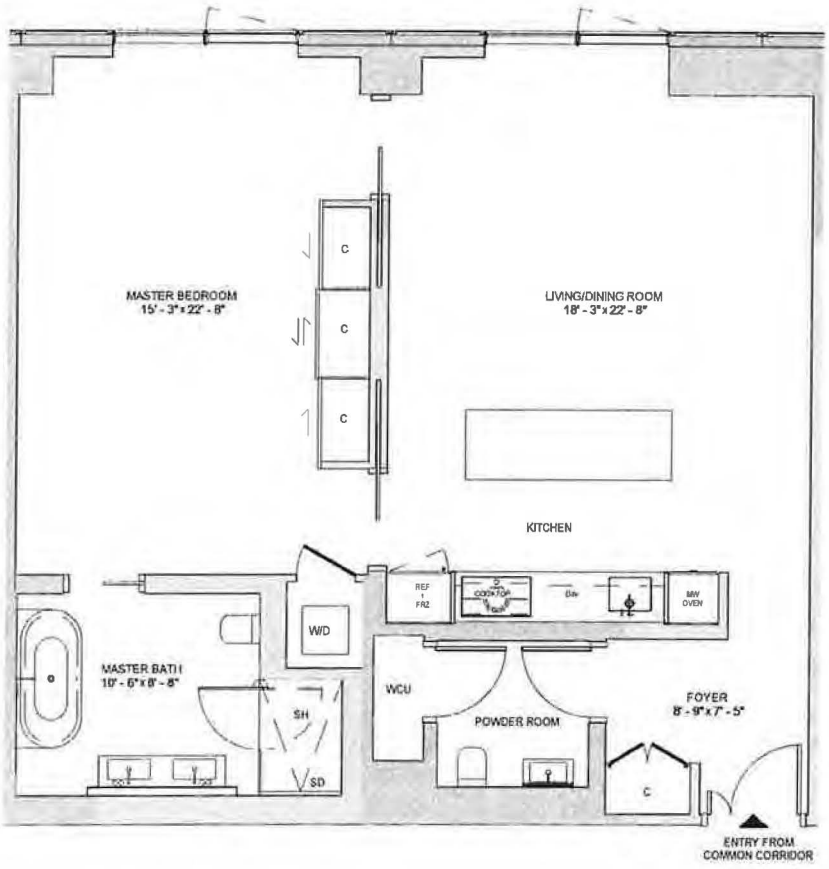
1 BEDROOMS
1 BATHROOMS
1 POWDER ROOM
UNIT AREA: 1391 SF

540 WEST 21ST STREET

AG-04A

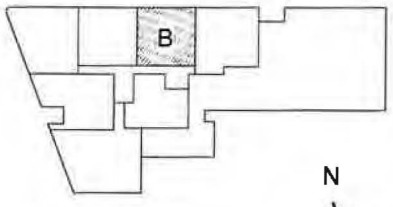
GENERAL NOTE:
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OCTOBER 3, 2018



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE



SCALE: 1/8" = 1'-0"

RESIDENCE 4B PLAN

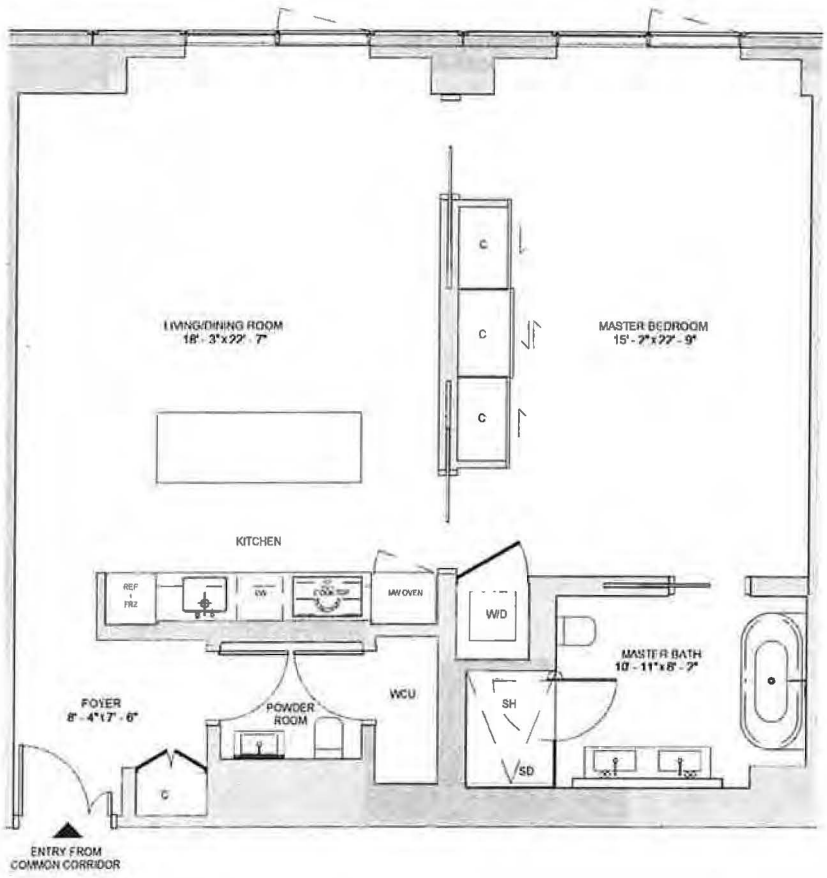
1 BEDROOMS
1 BATHROOMS
1 POWDER ROOM
UNIT AREA: 1197 SF

540 WEST 21ST STREET

AG-04B

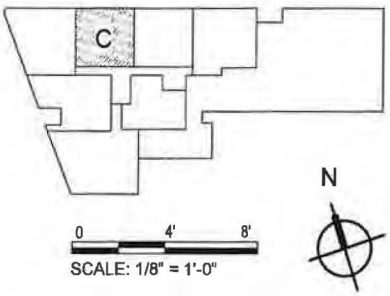
GENERAL NOTE:
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OCTOBER 3, 2018



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE



RESIDENCE 4C PLAN

1 BEDROOMS
1 BATHROOMS
1 POWDER ROOM
UNIT AREA: 1195 SF

540 WEST 21ST STREET

AG-04C

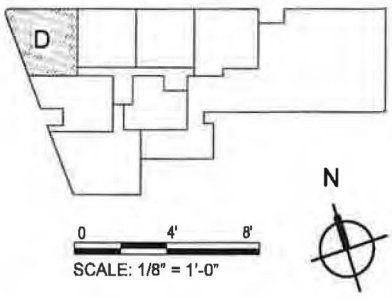
GENERAL NOTE:
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OCTOBER 3, 2018



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE



SCALE: 1/8" = 1'-0"

RESIDENCE 4D PLAN

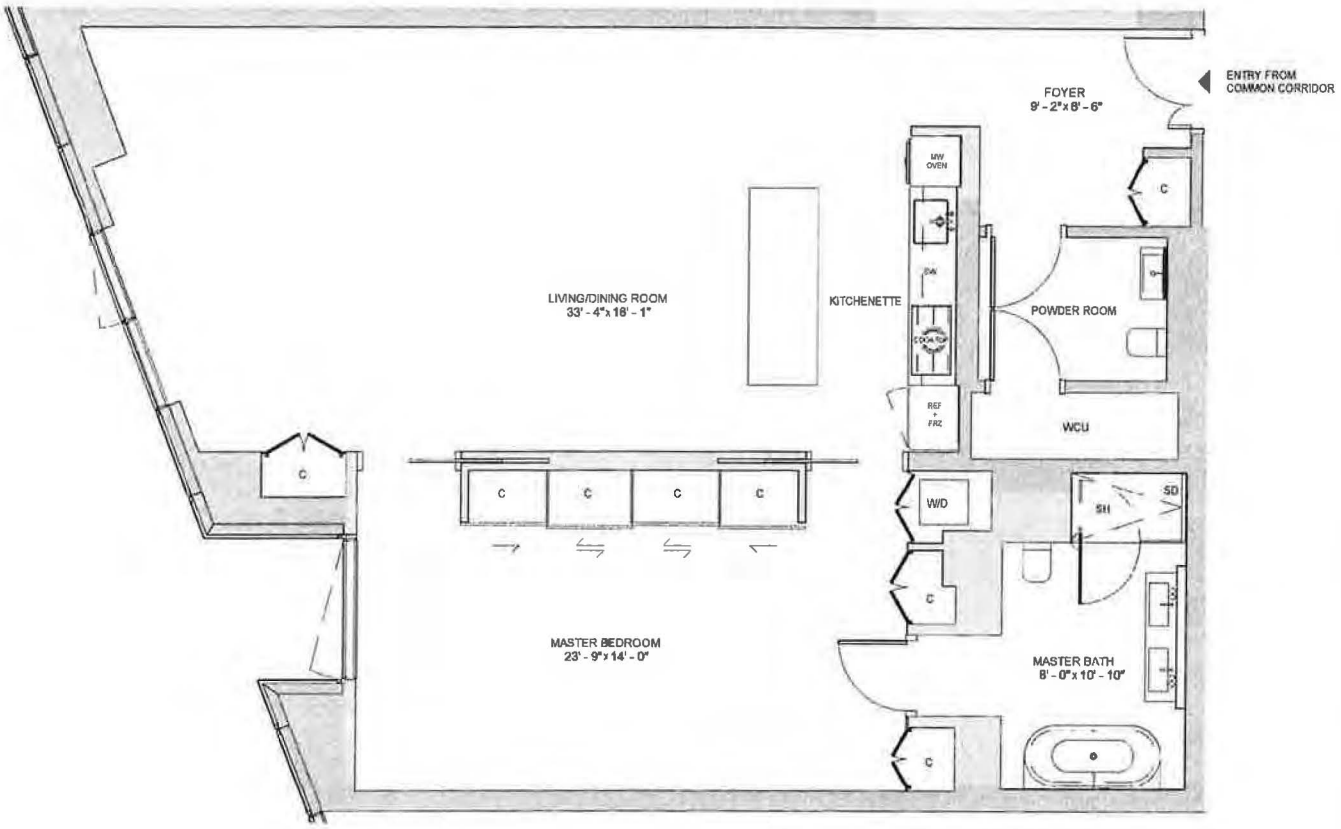
1 BEDROOMS
1 BATHROOMS
1 POWDER ROOM
UNIT AREA: 1502 SF

540 WEST 21ST STREET

AG-04D

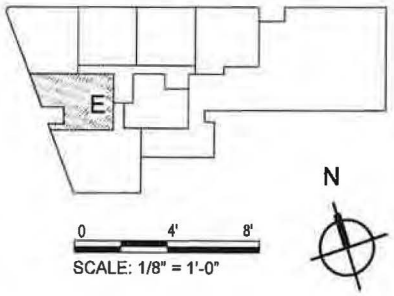
GENERAL NOTE:
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OCTOBER 3, 2018



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE



SCALE: 1/8" = 1'-0"

RESIDENCE 4E PLAN

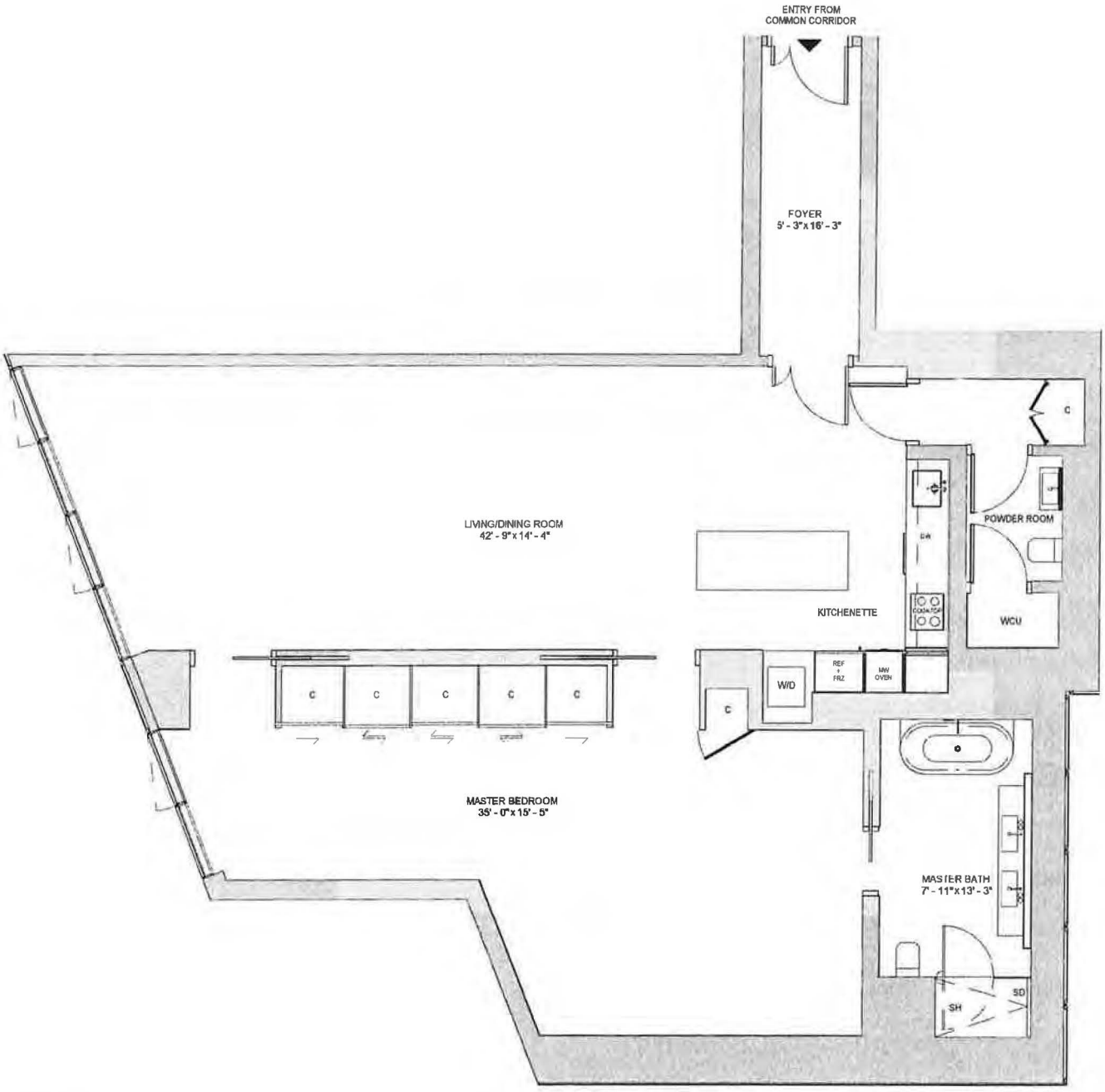
1 BEDROOMS
1 BATHROOMS
1 POWDER ROOM
UNIT AREA: 1501 SF

540 WEST 21ST STREET

AG-04E

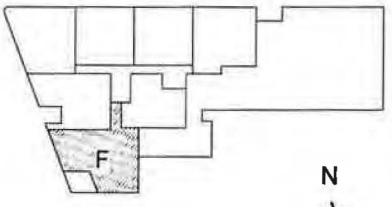
GENERAL NOTE:
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OCTOBER 3, 2018



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE



SCALE: 1/8" = 1'-0"

RESIDENCE 4F PLAN

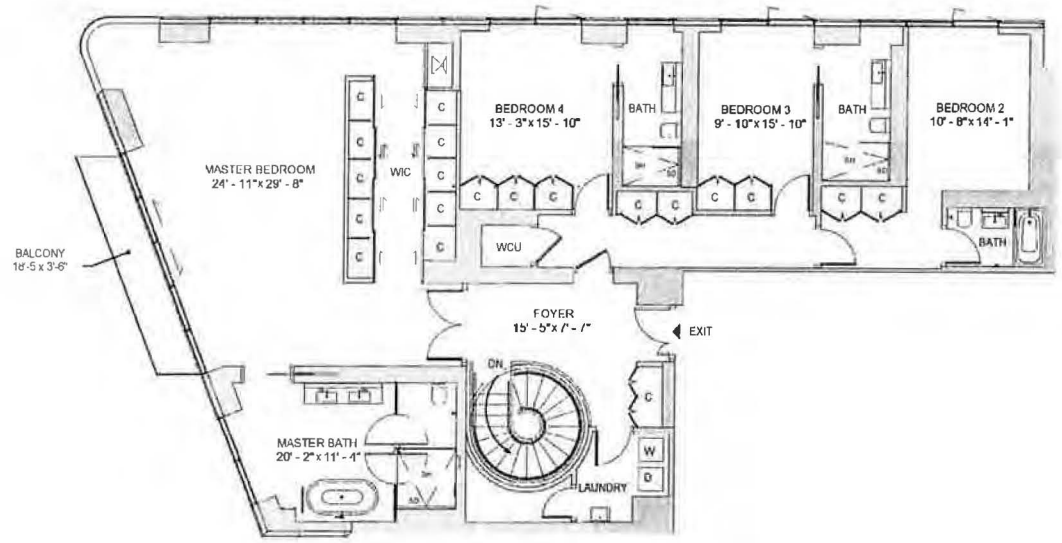
1 BEDROOMS
1 BATHROOMS
1 POWDER ROOM
UNIT AREA: 1790 SF

540 WEST 21ST STREET

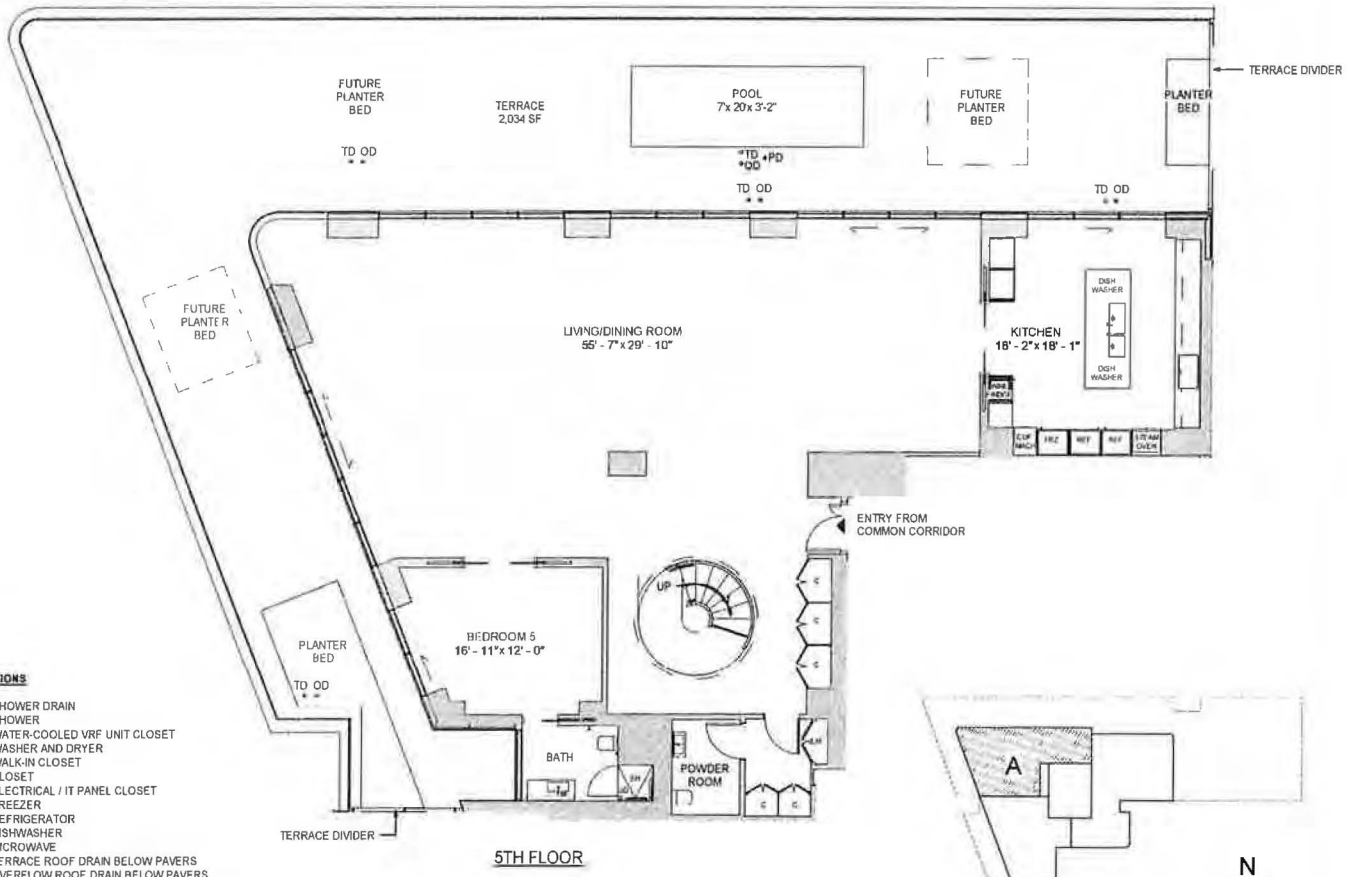
AG-04F

GENERAL NOTE:
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OCTOBER 3, 2018



6TH FLOOR



5TH FLOOR

N

0 8' 16'

SCALE: 1/16" = 1'-0"

ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE
TD	TERRACE ROOF DRAIN BELOW PAVERS
OD	OVERFLOW ROOF DRAIN BELOW PAVERS
PD	POOL DRAIN

RESIDENCE 5/6A PLAN

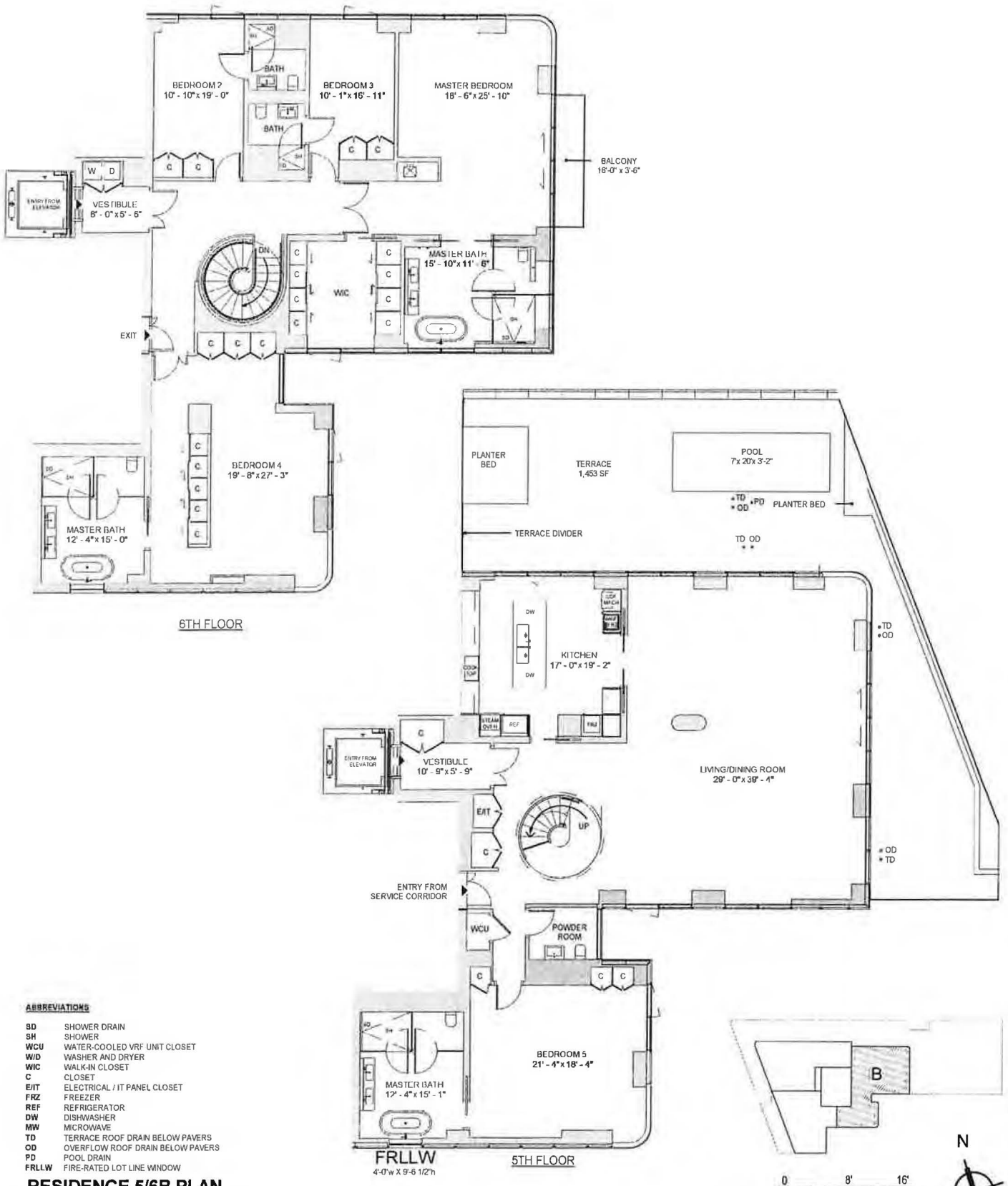
5 BEDROOMS
5 BATHROOMS
1 POWDER ROOM
EXTERIOR AREA:2103 SF
UNIT AREA: 5503 SF

540 WEST 21ST STREET

AG-05/6A

GENERAL NOTE:
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OCTOBER 3, 2018



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE
TD	TERRACE ROOF DRAIN BELOW PAVERS
OD	OVERFLOW ROOF DRAIN BELOW PAVERS
PD	POOL DRAIN
FRLLW	FIRE-RATED LOT LINE WINDOW

RESIDENCE 5/6B PLAN

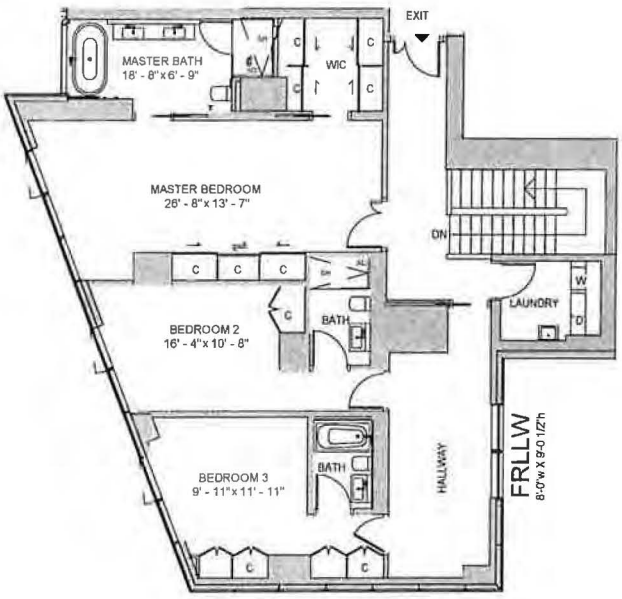
5 BEDROOMS
5 BATHROOMS
1 POWDER ROOM
EXTERIOR AREA:1509 SF
UNIT AREA: 5864 SF

540 WEST 21ST STREET

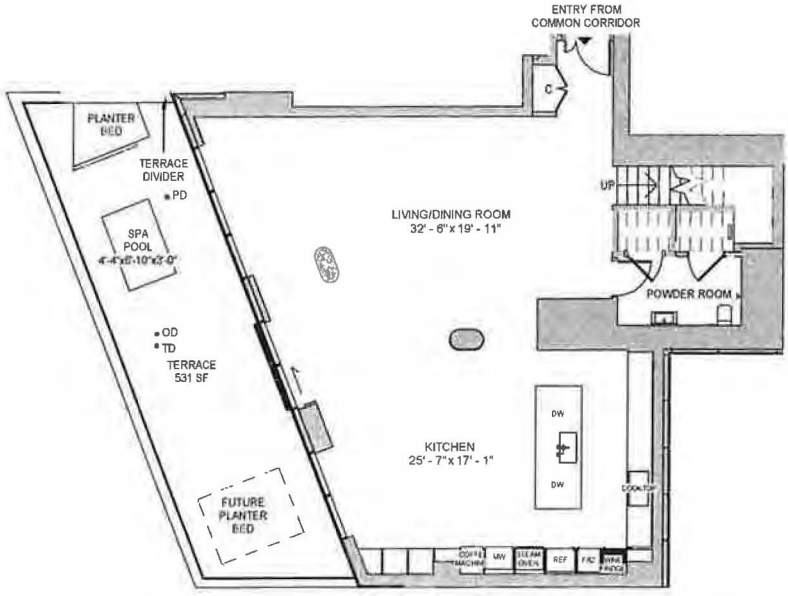
AG-05/6B

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OCTOBER 3, 2018



6TH FLOOR



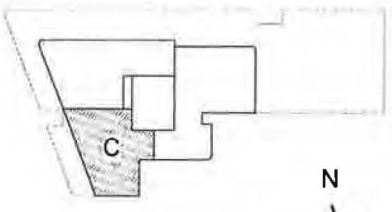
5TH FLOOR

ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE
TD	TERRACE ROOF DRAIN BELOW PAVERS
OD	OVERFLOW ROOF DRAIN BELOW PAVERS
PD	POOL DRAIN BELOW PAVERS
FRLLW	FIRE-RATED LOT LINE WINDOW

RESIDENCE 5/6C PLAN

3 BEDROOMS
3 BATHROOMS
1 POWDER ROOM
EXTERIOR AREA:531 SF
UNIT AREA: 3506 SF



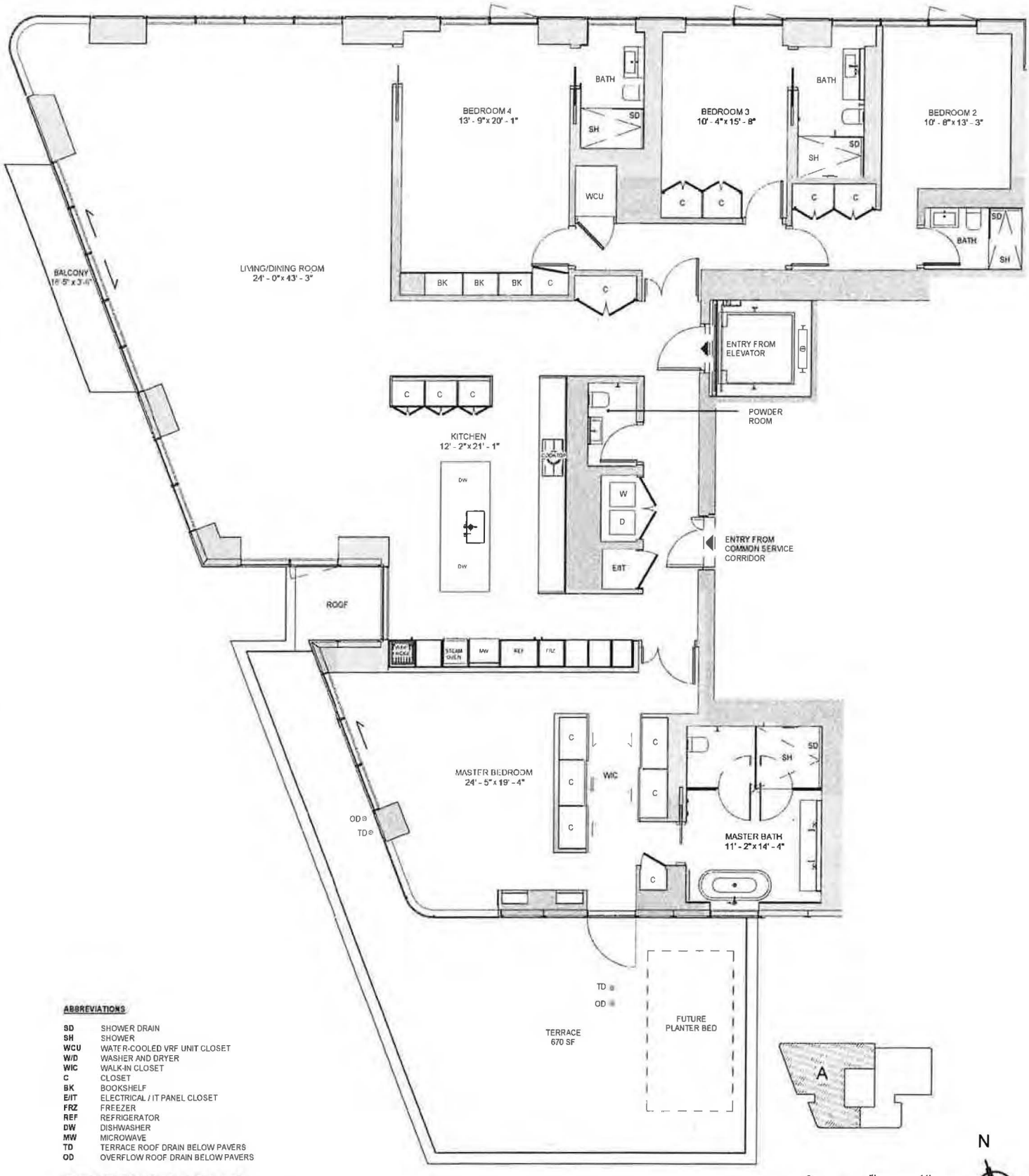
SCALE: 1/16" = 1'-0"

540 WEST 21ST STREET

AG-05/6C

GENERAL NOTE:
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FEBRUARY 13, 2019



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
BK	BOOKSHELF
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE
TD	TERRACE ROOF DRAIN BELOW PAVERS
OD	OVERFLOW ROOF DRAIN BELOW PAVERS

RESIDENCE 7A PLAN

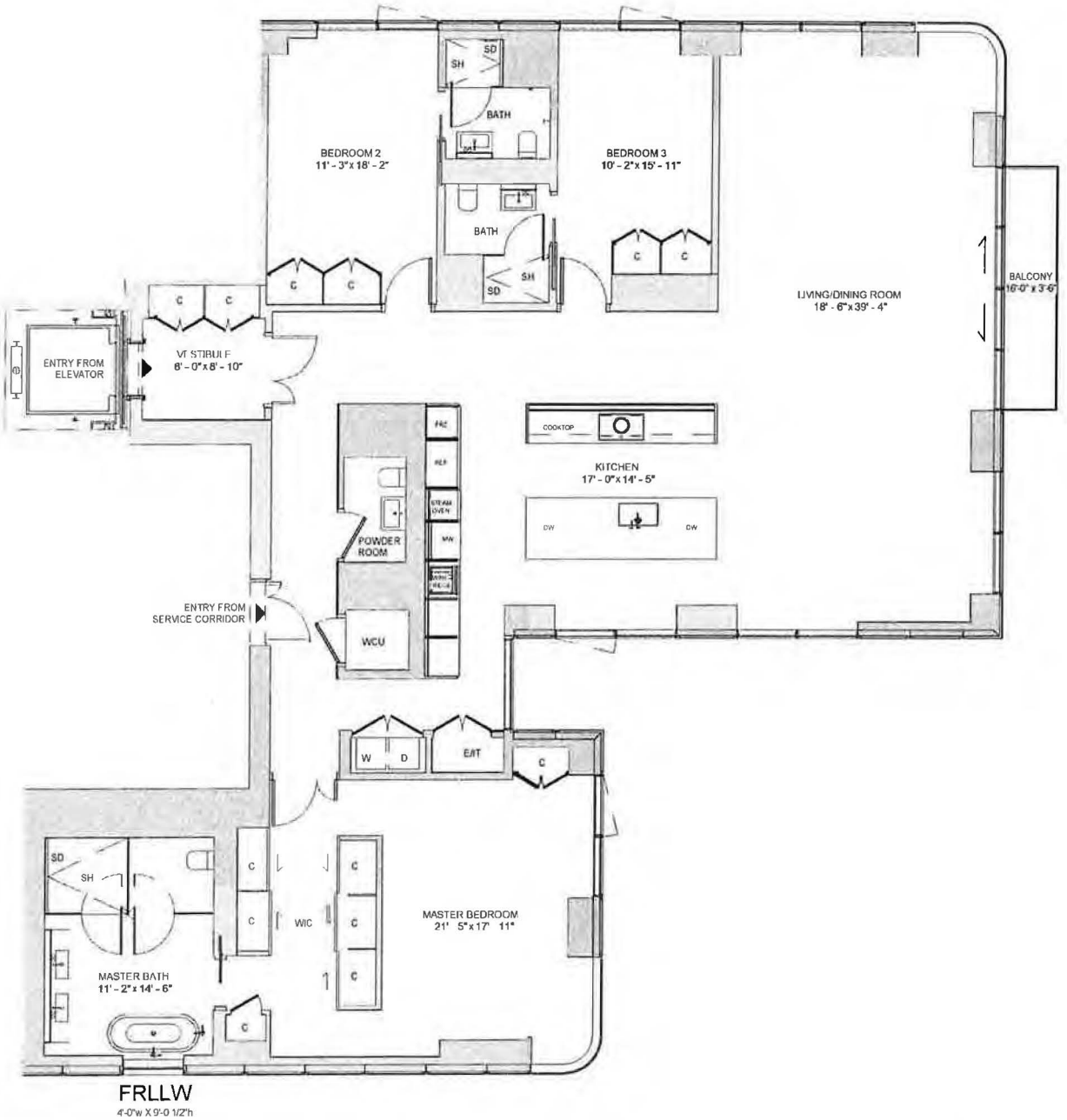
4 BEDROOMS
4 BATHROOMS
1 POWDER ROOM
EXTERIOR AREA:739 SF
UNIT AREA: 3786 SF

540 WEST 21ST STREET

AG-07A

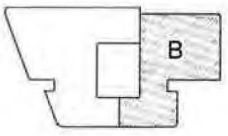
GENERAL NOTE:
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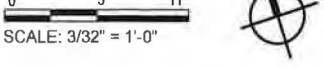
OCTOBER 3, 2018



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE
FRLLW	FIRE-RATED LOT LINE WINDOW





SCALE: 3/32" = 1'-0"

RESIDENCE 7B PLAN

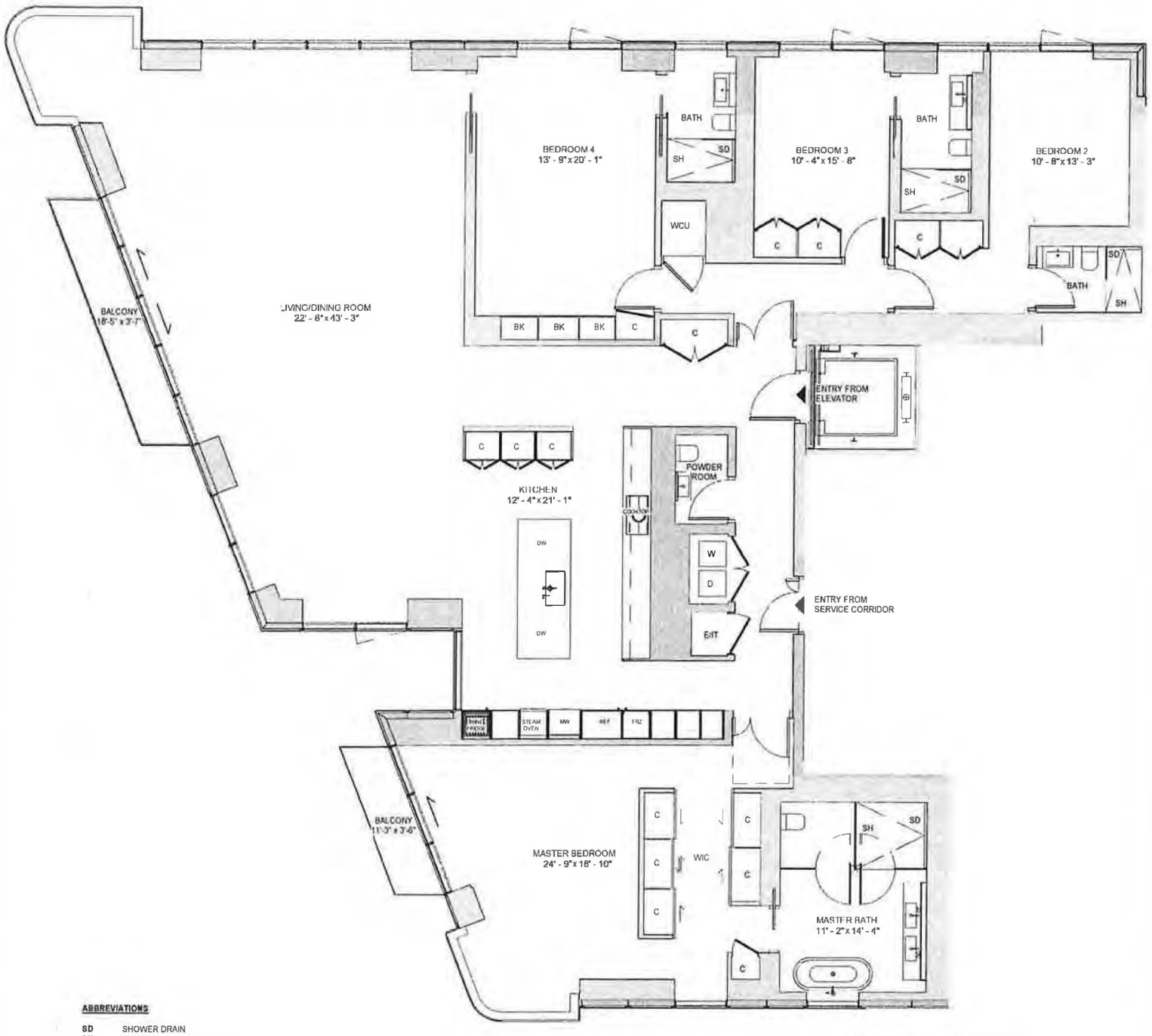
3 BEDROOMS
3 BATHROOMS
1 POWDER ROOM
EXTERIOR AREA:56 SF
UNIT AREA: 2984 SF

540 WEST 21ST STREET

AG-07B

GENERAL NOTE:
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OCTOBER 3, 2018



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
BK	BOOKSHELF
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE

RESIDENCE 8A-18A PLAN

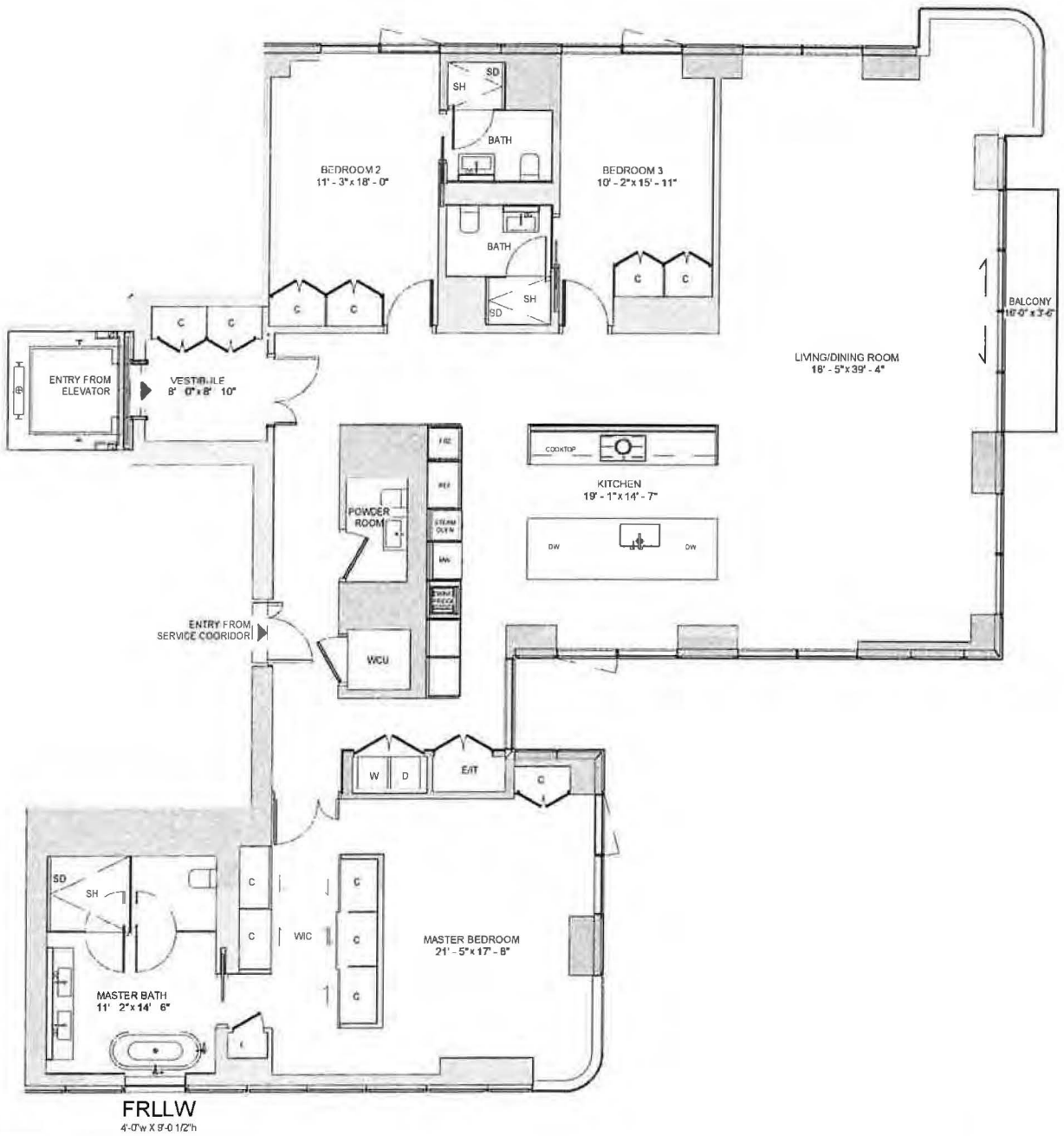
4 BEDROOMS
4 BATHROOMS
1 POWDER ROOM
EXTERIOR AREA:111 SF
UNIT AREA: 3847 SF

540 WEST 21ST STREET

AG-08A

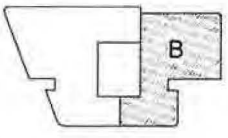
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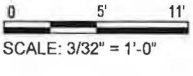
OCTOBER 3, 2018



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE
FRLLW	FIRE RATED LOT LINE WINDOW





SCALE: 3/32" = 1'-0"

N

RESIDENCE 8B-12B PLAN

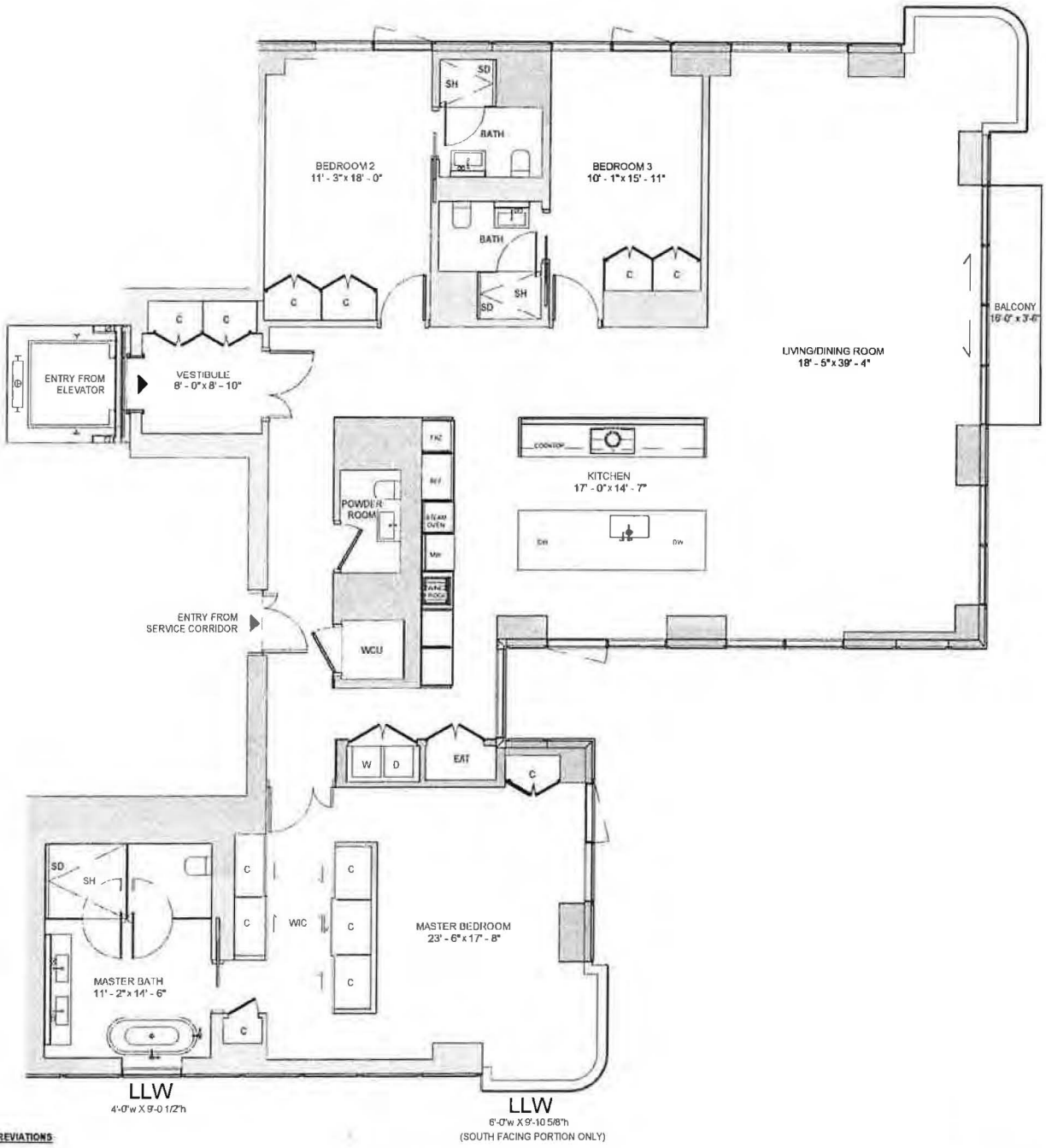
3 BEDROOMS
3 BATHROOMS
1 POWDER ROOM
EXTERIOR AREA:56 SF
UNIT AREA: 3021 SF

540 WEST 21ST STREET

AG-08B

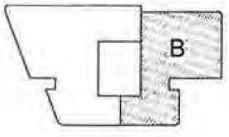
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OCTOBER 3, 2018



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
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WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE
LLW	NON FIRE-RATED LOT LINE WINDOW (WITH RESTRICTIVE DECLARATION)



N

0 5' 11'

SCALE: 3/32" = 1'-0"

RESIDENCE 14B-17B PLAN

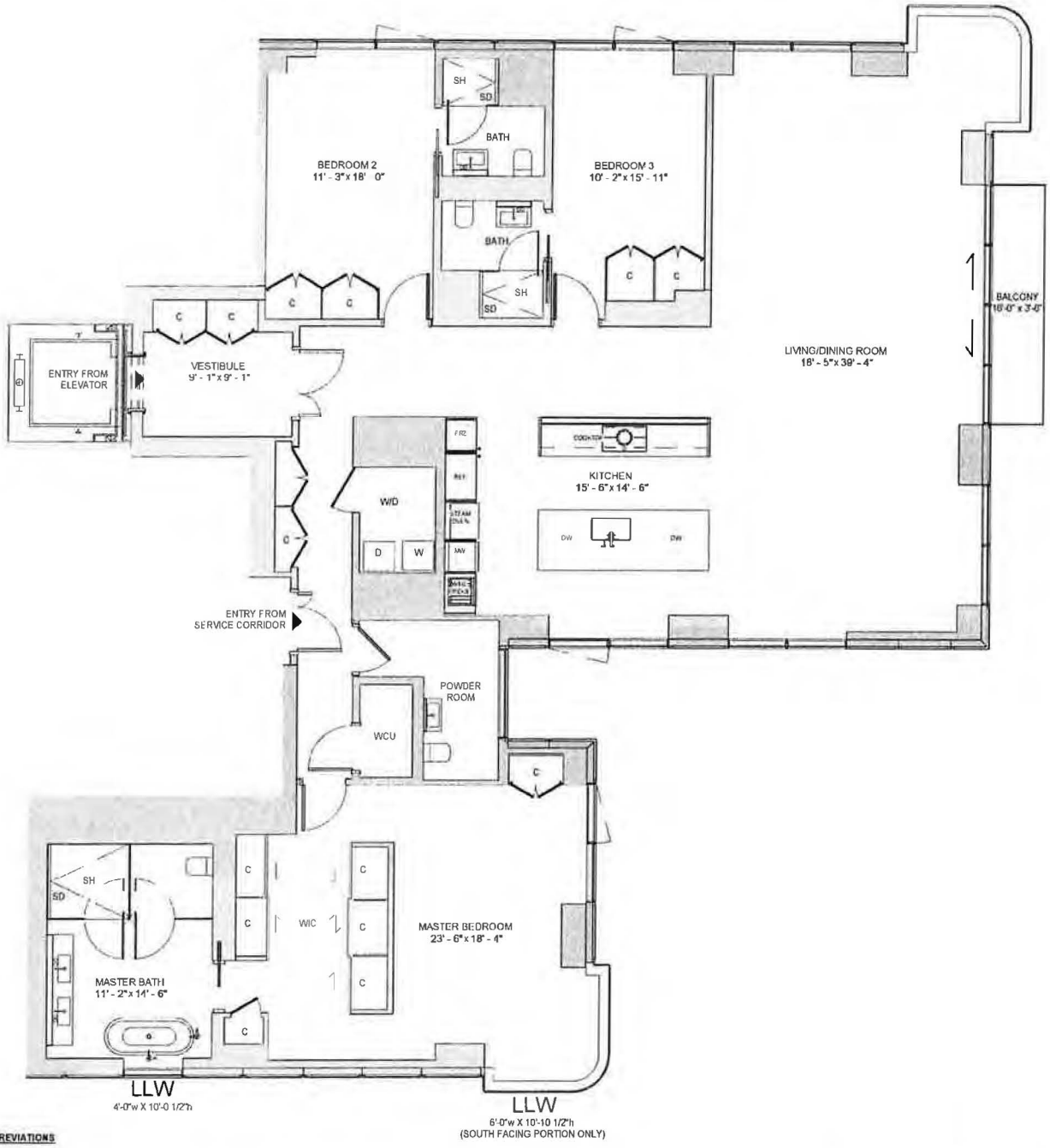
3 BEDROOMS
3 BATHROOMS
1 POWDER ROOM
EXTERIOR AREA:56 SF
UNIT AREA: 3037 SF

540 WEST 21ST STREET

AG-14B

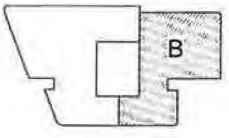
GENERAL NOTE:
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OCTOBER 3, 2018



ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
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WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE
LLW	NON-FIRE RATED LOT LINE WINDOW (WITH RESTRICTIVE DECLARATION)



N

0 5' 11'

SCALE: 3/32" = 1'-0"

RESIDENCE 18B PLAN

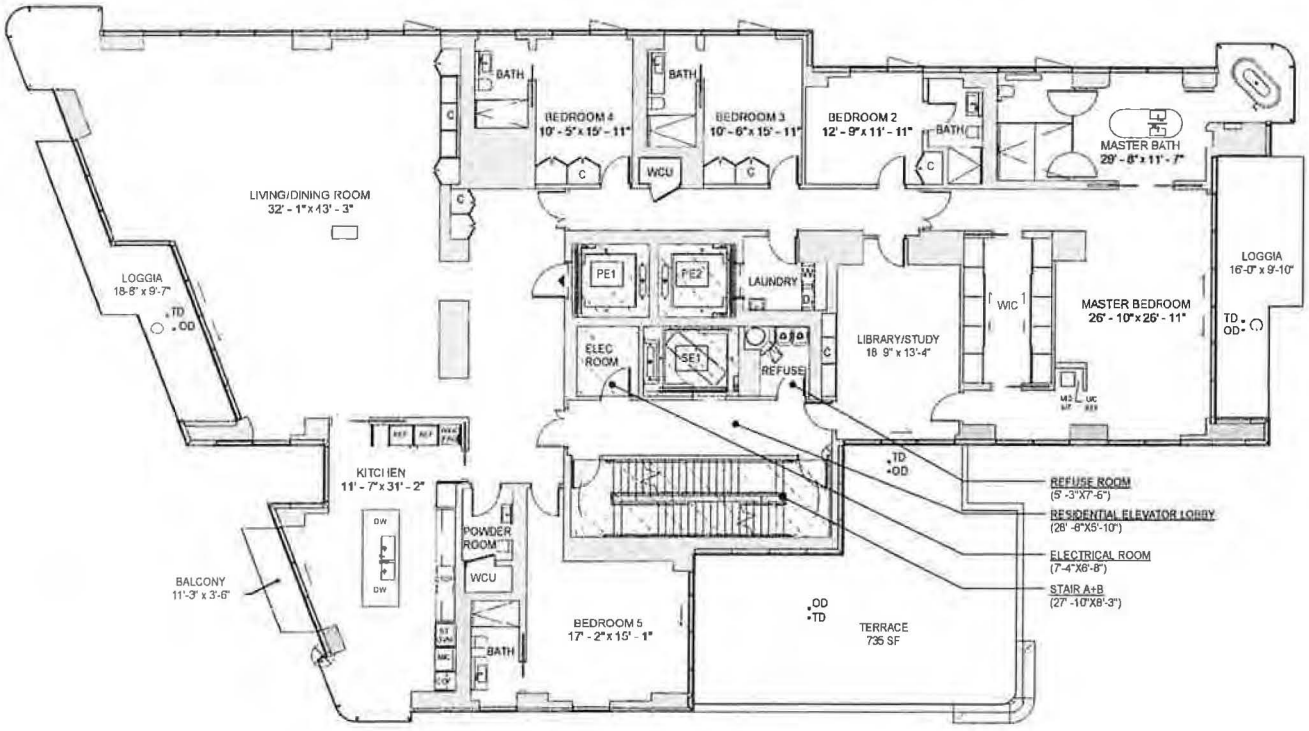
3 BEDROOMS
3 BATHROOMS
1 POWDER ROOM
EXTERIOR AREA:56 SF
UNIT AREA: 3002 SF

540 WEST 21ST STREET

AG-18B

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN

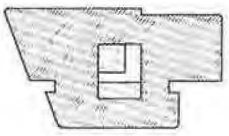
OCTOBER 3, 2018



RESIDENTIAL COMMON ELEMENT 485 SF

ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE
TD	TERRACE DRAIN
OD	OVERFLOW DRAIN



N

0 10' 20'

SCALE: 1" = 20'-0"

PENTHOUSE PHC (19TH FLOOR) PLAN

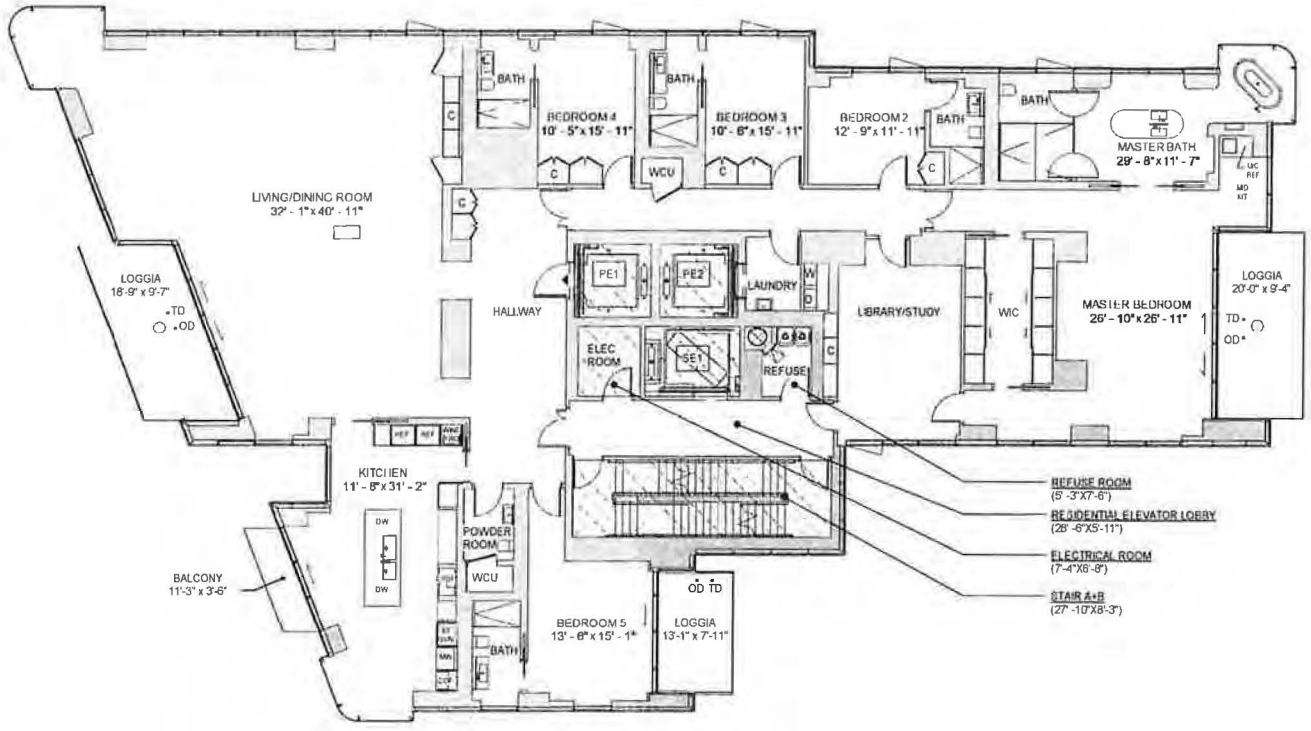
5 BEDROOMS
5 BATHROOMS
1 POWDER ROOM
EXTERIOR AREA:1181 SF
UNIT AREA: 5961 SF

540 WEST 21ST STREET

AG-019 PHC

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

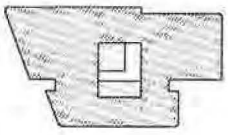
OCTOBER 3, 2018



RESIDENTIAL COMMON ELEMENTS: 484 SF

ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE
TD	TERRACE DRAIN
OD	OVERFLOW DRAIN



N

0 10' 20'

SCALE: 1" = 20'-0"

PENTHOUSE (20TH FLOOR) PHB PLAN

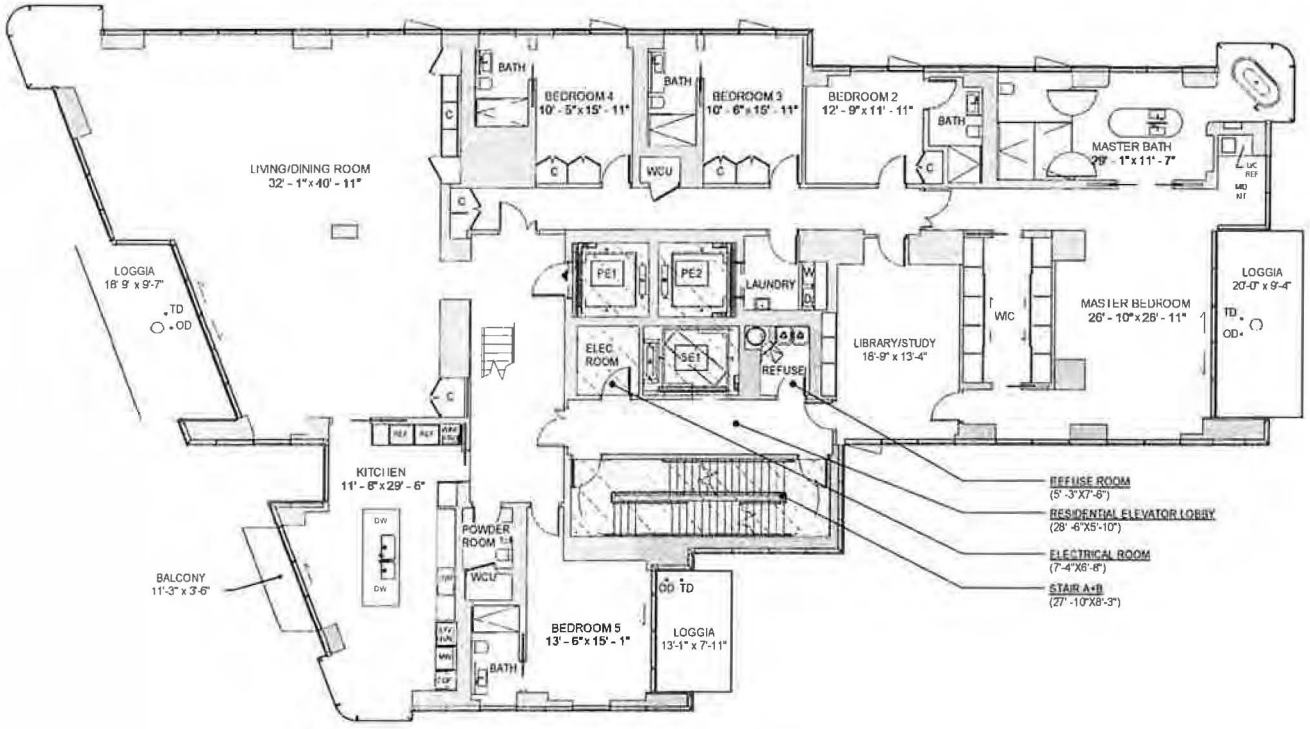
5 BEDROOMS
5 BATHROOMS
1 POWDER ROOM
EXTERIOR AREA:522 SF
UNIT AREA: 5957 SF

540 WEST 21ST STREET

AG-020 PHB

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN

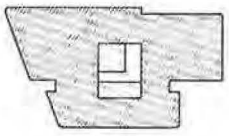
OCTOBER 3, 2018



RESIDENTIAL COMMON ELEMENTS 465 SF

ABBREVIATIONS

SD	SHOWER DRAIN
SH	SHOWER
WCU	WATER-COOLED VRF UNIT CLOSET
W/D	WASHER AND DRYER
WIC	WALK-IN CLOSET
C	CLOSET
E/IT	ELECTRICAL / IT PANEL CLOSET
FRZ	FREEZER
REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE
TD	TERRACE DRAIN
OD	OVERFLOW DRAIN



N

0 10' 20'

SCALE: 1" = 20'-0"

PENTHOUSE PHA (21ST FLOOR) PLAN

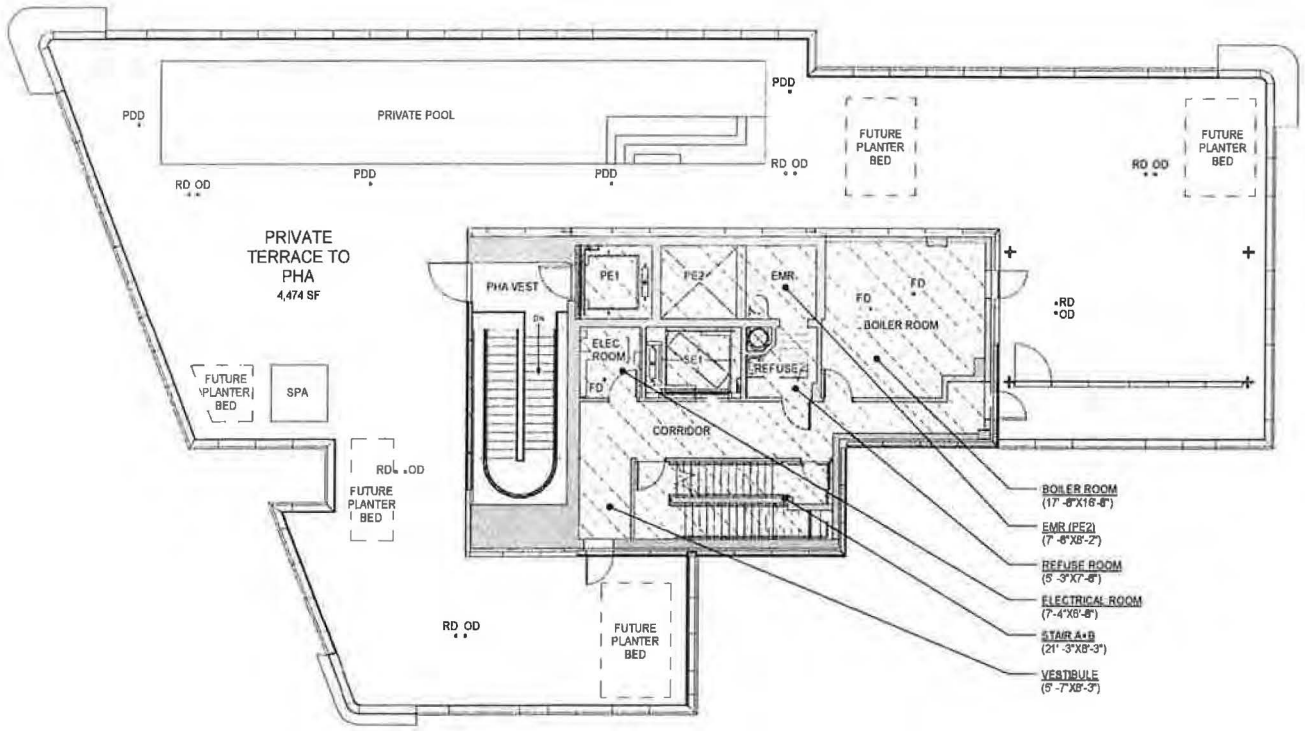
5 BEDROOMS
5 BATHROOMS
1 POWDER ROOM
EXTERIOR AREA:4996 SF
UNIT AREA: 5957 SF

540 WEST 21ST STREET

AG-021 PHA

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN

OCTOBER 3, 2018



RESIDENTIAL COMMON ELEMENT: 1,198 SF

ABBREVIATIONS

TD	TERRACE DRAIN
OD	OVERFLOW DRAIN
RD	ROOF DRAIN
PDD	POOL DECK DRAIN
FD	FLOOR DRAIN

N

BULKHEAD LEVEL 1 (22ND FLOOR) PLAN

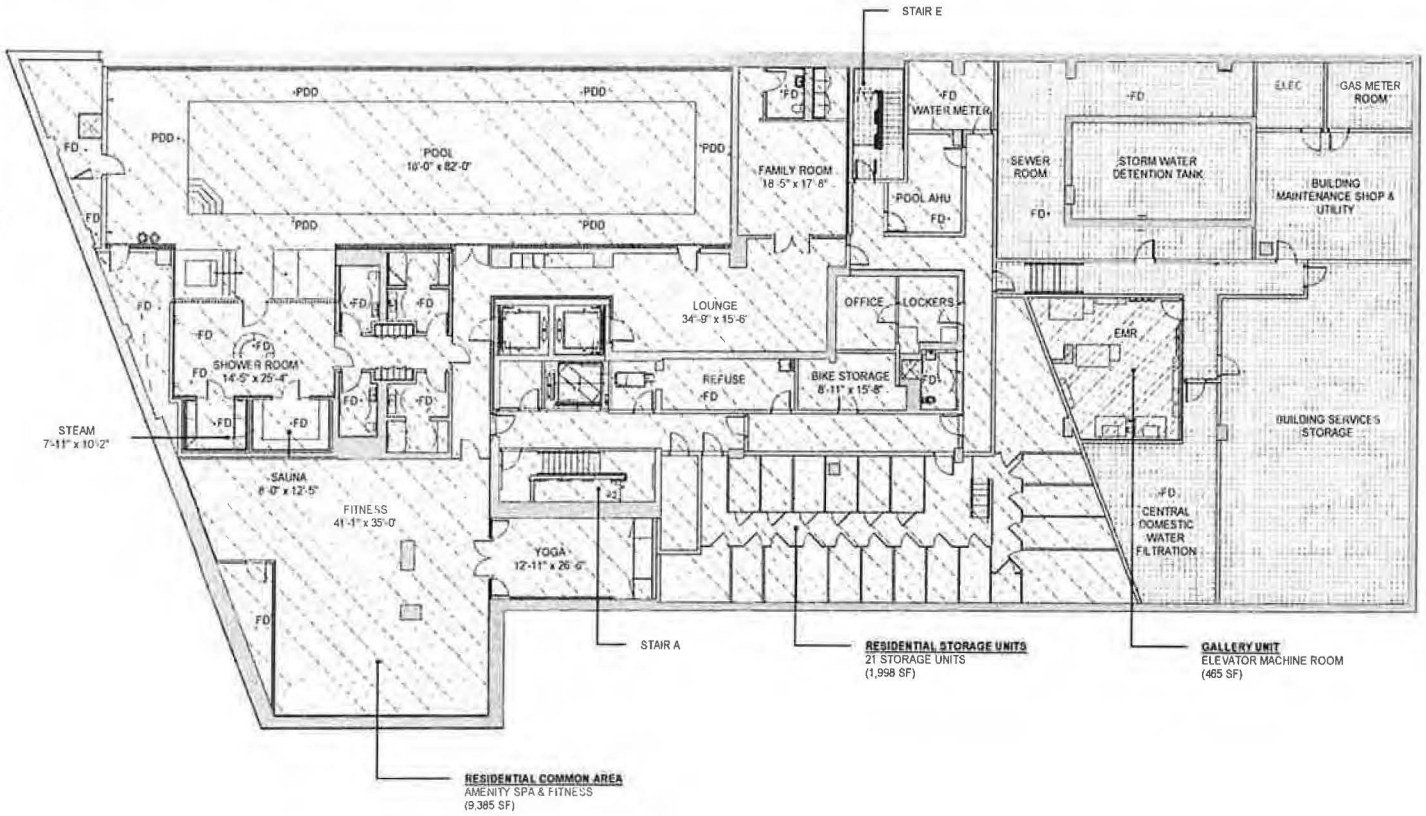
REFER TO AG-021 PHA FOR UNIT INFORMATION

540 WEST 21ST STREET

AG-022 PHA

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



LEGEND

FD	FLOOD DRAIN
PDD	POOL DECK DRAIN
	RESIDENTIAL COMMON AREA
	GALLERY
	BUILDING COMMON AREA

N

0 15' 30'

CELLAR PLAN

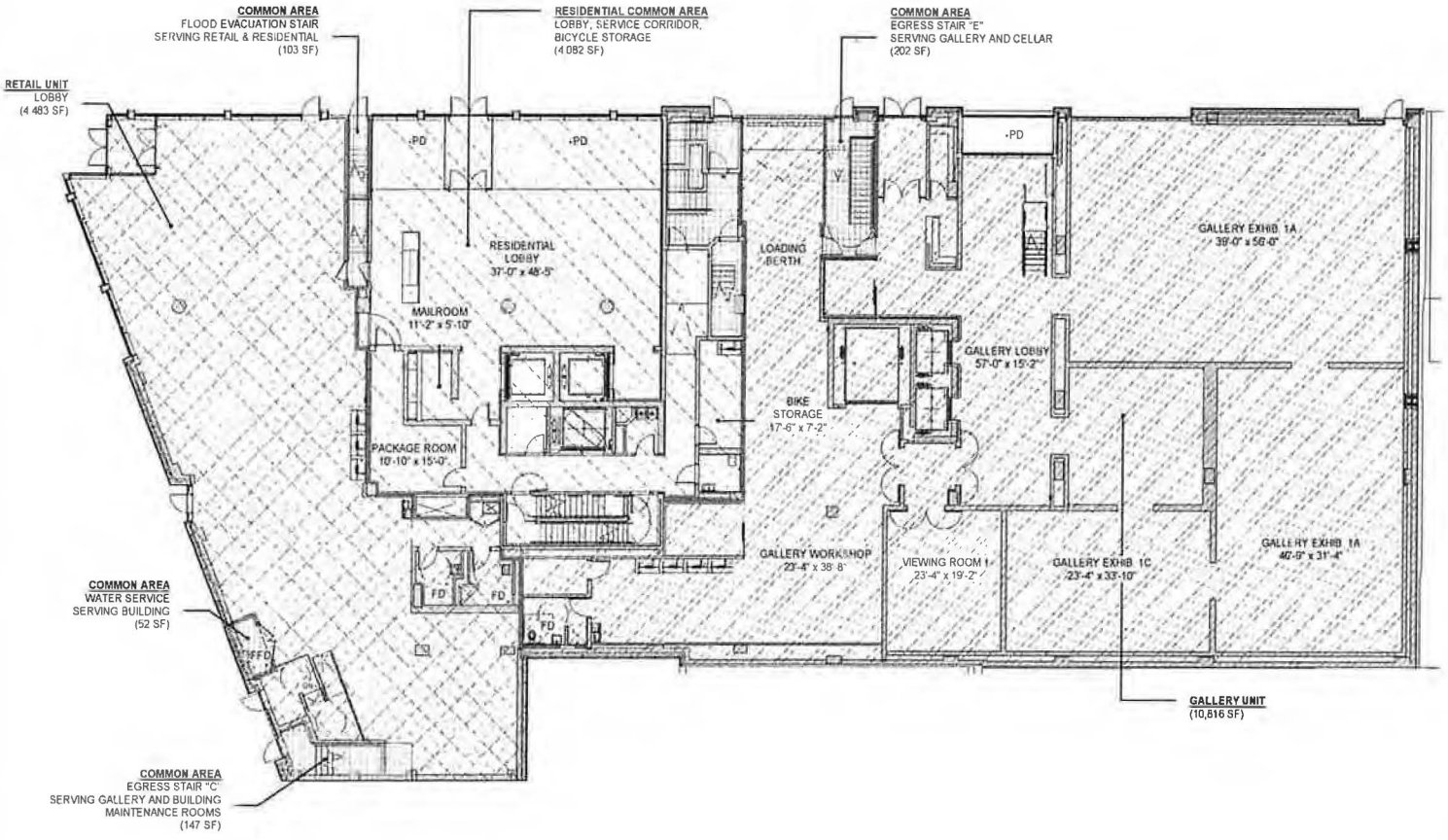
GALLERY UNIT:	465 SF
RESIDENTIAL COMMON AREA:	9,385 SF
RESIDENTIAL STORAGE UNITS:	1,998 SF
BUILDING MAINTENANCE AND CIRCULATION	7,817SF
TOTAL FLOOR AREA:	19,665 SF

540 WEST 21ST STREET

AG-100

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN

OCTOBER 3, 2018



LEGEND

FD	FLOOD DRAIN
PD	PLANTER DRAIN
FFD	FUNNEL FLOOR DRAIN
	RESIDENTIAL COMMON AREA
	GALLERY
	BUILDING COMMON AREA
	RETAIL UNIT

N

0 15' 30'

1ST FLOOR PLAN

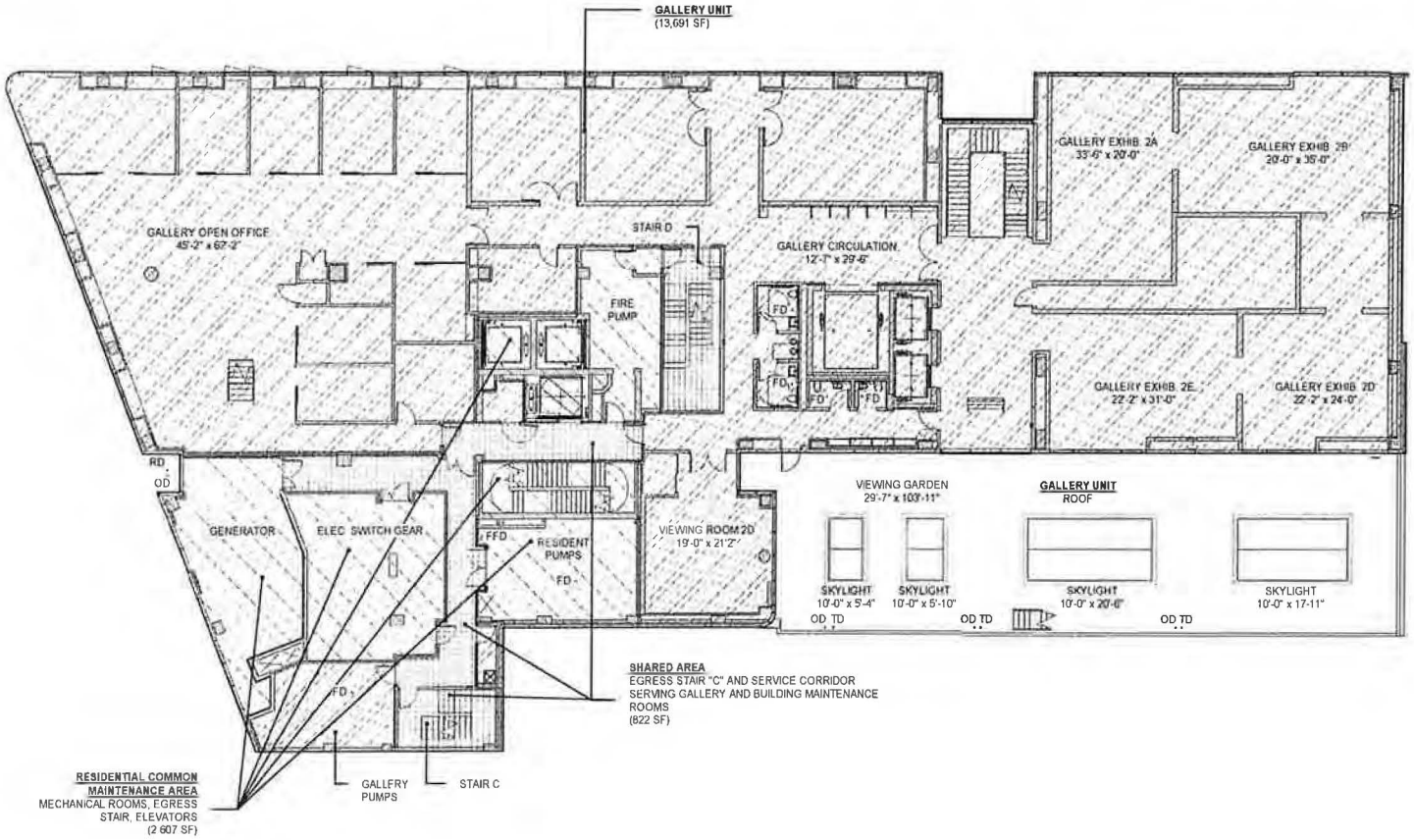
GALLERY UNIT:	10,816 SF
RESIDENTIAL COMMON AREA:	4,082 SF
RETAIL:	4,483 SF
SHARED SPACES:	7,817SF
TOTAL FLOOR AREA:	19,885 SF

540 WEST 21ST STREET

AG-101

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN

OCTOBER 3, 2018



LEGEND

RD	ROOF DRAIN
OD	OVERFLOW DRAIN
TD	TERRACE DRAIN
FD	FLOOR DRAIN
FFD	FUNNEL FLOOR DRAIN
	RESIDENTIAL COMMON MAINTENANCE
	GALLERY
	BUILDING COMMON AREA

N

0 15' 30'

2ND FLOOR PLAN

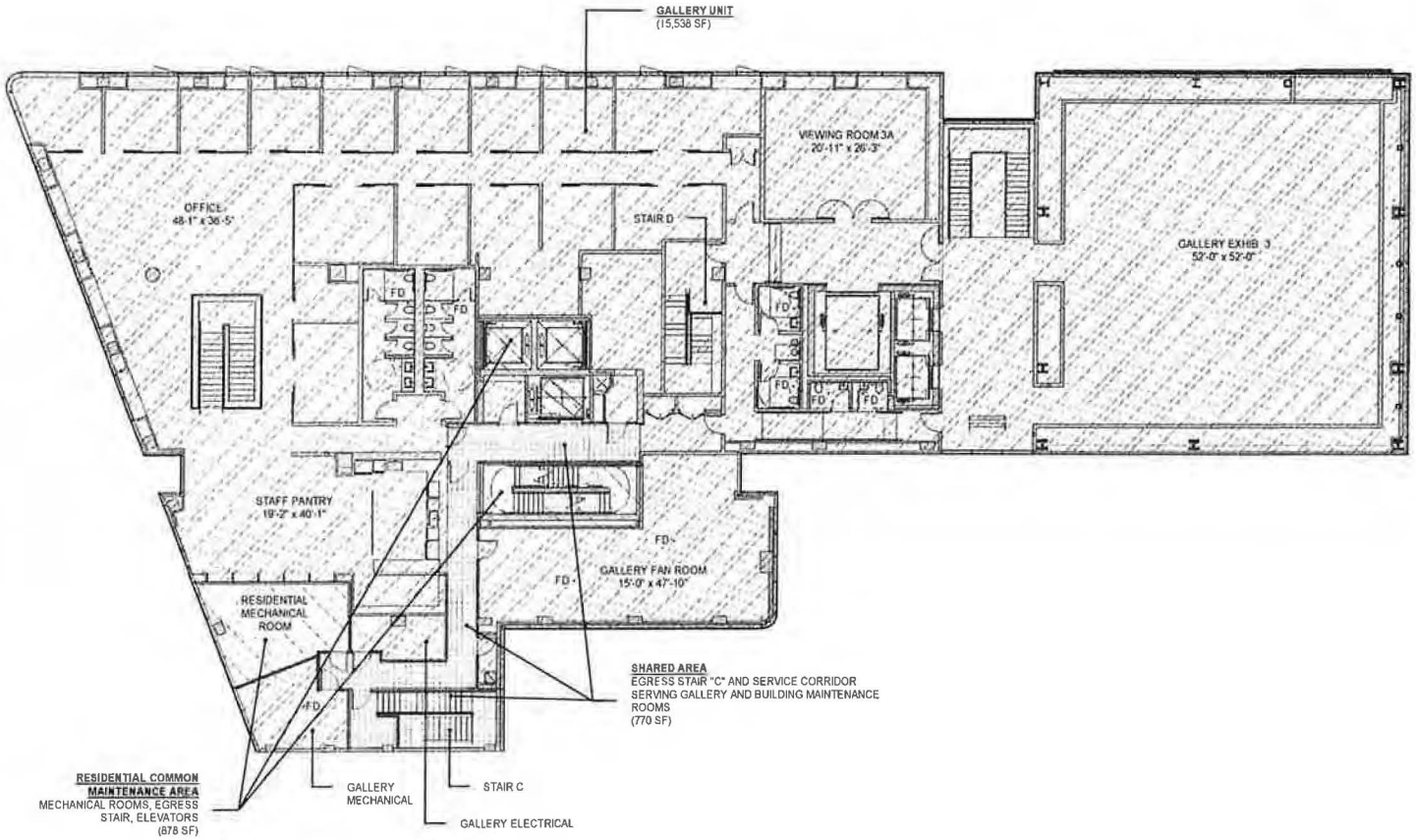
GALLERY UNIT:	13,733 SF
RESIDENTIAL COMMON AREA:	2,607 SF
SHARED SPACES:	820 SF
TOTAL FLOOR AREA:	17,160 SF

540 WEST 21ST STREET

AG-102

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



LEGEND

FD FLOOR DRAIN

RESIDENTIAL COMMON MAINTENANCE

GALLERY

BUILDING COMMON AREA

N

0 15' 30'

3RD FLOOR PLAN

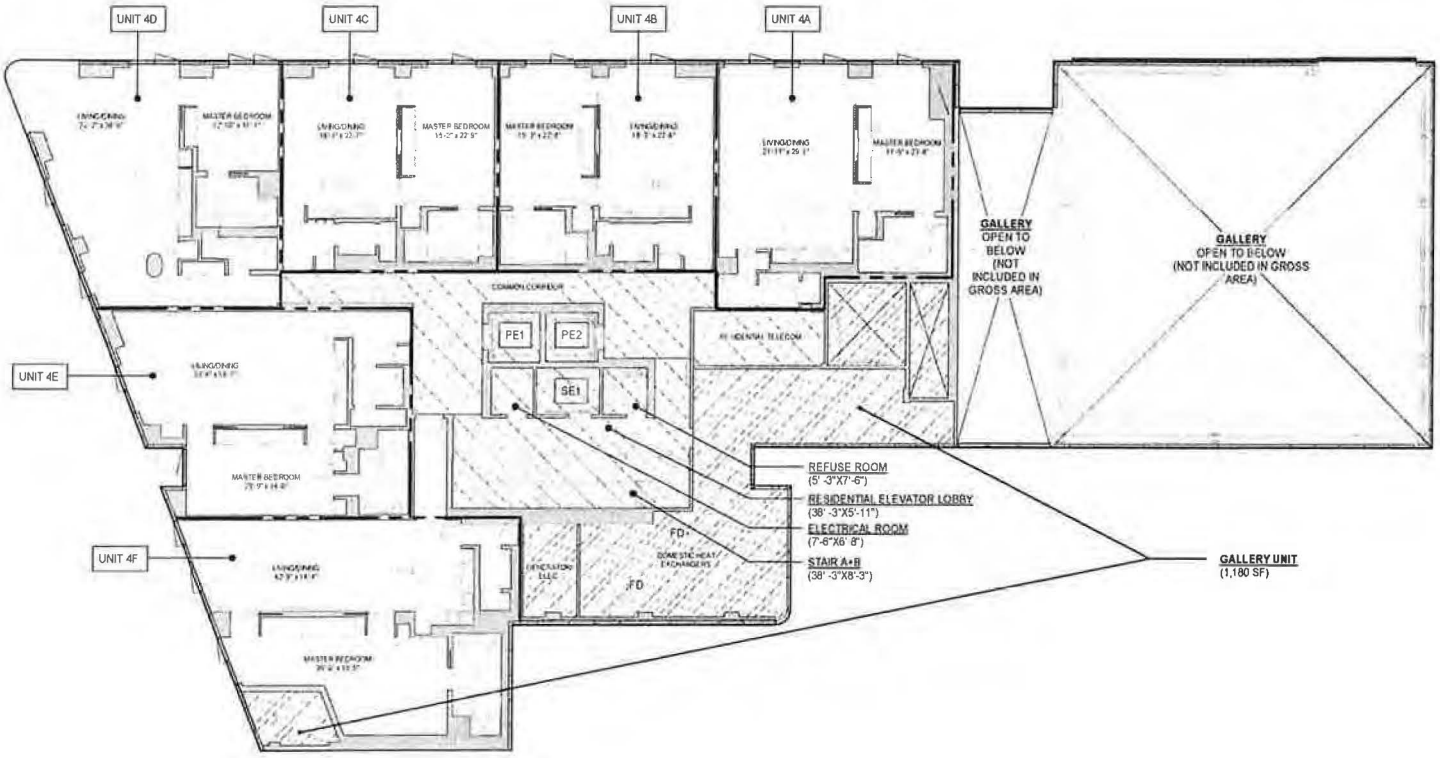
GALLERY UNIT:	15,534 SF
RESIDENTIAL COMMON AREA:	878 SF
SHARED SPACES:	770 SF
TOTAL FLOOR AREA:	17,182 SF

540 WEST 21ST STREET

AG-103

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



LEGEND

FD	FLOOR DRAIN
OD	OVERFLOW DRAIN
	RESIDENTIAL COMMON AREA
	GALLERY
	BUILDING COMMON AREA

N

0 15' 30'

4th Floor Plan PLAN

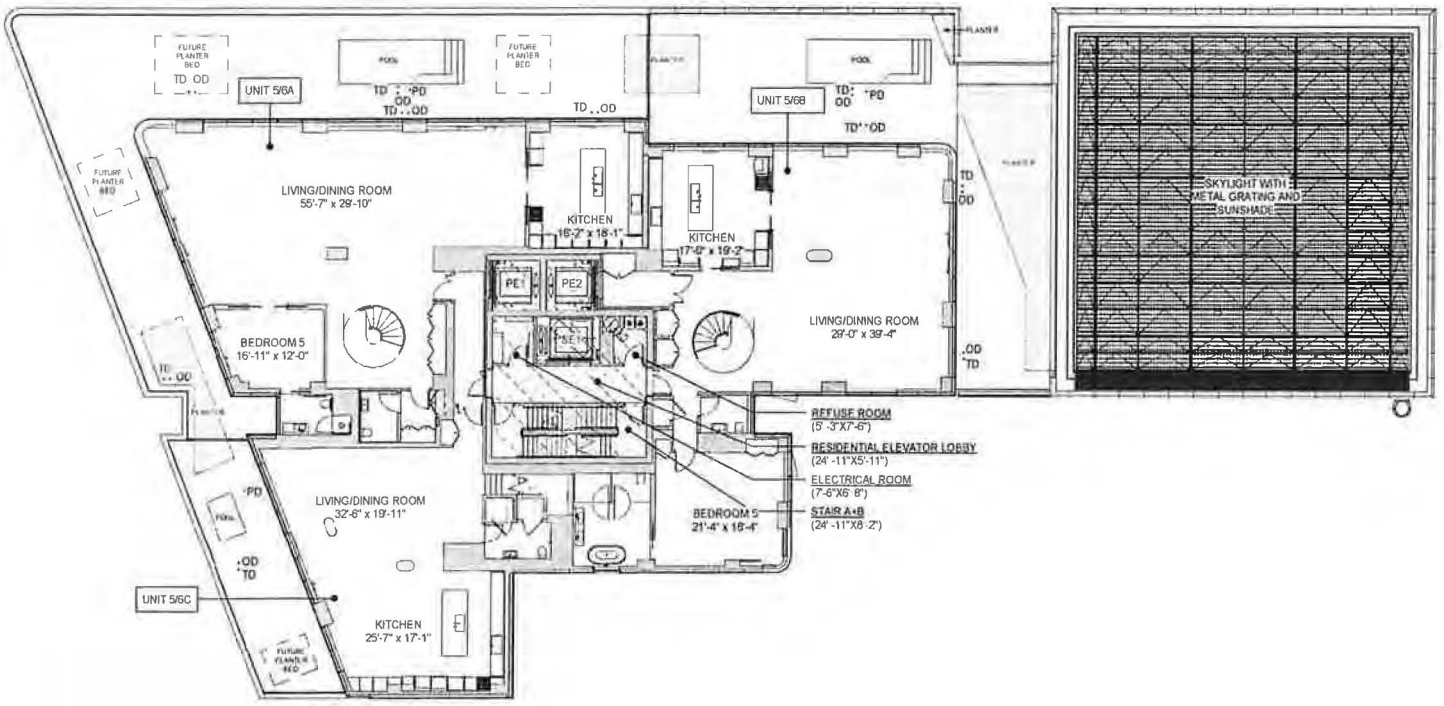
GALLERY UNIT:	1,180 SF
RESIDENTIAL AREA:	11,288 SF
TOTAL FLOOR AREA:	12,468 SF

540 WEST 21ST STREET

AG-104

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



LEGEND

TD	TERRACE DRAIN
OD	OVERFLOW DRAIN
PD	POOL DRAIN
	RESIDENTIAL COMMON ELEMENT 702 SF
	RESIDENTIAL UNITS

N

0 15' 30'

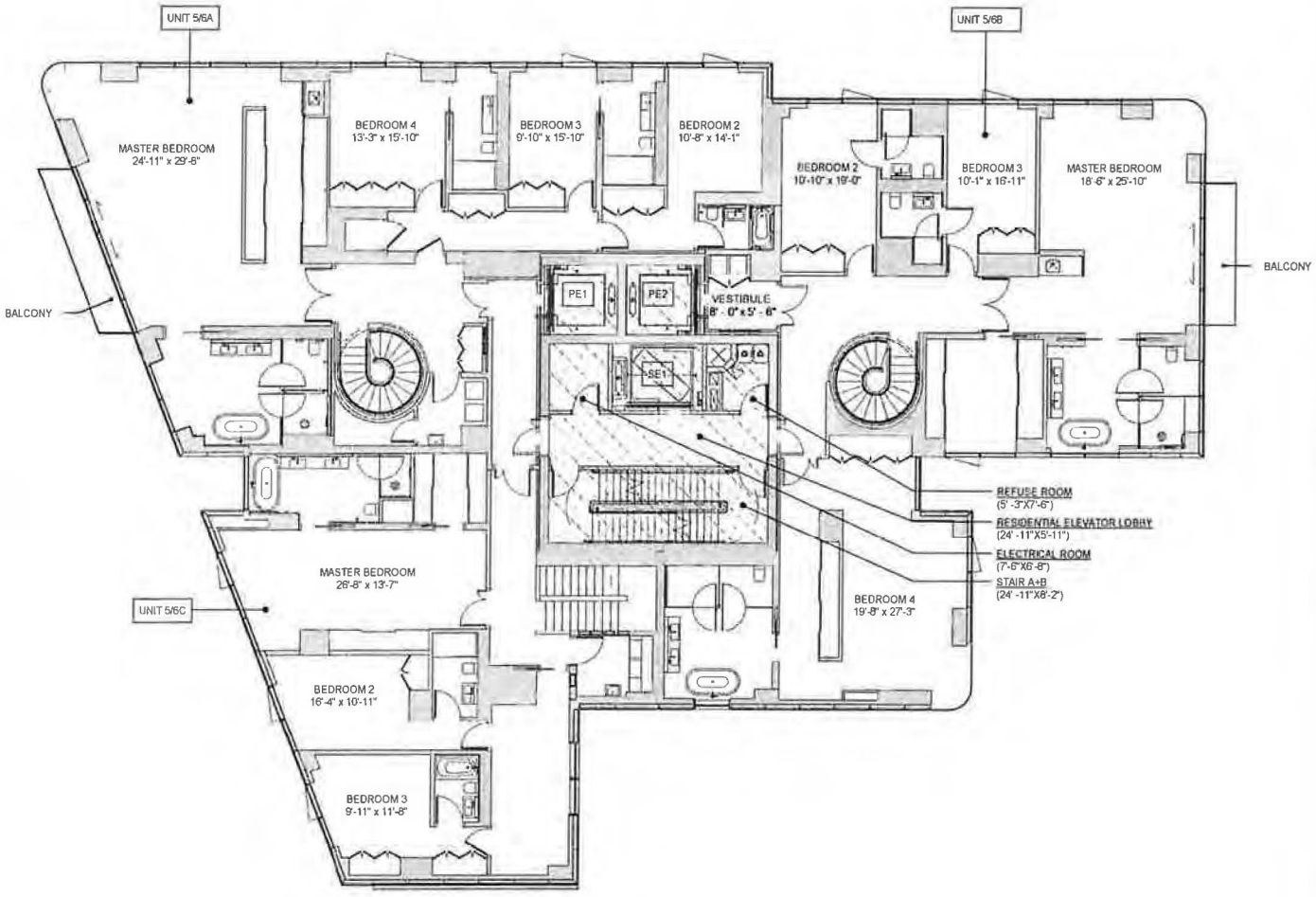
5TH FLOOR PLAN

540 WEST 21ST STREET

AG-105

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



LEGEND:

- RESIDENTIAL COMMON ELEMENT 701 SF
- RESIDENTIAL UNITS

N

0 10' 20'

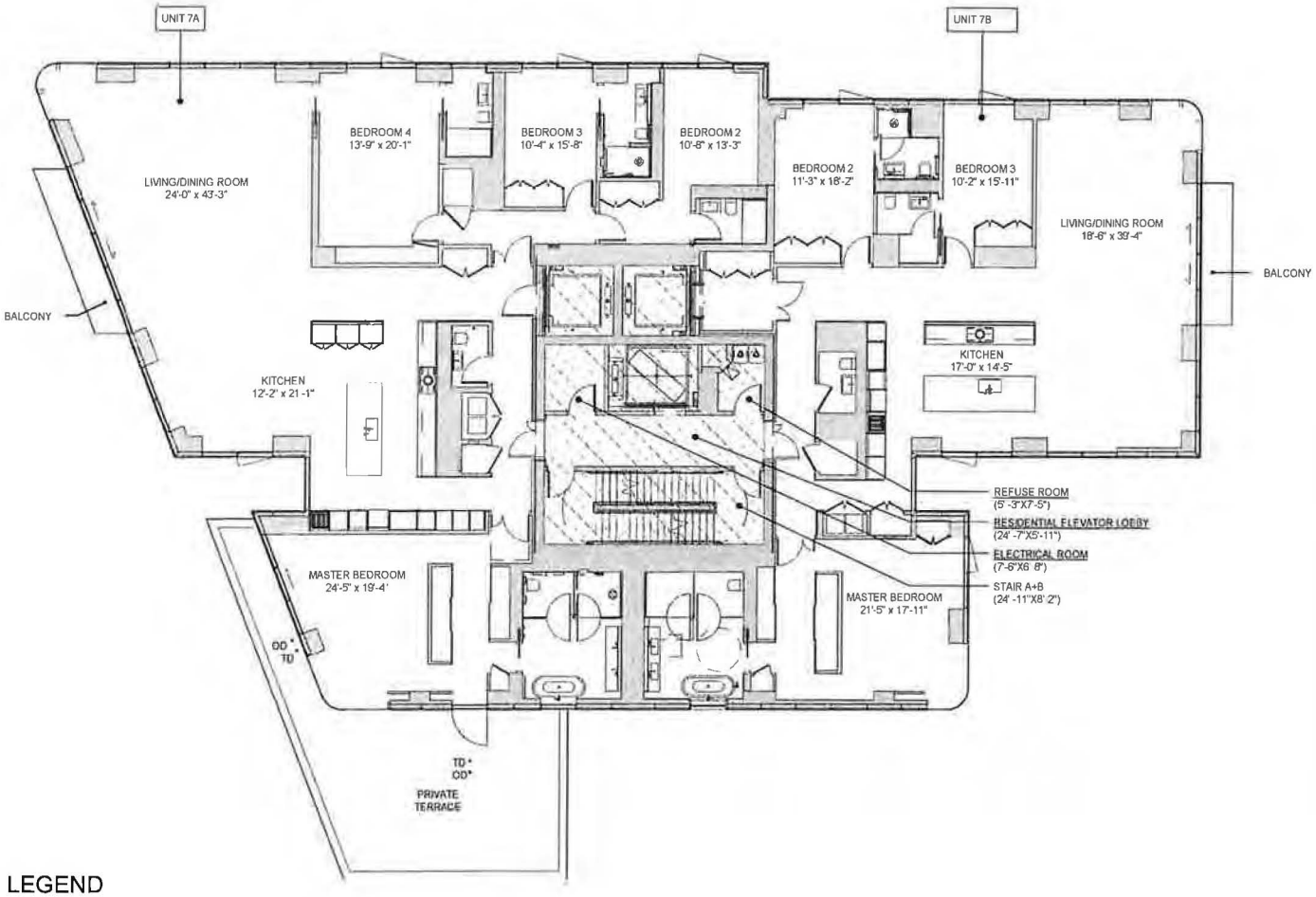
6TH FLOOR PLAN

540 WEST 21ST STREET

AG-106

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



LEGEND

TD	TERRACE DRAIN
OD	OVERFLOW DRAIN
	RESIDENTIAL COMMON ELEMENT 697 SF
	RESIDENTIAL UNITS

N

0 10' 20'

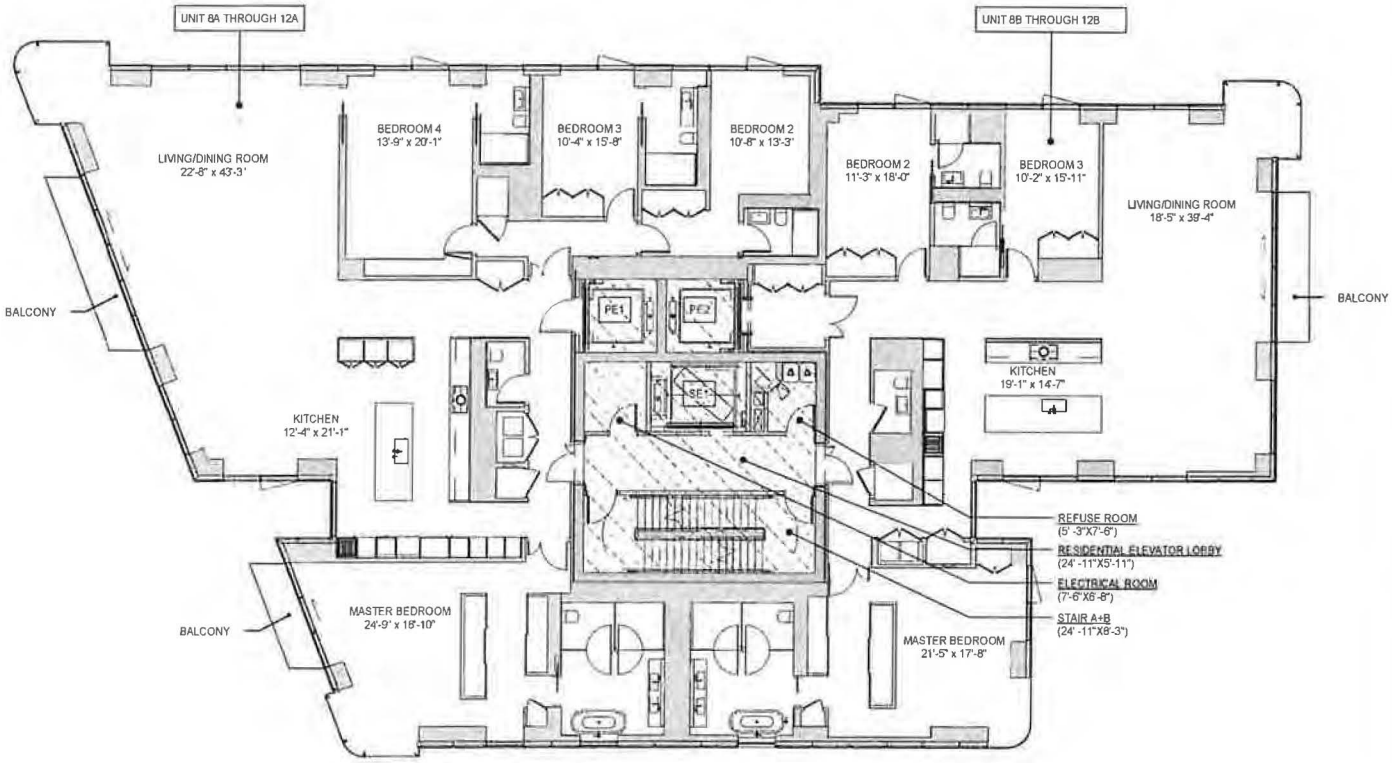
7TH FLOOR PLAN

540 WEST 21ST STREET

AG-107

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



LEGEND:

RESIDENTIAL COMMON ELEMENT 692 SF

RESIDENTIAL UNITS

N

0 10' 20'

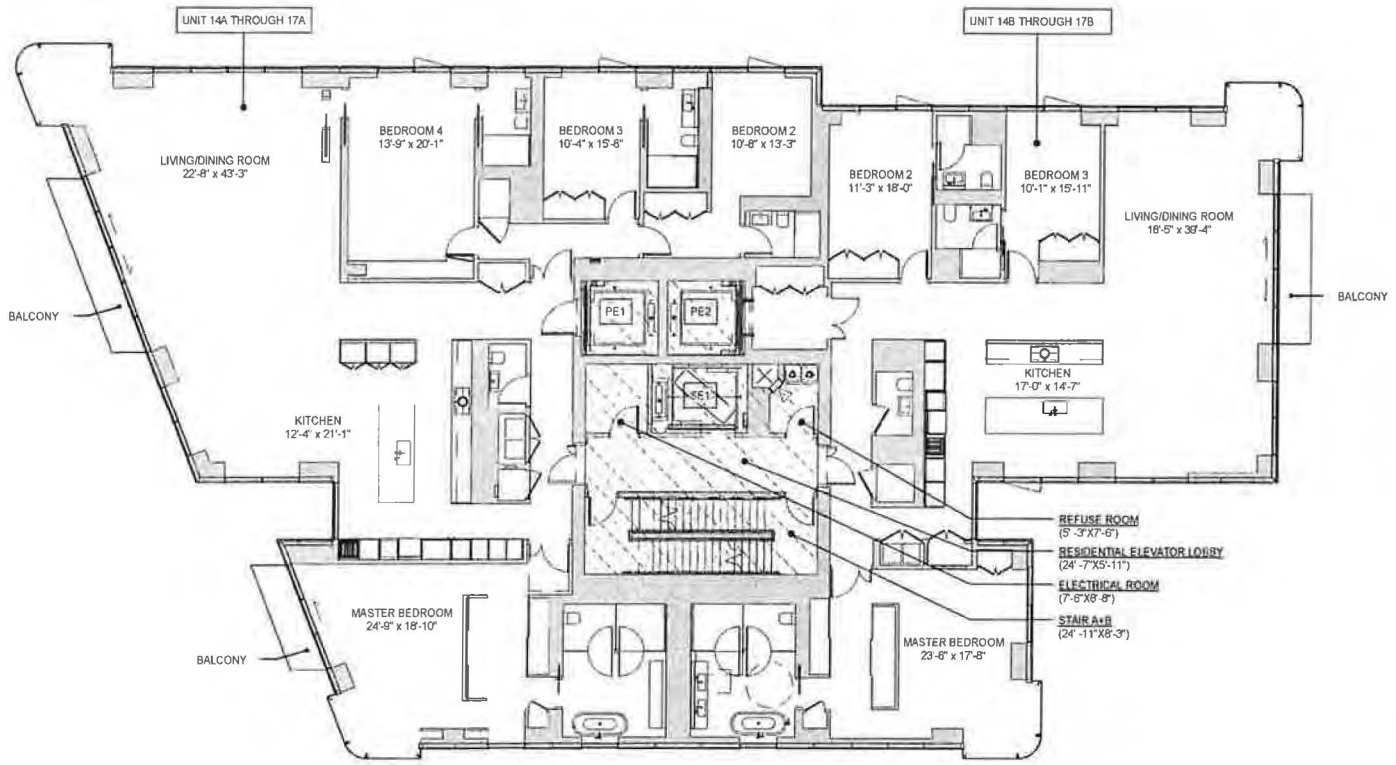
8TH THROUGH 12TH FLOOR PLAN

540 WEST 21ST STREET

AG-108

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



LEGEND:

RESIDENTIAL COMMON ELEMENT 702 SF

RESIDENTIAL UNITS

N

0 10' 20'

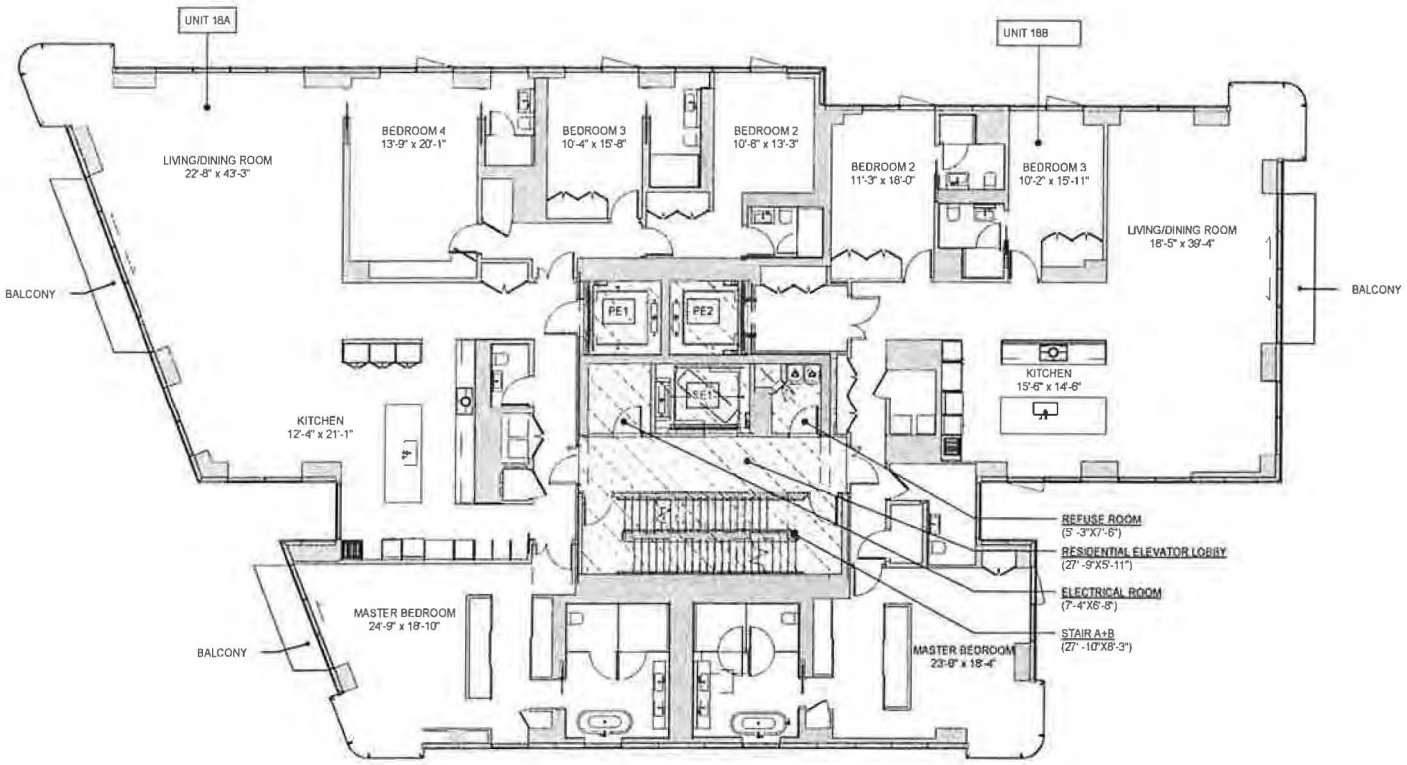
14TH THROUGH 17TH FLOOR PLAN

540 WEST 21ST STREET

AG-114

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



LEGEND:

RESIDENTIAL COMMON ELEMENT 749 SF

RESIDENTIAL UNITS

N

0 10' 20'

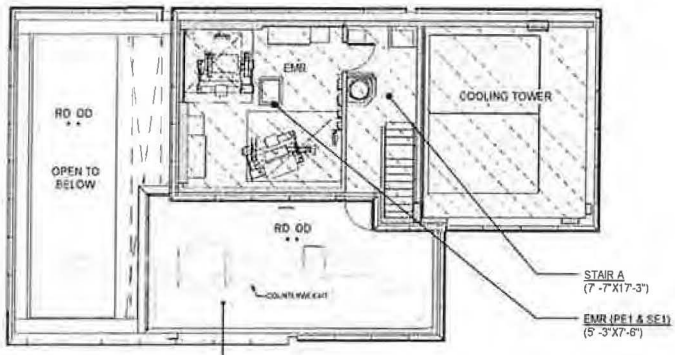
18TH FLOOR PLAN

540 WEST 21ST STREET

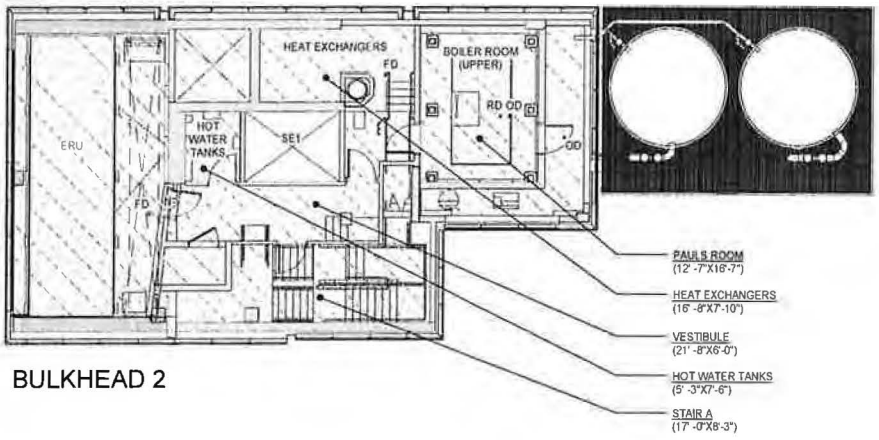
AG-118

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN

OCTOBER 3, 2018



BULKHEAD 3



BULKHEAD 2

LEGEND

FD	FLOOR DRAIN
OD	OVERFLOW DRAIN
RD	ROOF DRAIN
	RESIDENTIAL COMMON ELEMENT: 2,531 SF

N

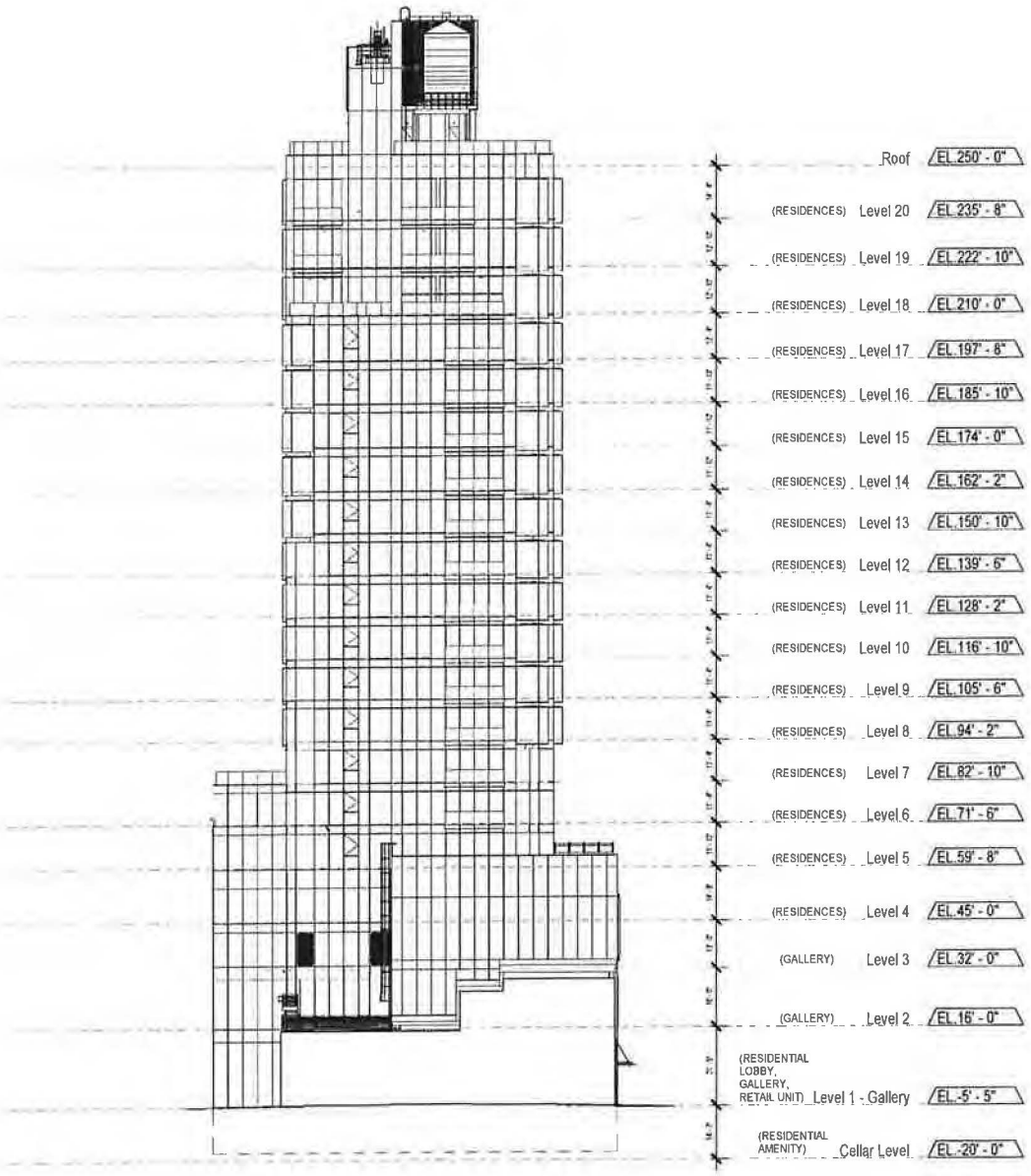
BULKHEAD 2 & BULKHEAD 3 PLAN

540 WEST 21ST STREET

AG-122

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



N

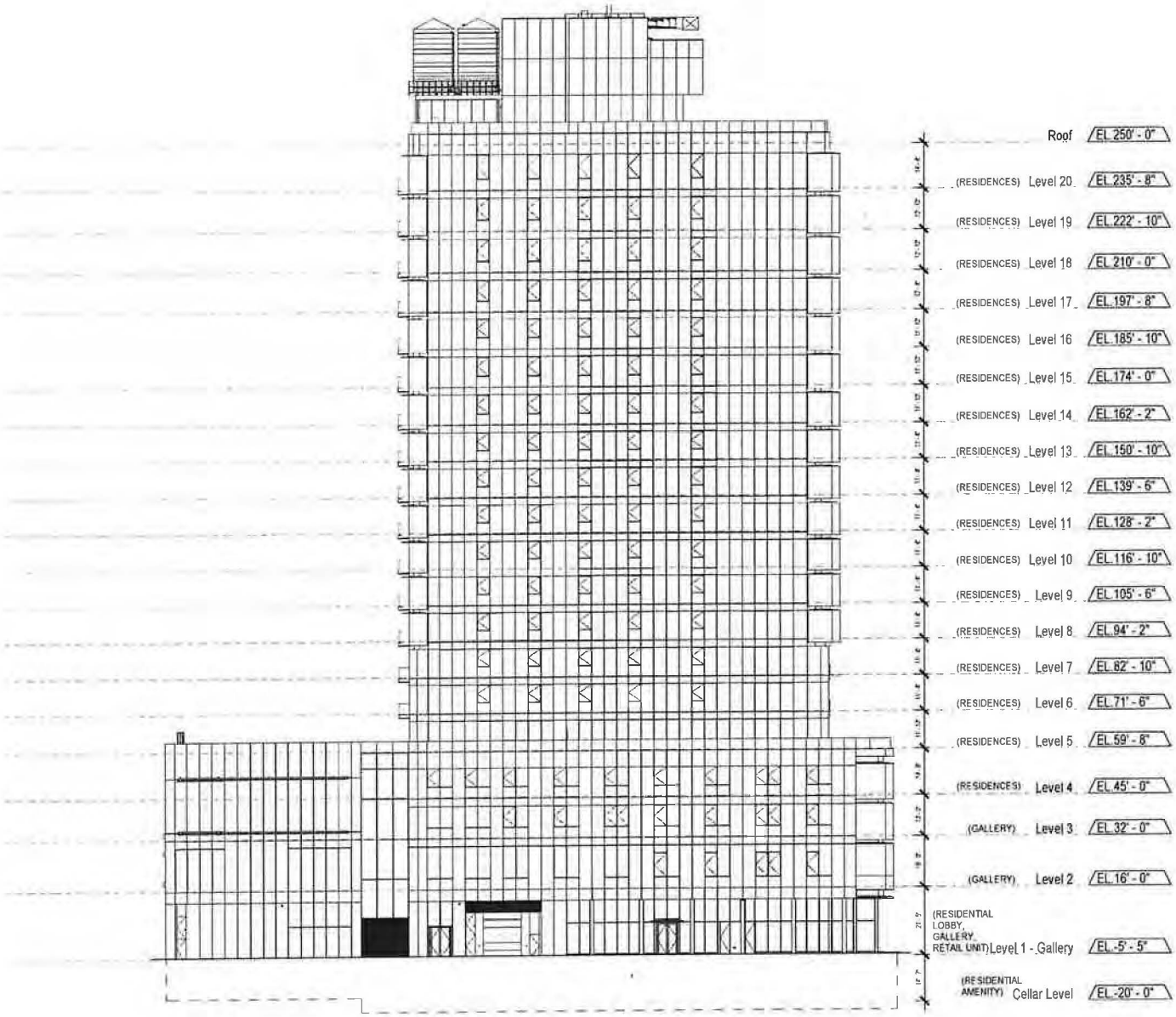
EAST BUILDING ELEVATION

540 WEST 21ST STREET

AG-201

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



N

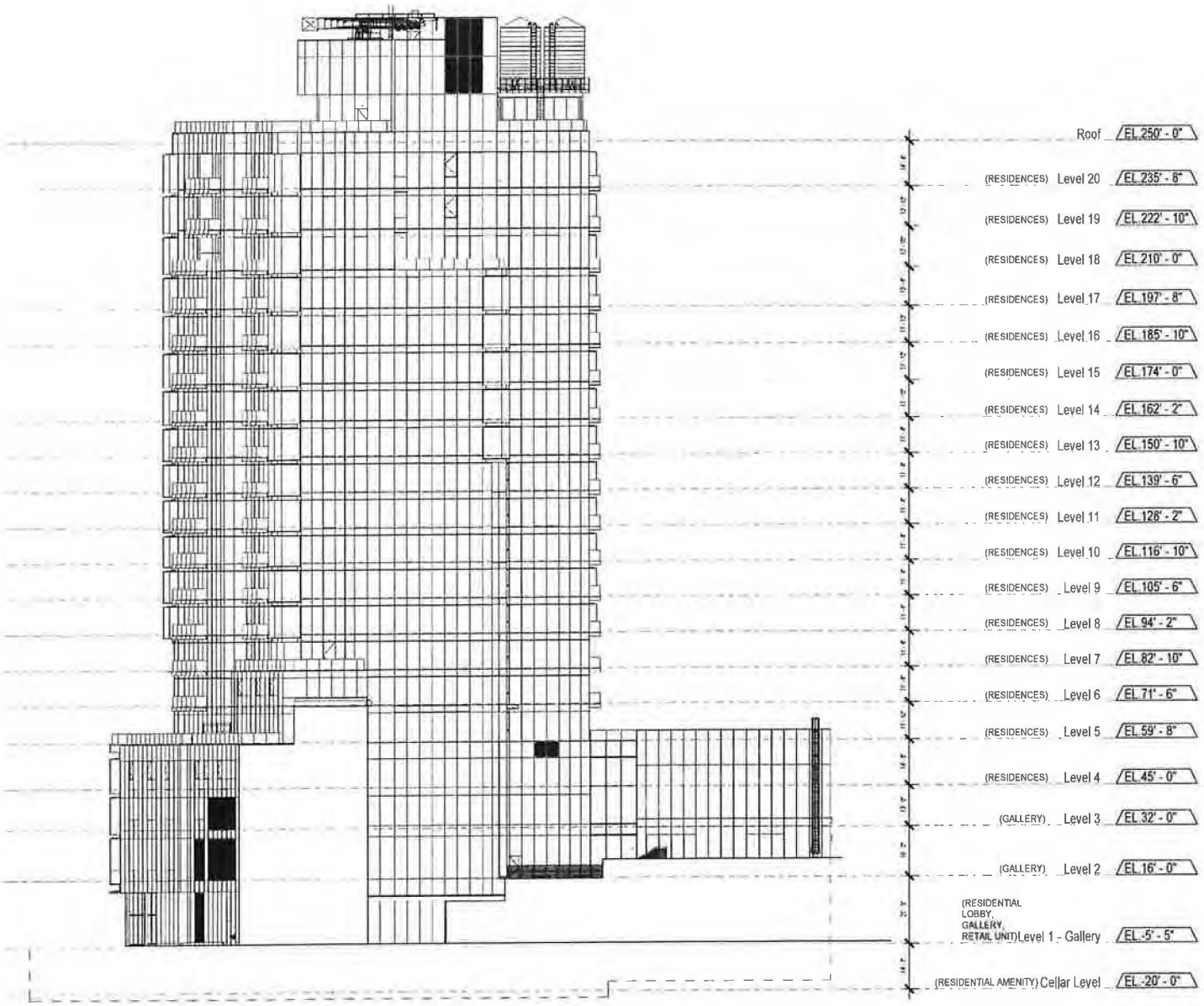
NORTH BUILDING ELEVATION

540 WEST 21ST STREET

AG-202

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



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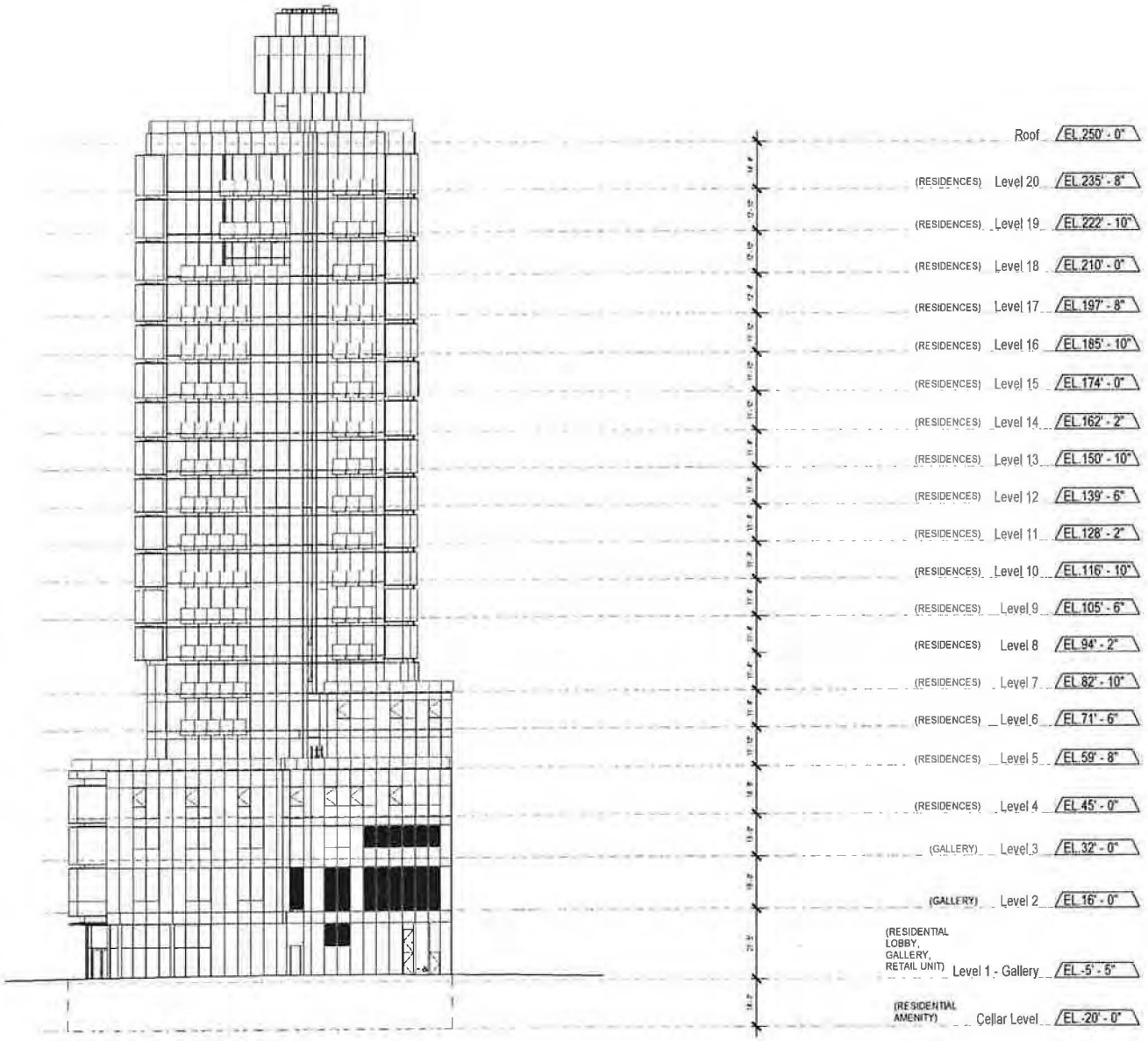
SOUTH BUILDING ELEVATION

540 WEST 21ST STREET

AG-203

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN

OCTOBER 3, 2018



WEST BUILDING ELEVATION

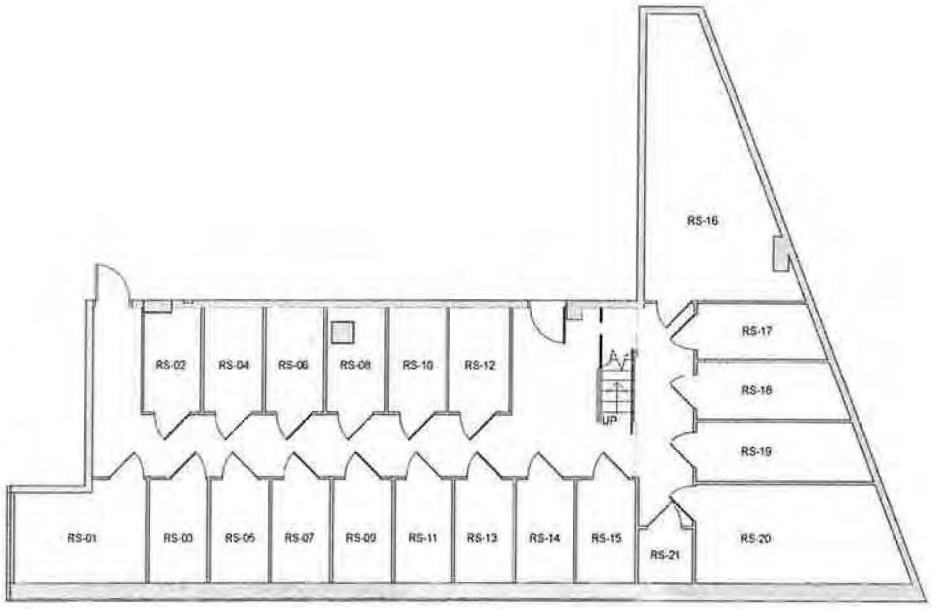
N

540 WEST 21ST STREET

AG-204

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018



Area Schedule (Rentable)	
Storage Unit	Area (sq. ft)
RS-01	99 SF
RS-02	48 SF
RS-03	47 SF
RS-04	48 SF
RS-05	47 SF
RS-06	48 SF
RS-07	47 SF
RS-08	45 SF
RS-09	47 SF
RS-10	48 SF
RS-11	47 SF

Area Schedule (Rentable)	
Storage Unit	Area (sq. ft)
RS-12	50 SF
RS-13	47 SF
RS-14	47 SF
RS-15	47 SF
RS-16	224 SF
RS-17	52 SF
RS-18	65 SF
RS-19	76 SF
RS-20	146 SF
RS-21	24 SF

N

RESIDENTIAL TENANT STORAGE UNITS
CELLAR FLOOR

540 WEST 21ST STREET

AG-RS00

GENERAL NOTE:
THE DIMENSIONS ON THIS FLOOR PLAN ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES, DEVIATIONS AND TOLERANCES. THE SPONSOR HAS THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

OCTOBER 3, 2018

EXHIBIT "8"

DECLARATION OF CONDOMINIUM

CONDOMINIUM NUMBER: _____

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises located at
540 West 21st Street
New York, New York 10011

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:
540 WEST 21ST STREET CONDOMINIUM

Declarant:
540 West 21st Street Holdings LLC

540 West 21st Street
New York, New York 10011

The land affected by the within instrument lies in
Block 692 formerly known as 53, 57, 61, 63 and air rights from Lot 11
Base Lot _____ and _____
now known as Lots _____
on the Tax Map of the Borough of Manhattan, City of New York

Attorneys for Declarant
Holland & Knight LLP
31 West 52nd Street
New York, New York 10019
Attn: Stuart M. Saft, Esq.
(212) 513-3308

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DECLARATION
OF
540 WEST 21ST STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

540 West 21st Street Holdings LLC, a Delaware limited liability company, having an office 534 West 21st Street, New York, New York 10011 ("Declarant"), does hereby declare as follows:

ARTICLE 1
DEFINITIONS

All capitalized terms used in this Declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the respective meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

ARTICLE 2
SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York, as amended from time to time (the "Condominium Act") and pursuant thereto does hereby establish a Condominium to be known as the "540 West 21st Street Condominium" (the "Condominium").

2.2 Attached to this Declaration and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the respective meanings given to those terms in the By-Laws.

2.3 In the event of a conflict between the terms and provisions of this Declaration, on the one hand, and the terms and provisions of any of the By-Laws, on the other hand, the terms of this Declaration shall in all events govern. In the event of a conflict between the terms and provisions of this Declaration and or the By-Laws, on the one hand, and the Floor Plans, on the other hand, the Floor Plans shall in all events govern.

ARTICLE 3
THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is

owned by Declarant in fee simple absolute. The Land has an area of approximately 29,875 square feet.

ARTICLE 4
THE PROPERTY

4.1 Included in the Property described in Article 2 is a building (the "Building") containing the 34 Residential Units (collectively referred to as the "Residential Units" and individually, a "Residential Unit"), one (1) Retail Unit (the "Retail Unit"), and one (1) Gallery Unit (the "Gallery Unit"). The Residential Section consists of the Residential Units, the Residential Common Elements and the Residential Limited Common Elements. The Non-Residential Section consists of the Gallery Unit and the Retail Unit are collectively referred to as the "Non-Residential Units" and individually as a "Non-Residential Unit". The Non-Residential and the Residential Units are sometimes hereinafter collectively referred to as the "Units" and individually as a "Unit." The owner of a Residential Unit is herein called a "Residential Unit Owner" and all the owners of the Residential Units are herein collectively called the "Residential Unit Owners." An owner of a Non-Residential Unit, or its designee, is herein called a "Non-Residential Unit Owner;" the owner of a Retail Unit at any time, or its designee, is herein called the "Retail Unit Owner;" the owner of the Gallery Unit at any time, or its designee, is herein called an "Gallery Unit Owner".

4.2 From the date hereof until the date on which a Unit is first conveyed or first distributed by Declarant to an unrelated Person, (i) Declarant shall have all the rights and obligations described herein and in the Condominium By-Laws with respect to such Unit as rights and obligations of the Unit Owner thereof and (ii) all references in this Declaration and in the Condominium By-Laws to the Unit Owner of such Unit shall be deemed to be references to Declarant.

4.3 From the date hereof until the first conveyance of a Residential Unit in the Residential Section (the "First Residential Unit Conveyance"), Declarant shall have the rights and obligations described herein and in the Condominium By-Laws as the collective rights and obligations of the Residential Unit Owners on the Condominium Board (the "Residential Committee"); and, until the First Residential Unit Conveyance, all references herein and in the Condominium By-Laws to the Residential Unit Owners and/or the Residential Committee shall be deemed to be references to Declarant.

ARTICLE 5
THE BUILDING

The Building contains 34 Residential Units, one Retail Unit, one Gallery Unit, and the Common Elements. The Building is constructed of reinforced concrete frame with concrete slab floor systems, including reinforced concrete columns, masonry cavity walls and concrete footings. The floors are named (from bottom to top): Lower Level, First Floor or "Lobby", Floors 2-12 and 14-18 and PHC, PHB, PHA (with the Main Roof being part of PHA's roof top), and the Bulkhead Roof. The Condominium has three entrances: two on West 21st Street, one for the Residential Section and one for the Gallery Unit, and an entrance on the corner of Eleventh Avenue and West 21st Street for the Retail Unit.

ARTICLE 6
THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; floor designation; tax lot number; approximate square foot area; approximate terrace square foot area; and the percentage interest in the General Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Building (the "Floor Plans") certified by Adamson Associates Architects and intended to be approved by the Real Property Assessment Department of the City of New York and filed in the New York County office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other doors to such Unit, smoke detectors, all windows (including, without limitation, their panes, casements and frames) to such Unit, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, induction cooktop (with the Unit Owner being able to tie into a gas line to permit gas ranges) and any other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, 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, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Notwithstanding the foregoing, the front entrance to the Gallery Unit is a General Common Element. Each Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the panel and serving or benefiting only that Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building. The Declarant and the Non-Residential Unit Owners shall have the right to make more extensive alterations to their Units provided that no alteration shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 A Unit shall not include any of the Common Elements located therein or any Facilities, plumbing, electrical, heating, venting and air conditioning work, machinery, or other materials and equipment used exclusively by and for the other Unit or the Unit Owner.

6.4 Each Unit also includes those storefronts, entranceways, windows and window framing, door assemblies and related and similar installations in the exterior facade exclusively opening into the Unit as more particularly delineated on the Floor Plans.

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

6.6 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in each of the Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

6.7 The Residential Section includes all related Facilities exclusively serving the Residential Units, all passages, lobbies, hallways, stairs, stairways and landings, corridors, mechanical space, tenant storage and other rooms, if any, which are used exclusively by the Residential Unit Owners and are not otherwise expressly designated on the Floor Plans as part of another Unit or as Common Elements.

6.8 The Non-Residential Units shall include all Facilities exclusively serving the Non-Residential Units, all passages, hallways, stairs, stairways and landings, corridors, mechanical space, and such other rooms, if any, which are used exclusively by such Non-Residential Unit Owner and are not otherwise expressly designated on the Floor Plans as part of another Unit or the Common Elements.

6.9 The Gallery Unit includes the Loading Dock.

6.10 Each Unit is subject to the encroachments and easements described in this Declaration to the extent and on the terms and conditions provided for herein.

6.11 The Residential Section include all related Facilities exclusively serving the Residential Units. The Non-Residential Section includes all related Facilities exclusively serving the Non-Residential Units.

6.12 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

6.13 All excess air or developmental rights (collectively, the "Development Rights") otherwise appurtenant to the Property both (a) prior to the First Closing, in connection with any development work to be performed by Sponsor at the Building; and (b) subsequent to the First Closing, not used in connection with any development of the Building prior to the First Closing will be retained by the Sponsor (the "DR Owner"). Nothing contained herein shall prevent Development Rights to be separately acquired on behalf of the Building or a Unit Owner, as the case may be, for a future expansion of the Building pursuant to any applicable Legal Requirements. The DR Owner may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased in size as a result of such

transfer or sale.

6.14 The Development Rights will not be used subsequent to the First Closing to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Development Rights can be used by the DR Owner in the Property after the First Closing solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Development Rights in excess of those used in connection with any renovation of the Building in accordance with the Plan.

ARTICLE 7
DIMENSIONS OF UNITS

7.1 The approximate floor area of each Unit has been measured from the exterior side of the exterior walls (columns, shear walls, mechanical pipes, shafts, shaftways, chases, chaseways, conduits and floor openings for interior stairways are not deducted from measurement of each Unit) to the centerline of the demising walls separating one Unit from another Unit, or separating one Unit from egress stairs, elevators, and other mechanical equipment spaces and Common Elements not within a Unit and to the outer (corridor-side) finished face side of the non-Unit side of the interior walls separating the Unit from public corridors. Columns and mechanical pipes, (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit. Outdoor floor areas adjacent to Units were not included in the Unit floor area except at the First Floor between the property line at the street and the Building.

7.2 Measured vertically, each Unit consists of the volume from the lowest concrete floor of the Unit (located under the finished flooring and sub-floor materials) to the underside of the highest concrete ceiling atop the Unit.

ARTICLE 8
COMMON ELEMENTS

8.1 The common elements of the Condominium (the "Common Elements") consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units and the General Common Elements and the Limited Common Elements. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Limited Common Elements of the Condominium (the "Limited Common Elements") consist of the Common Elements that serve or benefit exclusively (a) the Residential Units or the Residential Unit Owners, (in which event they are called "Residential Common Elements"), (b) one or more but not all of the Residential Units or the Residential Unit Owners (in which event they are called "Residential Limited Common Elements"), (c) the Retail Unit or Retail Unit Owner (in which event they are called "Retail Common Elements") or (d) the Gallery Unit or Gallery Unit Owner (in which event they are called the "Gallery Common Elements"). The Retail Common Elements and the Gallery Common Elements are collectively called the "Non-Residential Common Elements." The General Common Elements are appurtenant

to, serve and benefit each Unit to the extent of such Unit's percentage share of the General Common Elements. The General Common Elements are for the common use of all Unit Owners.

8.2 As used in this Declaration, the word "Facility" or "Facilities" includes, but is not limited to, the following items (grouped more or less functionally), which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box. The word "Facility" or "Facilities" does not include any portion of the Building that is specifically listed as a Residential Unit, a Residential Common Element, a Residential Limited Common Element, or a Non-Residential Unit.

8.3 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.4 The General Common Elements consist of the following:

8.4.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.4.2 Any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, (except to the extent included in Sections 8.5 or 8.6), together with the exterior walls of the Building.

8.4.3 Any other Facilities in the Building which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Non-Residential Section and the Residential Section and are not a part of any Unit or Residential Common Elements.

8.4.4 The Electric Room, Water Room, Gas Meter Room, Telecom Room, Storm Water Detention Tank, Sewer Room, and Fire Pump Room in the Lower Level.

8.4.5 Stairwell C, Stairwell D, Stairwell E, and the Flood Evacuation Stairwell.

8.4.6 The Bulkhead Roof.

8.4.7 The exterior façade of the Building.

8.4.8 The columns, girders, floor slabs and ceilings, beams, and supporters and interior load bearing walls.

8.4.9 The lighting equipment that illuminates the exterior portions of the Building.

8.4.10 All other Facilities of the Property (including but not limited to shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Non-Residential Units and the Residential Units.

8.5 The Residential Common Elements include the following:

8.5.1 Residential electric meters and panels, electric closets, feeders, risers and Facilities, Residential gas meter and direct burial telephone cables serving exclusively the Residential Section.

8.5.2 Kitchen, bathroom and dryer exhaust ducts, corridor and Residential Unit supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting exclusively the Residential Section.

8.5.3 CATV riser and all other Facilities located in the Property serving or benefiting exclusively the Residential Section.

8.5.4 The rooms and Facilities located as follows: the entrances to the Residential Units; storage rooms, residential refuse rooms on each floor servicing the Residential Units and compactor room; the passenger elevators and their shafts, pits, machine rooms and Facilities. Notwithstanding the foregoing, Declarant will have the right to cause the Residential Committee to license any Storage Bins that are not already licensed to a Residential Unit Owner or acquired by the Residential Committee and Declarant shall retain the purchase price for the Storage Bins for which the Residential Committee grants such licenses.

8.5.5 All passages, elevators, hallways, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Residential Units, Residential Limited Common Elements or part of the Non-Residential Units, Non-Residential Common Elements or General Common Elements, including their concrete floor slabs and ceilings.

8.5.6 Residential elevators, shafts and related equipment and surrounding lobbies, service halls and corridors.

8.5.7 Certain stairwells, as indicated on the Floor Plans.

8.5.8 All doors in the Residential Section, excluding doors opening from common corridors and providing entrance to Residential Units, interior doors in the Residential Units, and doors in a Residential Unit (the excluded doors being considered part of the Residential Unit).

8.5.9 Swimming Pool, Family Room, Spa, Hot Stone Room, Showers, Changing Rooms, Yoga Room, Exercise Room and Weight Room in the Lower Level.

8.5.10 The residential lobby and its stairs, the concierge, package room, service entry and corridors, cart room, mail room, lobby garden, bike storage, lobby restroom, trash and recycling area, receiving area and surrounding corridors located on the First Floor.

8.5.11 Window glass in the Residential Section which is not part of a Residential Unit.

8.5.12 Heating and air conditioning units for the Residential Units consisting of a fan, motor, ductwork, piping and controls.

8.5.13 Corridor supply risers and ducts, kitchen and toilet exhaust risers and ducts, kitchen and toilet water vent and soil stacks, gas risers, electric risers, and shafts serving Residential Units.

8.5.14 All passages and corridors, mechanical and other rooms, areas and indoor and outdoor spaces located at the Property serving exclusively the Residential Section and which are not General Common Elements, Non-Residential Common Elements or part of any Unit.

8.5.15 All other facilities of the Property (including but not limited to shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Residential Section.

8.5.16 Air conditioning system for the elevator machine room on the roof including fan, motor, ductwork and controls.

8.5.17 All other Facilities exclusively serving the Residential Section, excluding the Residential Units, the Residential Limited Common Elements, and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Residential Section.

8.5.18 Notwithstanding anything to the contrary in this Article 8, if a Residential Common Element benefits only certain Residential Unit Owners, then the Residential Section's costs of alteration, addition, repair, replacement and restoration thereto shall be borne solely by those Residential Unit Owners who benefit from the Residential Common Element in the proportion that the Common Interest of each benefiting Residential Unit Owner bears to the Common Interests of all benefiting Residential Unit Owners. In addition, except as otherwise provided in the By-Laws, such Residential Unit Owners shall be responsible for the normal operation, maintenance and repair of any such Residential Common Element at their sole cost and expense.

8.6 The Residential Limited Common Elements consist of the following:

8.6.1 Certain portions of the Residential Common Elements that are limited and further restricted in use to the owners of Residential Units to which such Residential Limited Common Elements are appurtenant, subject to the right of the Condominium Board or

Residential Committee to enter upon any such Residential Limited Common Element to make structural repairs or structural replacements to said Residential Limited Common Element or any other Common Element contained therein, and subject to the Rules and Regulations of the Condominium.

8.6.2 That portion of equipment, fixtures or Facilities serving or benefiting one Residential Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Residential Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Residential Unit Owner who is so served or benefited by such Residential Limited Common Elements shall have the exclusive right to use such Residential Limited Common Elements and shall be responsible for their normal operation, maintenance and repair at such Unit Owner's sole cost and expense.

8.6.3 All other Facilities exclusively serving one or more but not all Residential Units, excluding the Residential Units, the Residential Common Elements, the Non-Residential Common Elements, and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Residential Units.

8.7 All normal and ordinary maintenance, repair and replacement of Residential Limited Common Elements (i.e., cleaning surface areas, patching chipped concrete or pavers, repairing and/or replacing fencing or railing enclosures, etc.) shall be tended to and paid for by the Residential Unit Owner having the exclusive use thereof. However, washing exteriors of windows will be borne by the Residential Unit Owners as a Residential Common Expense. Structural repairs of the Residential Limited Common Elements will be borne by the Residential Unit Owners as a Residential Common Expense.

8.8 Residential Unit Owners shall be responsible for washing the interior side of any and all windows in their Unit, and for the cost of replacing broken window glass in their Unit unless the glass was broken through the negligence of the Condominium Board or the Residential Committee or their agents, in which case the cost of replacement shall be borne by the Residential Unit Owners as a Residential Common Expense. The maintenance, repair and replacement of: (a) the windows in the Residential Section shall be performed by the Residential Committee and shall be a Residential Common Expense; (b) the maintenance, repair and replacement of the windows in the Non-Residential Section shall be the responsibility of the Non-Residential Unit Owner whose windows need to be maintained, repaired or replaced.

8.9 The Non-Residential Common Elements consist of the passages and corridors, mechanical and other rooms and areas located at the Property not serving the Residential Units and which are not General Common Elements or part of a Unit, if any.

ARTICLE 9
USE OF BUILDING AND UNITS

9.1 Use and Ownership of Residential Units.

9.1.1 As more particularly set forth and described in the By-Laws, except as

otherwise herein and in the By-Laws expressly provided, Residential Units may be used only for residential purposes and, subject to compliance with the By-Laws, for a lawful home occupation, as defined in the Zoning Resolution. Residential Units may be owned or leased by an individual, corporation, partnership limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments). Residential Units may only be occupied by (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership, which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company, which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of an Occupancy Plan; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Subject to the foregoing, Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations. An "Occupancy Plan" means a program, plan, entity, agreement or other arrangement for the use, occupancy, marketing, advertising or promotion of one or more Units under short-term, timeshare, fractional or shared ownership, interval exchange (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans or arrangements through which a participant in the plan or arrangement acquires a direct or indirect ownership interest in the Residential Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Residential Unit(s) or a portfolio of accommodations including such Residential Unit(s).

9.1.2 Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Sponsor (and its designee) may, without the permission of the Board or any other Person use or grant permission for the use of any Unsold Unit as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject to compliance with applicable Laws. As used in the Condominium Documents, "Unsold Unit" refers to 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 any of their respective designees as the holder of one or more Unsold Unit(s); any Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more of its principals is a member; or a Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Declarant or the designee of a holder of such a Permitted Mortgage.

9.2 Except as otherwise provided in the By-Laws, the 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.

(a) Subject to any easements (exclusive or otherwise) and/or rights of access provided in this Declaration with respect to the Common Elements, neither the Board nor any Unit Owner shall impede the exercise of or encroach upon the rights of the other Unit Owners or anyone claiming, by, through or under them, including, but not limited to, the occupants of the Units and their respective invitees, to use the same.

(b) No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation pursuant to the By-Laws or this Declaration to maintain or repair such portion of the Property.

9.3 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may without the permission of the Residential Committee or the Condominium Board, (1) grant permission for the use of any Unsold Units owned by it as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for such Unit or any other governmental regulations and (2) use any Unsold Units owned by it as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental laws and regulations.

9.4 The Retail Unit may be used for any lawful purpose permitted under the Zoning Resolution.

9.5 The Gallery Unit may not be used for any purpose other than as a first-class art gallery, which may include incidental office use and incidental food and beverage sales. The Gallery Unit will not be open past eight o'clock in the evening (8pm) more than twenty (20) times per year, and Gallery Unit Owner shall exercise good faith efforts to use a lighting system in the Gallery Unit that minimizes the impact upon the Residential Units of light from the Gallery Unit. Other than as provided in the Condominium Declaration, neither the Condominium Board, the Residential Committee, nor the Unit Owners shall impose any restrictions on the use of the Gallery Unit. No amendments to the Declaration or the By-Laws, that impose further material restrictions on the use or operation of the Gallery Unit shall be permitted without the written consent of the Gallery Unit Owner.

ARTICLE 10
CHANGES IN THE RESIDENTIAL UNITS

10.1 Except to the extent prohibited by Law, Declarant or its designee shall have the right, without the vote or consent of the Board, other Unit Owners or the Residential or Non-Residential Mortgage Representatives, if any, to: (a) make alterations, additions, improvements, replacements and/or repairs whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit(s); (b) change the use (subject to Section 9.2 above) or layout of, or number of rooms in, any Unsold Residential Units from time to time; (c) change the size and/or number of Unsold Unit(s) 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, converting an Unsold Unit or any portion thereof to a Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating the use of any portion of the Limited Common Elements adjacent or appurtenant thereto (but only to the extent that such Limited Common Elements are not required to be maintained as Limited Common Elements based upon such alterations); (d) designate all or any part of a General Common Element or a Residential Common Element as part of a newly created Residential Unit, Residential Common Element, Non-Residential Unit, Non-Residential Common Element or Residential Limited Common Element or designate all or part of a Residential Unit as a newly created Non-Residential Unit, Residential Common Element, Residential Common Element or Non-Residential Common Element, or Residential Limited Common Element; (e) if appropriate, reapportion among the Unsold Residential Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Residential Units (other than Unsold Residential Units) shall not be increased by reason thereof unless the owners of such Residential Units shall consent thereto; (ii) Declarant or its designee, as the case may be, shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom; and (f) use any Unsold Unit(s) as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental laws and regulations as to any such use. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its designee for so long as the Declarant or its designee holds title to any Unit. By written permission of the Residential Committee, which permission, shall not be unreasonably withheld, any other Residential Unit Owner may be given, with respect to his or her Residential Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Residential Units. Subject to this Declaration and the By-Laws, the Residential Unit Owner(s) of one or more Residential Units (other than Unsold Units), with the express written consent of the Board, which consent may be granted or withheld for any reason in the Board's sole discretion, may be given, with respect to its Unit(s), the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Units, including, without limitation, the right to change, combine, subdivide and/or otherwise reconfigure two (2) or more adjacent Units owned by such Unit Owner.

10.2 Subject to the immediately succeeding paragraph, the provisions of Sections 10.1 and 10.3 of this Declaration may not be added to, amended, modified or deleted without the prior written consent of Sponsor or any other owner of an Unsold Unit. Wherever the consent, approval or satisfaction of Sponsor (as the owner of any Unsold Unit(s)) or the owner of any Unsold Unit(s) is required under this Declaration or the By-Laws, such consent, approval or satisfaction of such party shall not be required when such party no longer owns any Unsold Units.

10.3 Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Board, a written certification stating, in each case with respect to the Unit(s) in question that the percentage interests of the affected Unit(s) in the Common Elements, immediately after such reapportionment, are consistent with the terms of this Declaration and in

compliance with the terms of Section 339-i(1) of the Condominium Act. The certification referred to herein shall be delivered: (a) in the case of any Unsold Unit(s), at the election of Sponsor, by Sponsor, the managing agent of the Condominium or any other Person reasonably acceptable to the Board; and (b) in the case of any other Unit(s) by the managing agent of the Condominium or any other person reasonably acceptable to the Board.

ARTICLE 11
CHANGES IN THE NON-RESIDENTIAL SECTION

11.1 Except to the extent inconsistent with Article 15 or the By-Laws or prohibited by Law, Declarant and each Non-Residential Unit Owner shall have the right to, without the consent of the Condominium Board: (1) decorate or make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Non-Residential Common Elements appurtenant to their respective Non-Residential Units; (2) change the layout or number of rooms in their respective Non-Residential Units from time to time; (3) change their respective Non-Residential Units, by subdividing the same, into any desired number of Non-Residential Units, combining any of the Units or combining any Units resulting from a subdivision, altering the boundary walls between portions of a Non-Residential Unit, or otherwise; (4) designate all or part of their Unit as a newly created Unit or Limited Common Element; and/or (5) reapportion among the newly created Units resulting from any subdivision, combination or otherwise (all in accordance with the Condominium Documents) their percentage interests in the Common Elements which shall 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 Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit, and provided that in no case may such reapportionment result in a greater percentage of Common Interest for the total of the new Units than existed for an original Non-Residential Unit; provided, however, that the percentage interest in the Common Elements of any portion of a Non-Residential Unit owned by another Non-Residential Unit Owner shall not be changed by reason thereof unless the owner of such Unit shall consent thereto, and the Non-Residential Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom.

11.2 Notwithstanding anything in this Article 11 to the contrary, no change to the Non-Residential Units shall be made, which shall have a material adverse impact on any other Unit or Unit Owner, without the prior written consent of the Unit Owner.

ARTICLE 12
CONDOMINIUM GOVERNANCE; PERSON TO RECEIVE SERVICE

12.1 The affairs of the Condominium shall be governed and controlled by a Condominium Board, and the affairs of the Residential Section shall be governed and controlled by a Residential Committee, each as described in the By-Laws. When in this Declaration or in the By-Laws an action is to be undertaken, or is authorized to be done by the Condominium, it shall mean the Condominium acting through its Condominium Board, unless the text clearly requires another interpretation (i.e., through a vote of the Unit Owners). When the Condominium Board is authorized or obligated to act, it shall be acting on behalf of all Unit Owners in the Condominium.

12.2 Notwithstanding anything to the contrary in the Condominium Documents, and to the extent permitted under applicable Law, it is the intention of the Condominium Documents that while one party owns all the Units in the Condominium (either beneficially or in fee), such party shall operate the Property as if the Property were not subject to a condominium regime. During the period these circumstances apply, it is the intention of the Condominium Documents that such party shall be deemed to be the Condominium Board for purposes of operating the Condominium to the extent and whenever applicable Law requires that there be a Condominium Board established to operate the Condominium, but that formal procedures for meetings and decision-making by and among Unit Owners and Board Members set forth in the By-Laws shall not be required. Notwithstanding the foregoing, each Unit is and shall remain a separate Unit for its own operational purposes, and each Unit Owner shall have all the economic and other rights and burdens of real property with respect to each Unit it owns.

12.3 The Secretary of State of the State of New York is hereby designated to receive service of process at One Commerce Place, 99 Washington Avenue, Albany, New York 12231 in any action which may be brought against the Condominium, the Residential Section or the Non-Residential Section. The Secretary of State shall be directed to mail a copy of any process served to the Condominium Board at 540 West 21st Street, New York, New York 10011.

ARTICLE 13
DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

13.1 The percentage of interest in the Common Elements applicable to each Unit, as shown on Exhibit B, was determined pursuant to Section 339-i(i)(iv) of the Condominium Act, and is based upon 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, the availability of Common Elements for exclusive or shared use and the overall dimensions of a particular Unit. The aggregate Common Interest for all Units is 100%.

13.2 The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the Common Interests of all Residential Units.

ARTICLE 14
ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board or made by Declarant or its designee or a Non-Residential Unit Owner in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment

and for the maintenance of the same as long as the Building shall stand.

ARTICLE 15
ACCESS TO COMMON ELEMENTS

15.1 Each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve his or her Unit, including an easement to connect to existing utilities including, but not limited to, utilities for gas, electricity, steam and ventilation. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. In addition, the Condominium Board or its agents, to the extent the Board is permitted to act by the By-Laws for such purposes, shall have 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. All easements and rights of access described in this Article 15 shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Non-Residential Units or with the use of the Residential Units for their permitted purposes and each Unit Owner whose Unit is subject to the easements and rights of access described in this Article shall be reimbursed for reasonable out-of-pocket costs incurred by said Unit Owner as a result of the exercise of the easements and rights of access hereunder, including, but not limited to, the costs of repairs to such Unit Owner's Unit and the cost of security measures incurred by said Unit Owner as a result of the exercise of the easement and right of access hereunder. Such entries shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an Emergency. Notwithstanding the foregoing, any entries with respect to the Gallery Unit (other than the mechanical rooms on the Second and Third Floors, which are Common Elements) shall be permitted on not less than five (5) business days' written notice, except that no notice will be necessary in the case of an Emergency.

15.2 The Declarant or any of its affiliates or designees and their successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across all areas of the property for ingress to and egress from all land areas of the Property and the use thereof (in common with Unit Owners) for construction or renovation of the Building, or any part thereof, the inspection, maintenance and performance of alterations, replacements, and repairs in or about Units owned by the Declarant or its designees and for any other lawful purpose provided (i) Declarant or such other party repairs any resulting damage to the Unit or Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry, (ii) Declarant or such other party provides reasonable prior notice to the owners of the Unit to which access is required or the Board in the case of the Common Elements, and (iii) the work will not unreasonably interfere with the other Units. The Gallery Unit may only be accessed on Monday through Friday between the hours of 9AM and 5PM, except there shall be no restrictions in the event of an Emergency.

ARTICLE 16
EASEMENTS AND NAME OF CONDOMINIUM

16.1 Except as set forth in this Declaration, each Residential Unit Owner shall have, in

common with all other Residential Unit Owners, an easement for the use of the Residential Common Elements.

16.2 Each Unit Owner shall have, in common with all other Unit Owners, an easement for ingress and egress through the Residential Section and the Non-Residential Section as the case may be, and for the use of any Common Element, to the extent necessitated by an Emergency including but not limited to an easement by the Non-Residential Unit Owners for Emergency access through and over the fire stairs in the Building.

16.3 Each Residential Unit Owner shall have, in common with all other Residential Unit Owners, and each Unit shall be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Residential Common Elements or Residential Limited Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Residential Units, the Residential Common Elements; or the Residential Limited Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Non-Residential Section or with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than one days' notice, except that no notice will be necessary in the case of an Emergency. Notwithstanding the foregoing, entry to a Non-Residential Unit shall be permitted on not less than five (5) business days' written notice, except that no notice will be necessary in the case of an Emergency. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry.

16.4 Each Non-Residential Unit Owner shall have, in common with all other Non-Residential Unit Owners, and each Unit shall be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Non-Residential Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of any Non-Residential Unit; 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 Non-Residential Units or Residential Units for their permitted purposes. Such entry by the Non-Residential Unit Owners shall be permitted on not less than one days' notice, except that no notice will be necessary in the case of an Emergency. Notwithstanding the foregoing, entry to The Gallery Unit shall be permitted on not less than five (5) business days' written notice, except that no notice will be necessary in the case of an Emergency.

16.5 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.

16.6 Declarant and/or its designees, shall each have an easement without the necessity of obtaining consent of the Condominium Board, the Residential Committee and/or the other Unit Owners (1) over the Property, including each Unit and the Common Elements, for access to and

to construct, install, erect, inspect, Maintain, repair, operate, use and replace from time to time one or more Signs (as hereinafter defined) on the Property (including, without limitation on any Common Element, storefront, exterior façade, lobby or any other public portion of the Property) for the purposes of advertising the sale of Units and the leasing of the Units or of space in the Residential Section or advertising any of the services and/or facilities of the Residential Section or the services and/or facilities of any tenant occupying the Residential Section; (2) over the Property, including each Unit and the Common Elements in connection with the sales and/or leasing of Units; (3) (as to the owner of the Non-Residential Unit) over the Property, and the Common Elements for access to and to construct, install, erect, inspect, Maintain, repair, operate, use and replace from time to time a storefront, façade or other exterior portion adjacent to the Non-Residential Unit; (4) over any part of the Property, including each Unit and the Common Elements (including, without limitation, the stairways, walkways, elevators, vestibules, and other public spaces within the Property) for purposes of access to and for all purposes in connection with the installation (whether on Common Elements or within its Unit), inspection, Maintenance, repair, operation, improvement or use of any of the following serving the Residential Section: flues and/or ducts, security system (including, without limitation, any and all cables and electrical lines as may be desirable in connection with the installation, Maintenance, repair and/or replacement of telecommunications or similar equipment on any portion of the roof that alarms, gates, electric eyes or video cameras), smokestacks, heating, air-conditioning systems and devices and exhaust and ventilation fans, systems and devices, in each case, located anywhere on the Property.

16.7 Declarant for so long as it shall own any Unsold Residential Unit, the Non-Residential Unit Owners with respect to the Non-Residential Units, and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, ventilation, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Declarant, the Non-Residential Unit Owners or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, or to complete the Building pursuant to the Plan, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business carried on within the Non-Residential Units or with the use of the Residential Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business carried on within the Non-Residential Units or with the use of the Residential Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-Laws or the Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

16.8 Declarant and Declarant's designees shall have, and the Units and Common Elements shall be subject to, an exclusive right (and such easements as shall be required) at any time and from time to time at its sole cost and expense, to exclusively erect, use, maintain, repair,

replace, relocate and operate for Permitted Roof Platform Purposes, as hereinafter defined, one or more platforms, supports or structures on any portion of the roof (other than those portions of the roof which are Residential Limited Common Elements for the exclusive use of a particular Unit Owner) for the purpose of erecting, using, maintaining, repairing, replacing, relocating and operating for Permitted Roof Platform Purposes, antennae, satellite dishes and other communications equipment thereon (including, without limitation, the running of conduit wiring and/or cabling throughout the Building as necessary); provided, however, that Declarant shall give prior notice to the Condominium Board for information purposes only of the type and location of any such equipment before installation. Such easement shall also include the right of Declarant to use, lease and license such equipment, and to retain any profits therefrom. All of the foregoing shall at all times be used, installed and maintained in compliance with all Legal Requirements and Insurance Requirements. The word "equipment" as used in this paragraph shall be deemed to include fiber optic cable and other communications lines, wires, risers, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies, needed for the proper operation of the communications installations. Each easement and other right granted under this paragraph must be exercised, and all such platforms, supports, structures, installations and equipment must be used in such a way so as to minimize, to the extent reasonably practicable, interference with the exercise of the other easements and other rights granted under this paragraph. As used herein, "Permitted Roof Platform Purposes" shall mean all businesses, operations and activities of Declarant and its affiliates, including the business of renting out or otherwise providing satellite dishes and/or other communications equipment, services and/or space for satellite dishes and/or other communications equipment or services to third parties, and any operations or activities in connection with such business. Any obligations of the Declarant under any lease, license or other right of use granted to the Declarant with respect to any roof or the aforesaid mechanical equipment room shall be the obligation solely of the Declarant and not the Condominium. In addition, any rights of the Declarant, including the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of the Sponsor and not of the Condominium.

16.9 In addition to the foregoing, the following easements shall remain in effect as long as the Building remains a condominium:

16.9.1 The Condominium Board shall have an easement through the ceiling of the Non-Residential Section for the Building's HVAC pipes and riser control valves; the pipes to the bathrooms and kitchens; and wiring. The exercise of this easement by the Condominium Board shall be subject to those provisions with respect to the exercise of easements contained in Section 15.1.

16.9.2 The Residential Units shall have an easement through the Non-Residential Section for: water and sewer lines, vents and drains; fire sprinklers; electrical lines from the switchgear; telephone and electrical lines; HVAC conditioned water and distribution pipes; natural gas pipes; drain lines and electrical service.

16.9.3 The Non-Residential Units shall have an easement over any part of the Property in an emergency for emergency egress from the Non-Residential Section.

16.9.4 The Condominium Board shall have an easement to the roof of PHA to

clean and service the Bulkhead Roof.

16.10 The Condominium and the Building shall be designated and known as "540 West 21st Street Condominium". For so long as Declarant owns any Units in the Building, only Declarant shall have the right to change or assign the name of the Condominium and/or the Building. Thereafter the right shall be exercised by the Condominium Board.

16.11 Declarant and its contractors, subcontractors, employees and agents for so long as Declarant shall own any Unsold Residential Unit, shall have an easement for ingress and egress through all of the Common Elements and the Units in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Residential Units and to enable Sponsor to fulfill its obligations under the Plan.

16.12 All easements and rights of access described in this Article shall be exercised by the party or parties entitled to exercise such easements or rights of access (the "Exercising Party") in such manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units or with the use of the Units for their permitted purposes, and each Unit Owner whose Unit is subject to the easements and rights of access described in this Article shall be reimbursed for reasonable actual out-of-pocket costs to repair damage (but not consequential damage) incurred by said Unit Owner (the "Impacted Owner") to repair the Impacted Owner's Unit and any additional security measures incurred by the Impacted Owner as a result of the exercise of the easement and right of access hereunder (the "Access Costs"). All entries made pursuant to the easements granted in this Article shall be permitted on reasonable notice, but in no less event than five (5) business days' notice to the Unit Owner, except that no notice will be necessary in the case of an Emergency in which event, the Exercising Party shall give such notice (which may be verbal) as is practicable given the nature of the Emergency. The Exercising Party shall reimburse the Impacted Owner within thirty (30) days of written demand therefor, for the Impacted Owner's Access Costs, which demand shall be accompanied by reasonable evidence of such Access Costs. In the event the Exercising Party fails to pay the Access Costs within said thirty (30) day period, the Impacted Owner shall be entitled to interest on the Access Costs at the Default Rate, together with all rights at equity and at law. To the extent the Condominium Board is responsible for any costs and expenses, including, without limitation, under this Article, such costs shall be allocated to the Unit Owners as Common Expenses. Notwithstanding the foregoing, if the exercise of the easements and rights of access described in this Section is required in order to remove or cure a violation or to cure a default hereunder or under the Declaration caused by the Impacted Owner or any rules and regulations adopted by the Condominium Board, or for the purpose of correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the Common Elements, such Unit Owner shall be responsible for all costs and expenses in connection with such exercise and access and any work performed in connection therewith, all of which shall be Unit Owner Expenses and the Unit Owner shall not be entitled to reimbursement for Access Costs. Any dispute by and among any Unit Owners and/or the Condominium Board as to the nature, scope or interpretation of the costs contained in this Article shall be resolved by Arbitration.

16.13 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units

and the Common Elements.

16.14 The Declarant shall have the right, until it no longer owns any Units, to use, without charge, portions of the Building, including the Common Elements, for events and/or promotional functions in connection with the sale and leasing of the Units, so long as such use shall not interfere with the reasonable access to and use of, or have a material and adverse impact on, the Non-Residential Units.

16.15 Any easements granted to Condominium Board, the Residential Committee, any Unit or any Unit Owner or any other party under this Declaration and the By-Laws may be exercised by such party's employees, agents, contractors, and tenants, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by the Unit Owner, the Residential Committee or Condominium Board, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business of the tenants, occupants or Permitted Users of the Units.

ARTICLE 17
POWER OF ATTORNEY TO THE BOARD

17.1 Each Residential Unit Owner shall grant to the persons who shall from time to time constitute the Residential Committee an irrevocable power of attorney, coupled with an interest (in such form and content as the Residential Committee shall determine) following due authorization (if required) from the Residential Unit Owners (a) to acquire or lease any Residential Unit, together with its Appurtenant Interests (as defined hereinafter), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Residential Committee or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Residential Units so acquired, or to sublease any Residential Unit so leased, without the necessity of further authorization by the Residential Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Residential Committee deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the entire Residential Section which the Residential Committee deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the entire Residential Section or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the entire Residential Section or the Common Elements which the Residential Committee deems necessary or appropriate.

17.2 In addition, each Unit Owner shall grant to Declarant and its designees an irrevocable power of attorney coupled with an interest and granted for valuable consideration, to execute, acknowledge and deliver any application, declaration, document or other instrument

affecting the Condominium that Declarant and/or its designees deems necessary or appropriate to comply with any Law, zoning resolution, or requirement of the Department of Buildings, or any other governmental authority applicable to the rehabilitation, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof.

17.3 Each Unit Owner shall grant to Declarant a power of attorney to amend the Declaration and to effectuate the rights granted to the Declarant under the Declaration and By-Laws including the power to execute the Required Documentation.

ARTICLE 18
ACQUISITION OF UNITS BY THE CONDOMINIUM BOARD

18.1 If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements and Limited Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Condominium Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with the Appurtenant Interests, or (c) the Condominium Board purchases, at a foreclosure or other similar sale, a Unit, together with the Appurtenant Interests, then, in any such event, title to any such Unit, together with the Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

18.2 The Condominium Board shall have the authority to purchase or rent, on behalf of all Unit Owners, an apartment to be used as the residence for the Superintendent (the "Superintendent") and, in such event, title to all or any such portion of the Unit, together with its Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements (the "Superintendent's Unit"). The Condominium Board shall have the authority to borrow money and/or place a mortgage on the Superintendent's Unit.

ARTICLE 19
COVENANTS RUNNING WITH THE LAND

19.1 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 19, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his or her heirs, executors, administrators, legal representatives, successors and assigns, but

the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

19.2 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.

19.3 Subject to Section 19.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 20
AMENDMENTS OF DECLARATION

20.1 This Declaration may be amended in the same manner as the By-Laws, as described in Articles 13 and 14 thereof.

ARTICLE 21
TERMINATION OF CONDOMINIUM

21.1 The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote or consent of at least eighty percent (80%) in number and in Common Interest of all Unit Owners, provided that such number shall include the Declarant. No such vote will be effective, however, without the written consent of the Permitted Mortgagees that represent at least fifty one percent (51%) of the Common Interests that are subject to Permitted Mortgages. In the event said withdrawal is authorized as aforesaid, the Property will be subject to an action for partition by the Non-Residential Unit Owner or the Residential Committee or lienor as if owned in common, in which event the net proceeds of sale will be divided among all Unit Owners in proportion to the value of their Units with respect to the other Units as reflected in an appraisal obtained by the Condominium with the understanding that if any Unit Owner shall have the right to object to any such appraisal, and if any Unit Owner objects to the appraisal, then any such dispute shall be submitted to Arbitration, provided, however, that no payment will be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens. Notwithstanding anything to the contrary set forth above, in the event the Condominium terminates in accordance with the foregoing and a lease for all or any portion of a Non-Residential Unit has not also terminated in accordance with its terms, then (a) such termination of the Condominium will not impair the effectiveness of such lease, (b) each owner of the portions of the Property which are subject to the lease will recognize all of the rights of the tenant under a lease, and (c) the interests of such successor owners will be subject to a lease.

21.2 To the fullest extent permissible under the Law, each Unit Owner shall be deemed to have waived any right to seek partition of the Property. In the event said withdrawal is authorized as aforesaid, and only to the extent the waiver contained in the preceding sentence shall be inapplicable or unenforceable, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale, together with the net proceeds of any applicable insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

ARTICLE 22
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 23
CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision

hereof.

ARTICLE 24
CERTAIN REFERENCES

24.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

24.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

24.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

24.4 When used in this Declaration or the By-Laws, the terms "now," the "date hereof" or the "date of this Declaration" shall mean the date on which this Declaration is filed in the Office of the New York City Register, New York County. The term "hereafter" when used in this Declaration or the By-Laws shall mean after the date on which this Declaration is filed in the Office of the New York City Register, New York County.

24.5 Whenever in the Declaration or the By-Laws the term "including" is used, it shall be deemed to mean "including, without limitation," whether or not so stated.

24.6 Wherever there is a requirement in the Declaration or the By-Laws that a consent or approval of a party hereto not be "unreasonably withheld" or words of similar import, such terms shall be construed as if followed by the phase "conditioned or delayed" whether or not so stated.

24.7 The term "laws" and/or "regulations of governmental authorities" and words of like import shall mean the laws, statutes, treaties, rules, codes, ordinances, regulations of any or all of the federal, state, city, county and local governments and rules, regulations, orders and/or directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities having jurisdiction over the Condominium, the Property or any part thereof, including Common Elements and the Units, and/or the direction of any public officer pursuant to any such laws, and, to the extent a Unit Owner and/or the Board, the Property or any part thereof, including any Unit of any part of the Common Elements, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any such governmental authorities.

24.8 The term "requirements of insurance bodies" and words of like import shall mean rules, regulations, orders and other requirements of the New York Board of Fire Underwriters and/or the New York Fire Insurance Rating organization and/or any other body performing the same or similar functions and having jurisdiction or cognizance of the Condominium and/or the Property or any part thereof, including any Unit or any part of the Common Elements.

24.9 All references to the "By-Laws" in this Declaration shall include the Rules and

Regulations promulgated thereunder, unless the context otherwise requires.

ARTICLE 25
SEVERABILITY

Subject to the provisions of 19.2 and 19.3, 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 enforced to the fullest extent permitted by Law.

ARTICLE 26
COVENANT OF FURTHER ASSURANCES

26.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction (a "Required Action").

26.2 A Unit Owner, or any other party which is subject to the terms of this Declaration must within ten (10) business days after its receipt of written request therefore, (a) take a Required Action or (b) object to taking a Required Action. In the event any Unit Owner or any other party does not take the Required Action or does not object to same within the aforementioned ten (10) business days 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. Any objection by a Unit Owner as to whether or not a request pursuant to this Section 26.2 involves a "Required Action" shall be resolved by Arbitration. In the event the arbitrator determines that the action in question is a Required Action, then, the Condominium Board is hereby authorized as attorney-in-fact for such 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.

26.3 Each Unit Owner shall have the affirmative duty to maintain its respective Unit and its appurtenant Limited Common Elements in such a manner so as to reasonably prevent and avoid inflicting a deleterious effect upon the other Units, the Limited Common Elements, the General Common Elements or the Building. In the event any Unit Owner fails to make any payments required under the terms of this Declaration and the By-Laws or causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, any Limited Common Elements, the General Common Elements or the Building (the "Defaulting Unit Owner"), the Condominium Board shall give written notice to the Defaulting

Unit Owner and to any Permitted Mortgagee in accordance with Article 7 of the By-Laws, including a request that the Defaulting Unit Owner take specific steps to ameliorate such a condition ("Remedy Notice"). If the Defaulting Unit Owner fails to remedy the condition within seven (7) days of the receipt of the Remedy Notice, or, if the condition is such that it cannot be remedied within seven (7) days, fails to commence appropriate remedies, the Condominium Board may, upon ten (10) business days (or such shorter time that the Condominium Board reasonably determines is necessary to prevent irreparable damage in the event of an Emergency) additional notice to the Defaulting Unit Owner, enter into the Unit and effect a reasonable remedy, at the Defaulting Unit Owner's sole cost and expense. In the event a Unit Owner reasonably believes another Unit Owner has caused, permitted, or failed to prevent a condition that has a deleterious effect on its Unit, the first Unit Owner may request that the Condominium Board send a Remedy Notice. If the Condominium Board fails or otherwise determines not to send the Remedy Notice, the Unit Owner shall have all rights to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such condition or breach and to seek reimbursement for any costs or expenses incurred in connection therewith. Any such costs or expenses expended by the Condominium Board or a Unit Owner as aforesaid shall be deemed Unit Owner Expenses as to which the Condominium Board will have the lien rights more particularly set forth in the By-Laws. Each Unit Owner and the Condominium Board shall indemnify, defend and hold harmless the other Unit Owners, Permitted Users and the Condominium Board and Residential Committee (collectively, the "Indemnitees") from the negligence, fraud, or willful misconduct of, or violations of the terms and conditions of the Declaration or the By-Laws by such Unit Owner, Condominium Board or Residential Committee, however applicable, including, but not limited to, reasonable legal fees; but, excluding consequential, punitive, special and other indirect damages.

26.4 Notwithstanding anything to the contrary set forth herein, to the maximum extent permitted by Law, Declarant specifically disclaims all implied warranties of fitness for a particular purpose, merchantability and habitability, and all other implied or express warranties of any kind or character. To the extent any such additional warranties are imposed by statute and cannot be disclaimed, such warranties shall apply. However, to the extent such warranties can be disclaimed by Law, including implied or express warranties of any kind or character, the same are specifically disclaimed. Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or implied warranties as to design, construction, view, light quality, sound and/or odor transmission, furnishing and equipping of the Condominium, the existence of molds, mildews, spores, fungi and/or other toxins within the Condominium, to the extent applicable and to the extent that same have not expired by their terms. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or implied warranties as to design, construction, view, light quality, sound and/or odor transmission, furnishing and equipping of the Condominium, the existence of molds, mildews, spores, fungi and/or other toxins within the Condominium, to the extent applicable and to the extent that same have not expired by their terms. Declarant has not given and no Board has relied on or bargained for any such warranties. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty or otherwise).

ARTICLE 27

SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or, with the consent of Declarant or its designee, any transferee of some or all of the then Unsold Residential Units then owned by Declarant or its designee, as the case may be. The rights and/or obligations of the Non-Residential Unit Owners as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Non-Residential Unit Owners. Subject to the foregoing, Declarant, its designee, and/or the Non-Residential Unit Owners, as the case may be, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ARTICLE 28
COVENANTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unsold Residential Units.

ARTICLE 29
INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Residential Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 30
NON-RESIDENTIAL LEASES

30.1 The Non-Residential Unit Owners shall have the right to enter into leases for all or any portion of their Units (as same may be modified, amended, supplemented or restated from time to time, such leases are hereinafter referred to as the "Non-Residential Leases"). Neither the Condominium Board nor any Unit Owner will take, permit or suffer any actions with respect to any portion of the Property which the landlord under such lease cannot, with respect to such portion of the Property, take under the terms of a Non-Residential Lease.

30.2 A tenant under a Non-Residential Lease will have the rights the Non-Residential Unit Owner has under this Declaration which such Non-Residential Unit Owner has specifically granted to such tenant under its Non-Residential Lease, including, without limitation, (i) the rights to use the Non-Residential Unit, the Limited Common Elements and the General Common Elements and rights to access such Common Elements, (ii) the rights to repair such Non-Residential Unit and General Common Elements and Limited Common Elements, whether or not such portions of the Building or systems are utilized by other Unit Owners or the Condominium

Board, and (iii) the right to install Signage on or about the Building including the exterior facade, to the extent that the Non-Residential Unit Owners have the right to install such Signage under the terms of this Declaration and the By-Laws and at all times in accordance with the tenant's rights under the Non-Residential Lease.

30.3 To the extent provided under the terms of a Non-Residential Lease, a tenant under a Non-Residential Lease may exercise any and all rights available to it at law and in equity if the Condominium Board or a Unit Owner interferes with or otherwise fails to permit such tenant to exercise any rights granted to it under the terms of this Declaration or the By-Laws.

30.4 Notwithstanding anything to the contrary contained in this Declaration or the By-Laws, easements through and access to any Unit granted under the Declaration and By-Laws will be restricted to the extent that access to the Unit is restricted under the Non-Residential Lease.

30.5 All Non-Residential Leases shall be subject and subordinate in all respects to the Condominium Documents and any Permitted Mortgage.

30.6 Upon request from any Non-Residential Unit Owner, the Condominium Board will enter into a Recognition and Non-Disturbance Agreement (a ''Non-Disturbance Agreement") with a commercial or retail tenant under a lease for any Unit, as applicable, with respect to any Unit, or any portion thereof (a "Tenant"). Such agreement shall provide, in part, that so long as a lease has not been terminated on account of a Tenant's default that has continued beyond applicable cure periods (an "Event of Default"), the Condominium Board shall not name or join a Tenant as a defendant in any exercise of the rights and remedies of the Condominium Board arising upon a default by the Unit Owner, as applicable, in its obligations to pay Common Charges and Assessments and other amounts payable to the Board pursuant to the Declaration or these By-Laws unless applicable law requires a Tenant to be made a party thereto as a condition to proceeding against such Unit Owner, or prosecuting such rights and remedies. In the latter case, the Condominium Board may join a Tenant as a defendant in such action for such purpose, but shall not terminate the lease or otherwise adversely affect a Tenant's rights under the lease or the Declaration.

Any such Non-Disturbance Agreement shall further provide that if the lease has not been terminated on account of an Event of Default by a Tenant, then, when the Condominium Board or its successor takes title to any such Unit: (a) the successor landlord shall not terminate or disturb a Tenant's possession of Tenant's premises under the lease, except in accordance with the terms of the lease and these By-Laws; (b) the successor landlord shall be bound to a Tenant under all the terms and conditions of the lease; (c) Tenant shall recognize and attorn to the Condominium or any successor owner of such Unit, as Tenant's direct landlord pursuant to the lease; and (d) the lease shall continue in full force and effect as a direct lease, in accordance with its terms, between such successor landlord and a Tenant. The Unit Owner requesting such Non-Disturbance Agreement shall be responsible for the reasonable legal fees incurred by the Condominium Board in connection with the preparation and negotiation of such Non-Disturbance Agreement.

ARTICLE 31
NON RECOURSE

Except as otherwise expressly provided in the Declaration, the By-Laws or the Rules and Regulations or pursuant to applicable law, including, without limitation, Section 352-eeee of the New York General Business Law, in no event shall Declarant nor any member nor any partner, member, shareholder, employee, director, officer, beneficiary, trustee, manager, agent or Affiliate of Declarant, nor any partner, member, shareholder, employee, director, officer, manager, agent or Affiliate, beneficiary, trustee or any heir, legal representative or successor or assign of the foregoing have any personal liability for the payment or performance of the duties or obligations contemplated by the Declaration, the By-Laws or the Rules and Regulations.

ARTICLE 32
DEVELOPMENT RIGHTS

32.1 Any and all Development Rights now or hereafter related to the Property, other than the Development Rights used to develop the Building, are being retained by the Declarant and its successors or assigns (the "DR Owner"); provided, however, that the DR Owner shall have the right to amend the Declaration to allocate the DR Excess Development Rights (as defined below) to a different Person or Persons. The DR Excess Development Rights may be utilized by the owner or lessee thereof (together with any successor owner or lessee of all or a portion of the Development Rights) or transferred or leased to: (i) the Board or another Unit Owner, or (ii) a third party purchaser (each, a "DR Purchaser") pursuant to a Declaration of Zoning Lot Restrictions ("Zoning Lot Declaration"), merging the Property into a single zoning lot, and a zoning lot development agreement or other similar agreement or instrument (each, a "ZLDA"). Any rights of the Condominium to acquire excess development rights from another property owner shall be subordinate to the rights of the DR Owner to first acquire such rights.

32.2 The DR Owner shall have the right, in accordance with the ZLDA, to cause the acquisition of, and make part of its Unit, additional DR Excess Development Rights that will be allocated under the ZLDA to the Property by any mechanism, including, without limitation, by special permit, variance, or by any other procedure or transfer allowed under the provisions of the Zoning Resolution, including, without limitation, Section 74-79 et seq. thereof (the "DR Excess Development Rights").

32.3 The DR Owner may (i) sell the DR Excess Development Rights to the Residential Committee or the Condominium Board, which may incorporate and utilize the same with respect to the Residential Section or the Condominium, as the case may be, (ii) re-allocate same within the Condominium and/or (iii) transfer same outside of the Condominium in accordance with the terms of the ZLDA; provided, that the DR Owner shall only be permitted to undertake such actions if such actions (A) are in compliance with the ZLDA and (B) do not violate any applicable Laws.

32.4 The Condominium Board and each Unit Owner shall be required, upon request of the DR Owner or a Development Rights Purchaser, to execute and deliver any documents or applications reasonably requested in connection with any Merger (as hereinafter defined), Zoning Lot Declaration, and/or ZLDA. The cost for review of any such documents or applications by the Condominium Board and each Unit Owner shall be paid at the sole cost and expense of the DR Owner.

32.5 Without limiting the foregoing, the Unit Owners hereby irrevocably nominate, constitute and appoint the DR Owner or its designee as such Unit Owner's attorney-in-fact, coupled with an interest and with power of substitution, to (i) effectuate the acquisition, sale, lease, transfer, assignment, sublease, pledge, hypothecation or encumbrance of, or other action by the DR Owner with respect to, the Development Rights; (ii) effectuate the use of the Development Rights for any purpose, including, without limitation, to effect an increase in the size of the Residential Section or the Condominium, as the case may be (subject, however, to the provisions of Section 32.2 hereof); (iii) effectuate a merger or division of the zoning lot (the "Merger") for the purpose of transferring all or any portion of the Development Rights (including, without limitation, the execution of Zoning Lot Declaration and ZLDA), or (iv) permit the Development Rights Purchaser, once the Merger has occurred, to acquire and utilize development rights from other zoning lots, including, without limitation, development rights attributable to landmark parcels (as that term is used in the Zoning Resolution) located on blocks neighboring the block in which the Property is located, all in accordance with the Zoning Resolution.

32.6 Neither the Condominium Board, Residential Committee, nor the Unit Owners (i) shall appear in opposition to the DR Owner in any action or hearing brought, sought or defended by the DR Owner and/or the Residential Committee or the Condominium Board before any governmental agencies arising out of or in connection with any zoning or variance applications filed by DR Owner and/or the Residential Committee or the Condominium Board in connection with, and necessary in order to effect the incorporation of Development Rights into the Residential Section or the Condominium, as the case may be, and (ii) shall, to the extent required by applicable Law, execute such instruments as are necessary to process any such zoning or variance application; provided on both such instances that the terms of the Development Agreement and ZLDA are complied with.

32.7 The Condominium Unit Owners hereby irrevocably nominates, constitutes and appoints the DR Owner and/or the Residential Committee or the Condominium Board, as applicable, as the Unit Owner's attorney-in-fact, coupled with an interest and with power of substitution to execute such instrument.

32.8 Any mortgagee and other party in interest holding a mortgage secured by a Unit or having another interest in a Unit, upon the making of said mortgage or acquiring such interest, is deemed to have consented to the foregoing rights of the Unit Owners or their designees with respect to the Excess Development Rights. Notwithstanding the foregoing, such mortgagee or other party in interest shall be required, upon the request of the DR Owner or an Development Rights Purchaser, to execute and deliver any waivers, consents and subordinations to evidence such consent and subordination the form and content of which shall be subject to the reasonable consent of such mortgagee or other party in interest.

32.9 The Condominium Board and each Unit Owner and Unit Tenant shall be required, upon the request of the DR Owner, Residential Committee or the Condominium Board, or their respective designees, or the purchaser of the Excess Development Rights, as the case may be, to execute and deliver any documents or applications reasonably required in connection therewith so long as such documents are consistent with the provisions of this Declaration.

32.10 In the event of an "up-zoning" following the issuance of a permanent certificate

of occupancy as to each Unit, which up-zoning creates additional Development Rights with respect to the Building, such additional Development Rights shall be allocated among and become part of the Units in the same proportion that the total square footage of Development Rights is allocated among the Units at the time of such "up-zoning", provided, however, that any Development Rights that would otherwise be allocated to the Units shall be allocated to, and made a part of, the Development Rights that are subject to this Article.

32.11 In the event that there is a "down-zoning" following a casualty, and the Building can only be restored subject to such down-zoning, the Development Rights shall be allocated proportionately in accordance with Exhibit B.

32.12 DZ 20th Street LLC ("DZ") and Declarant entered into a Zoning Lot and Development and Easement Agreement dated as of September 15, 2017 that was recorded on October 23, 2017 as CRFN 2017000389784 (the "Lot 11 ZLDA"), pursuant to which Declarant combined the Land with property owned by DZ designated as Block 629, Lot 11 (the "DZ Land"), to create a new, combined zoning lot (the "Merged Zoning Lot") for the purpose of transferring the excess development rights appurtenant to the DZ Land to Declarant to use in the construction of the Building. Pursuant to the Lot 11 ZLDA, the Merged Zoning Lot may be enlarged or subdivided. Pursuant to Article XIV of the Lot 11 ZLDA, Declarant has certain ongoing rights and obligations, including, without limitation, the obligation to consent to modifications or amendments thereto and including the obligation to execute documents effectuating the same. The Lot 11 ZLDA provides that for so long as Declarant retains a majority of the Units in the Condominium (regardless of whether Declarant is in control of the Board), as determined by the Common Interest appurtenant thereto, only the consent of Declarant will be required with respect to any modifications of the Lot 11 ZLDA and at such time when the Declarant no longer owns the majority of the Units, the obligation to consent to such modifications shall be vested in the Board. In no case will the consent of any individual Unit Owner be required. Any Unit Owner that acquires a Unit in the Condominium shall be deemed to have authorized Declarant or the Board, as may be applicable, to act on the Unit Owners' behalf in respect to the enforcement and administration of the Lot 11 ZLDA.

ARTICLE 33
SIGNAGE

33.1 No Signs shall be erected on any part of the Property except in compliance with the provisions of this Article 33. All rights of a Unit Owner to erect Signs set forth herein shall be subject to the compliance with the conditions set forth in this Article 33 and such other conditions as the Board and/or Sponsor may from time to time impose (collectively, the "Signage Conditions"). All such Signs shall be installed, erected, operated, maintained and all repairs and alterations thereto shall be performed by the Unit Owner thereof in compliance with the provisions of any easements and other agreements of record in connection with the erection and maintenance of such Signs. Without limiting the generality of the foregoing, each Unit Owner shall be solely responsible for its Signage meeting the requirements of all applicable law, including, without limitation, the New York City Building Code and the Zoning Resolution and other business improvement district guidelines, and for their fitness and suitability for their intended use and purpose. The Condominium Board may waive any Signage Condition, unless such waiver would violate applicable law or any easements or other agreements of record relating

to Signage on the Property.

33.2 Provided that all other provisions of this Article 33 and the Signage Conditions are complied with, each Non-Residential Unit Owner and Declarant shall have the right and an easement to install identifying Signs on the exterior façade of the Building directly over each of its Unit entrances or on its storefronts, including but not limited to Signs on the exterior façade of the Building and on any awnings, canopies or other protrusions from the facade of the Building, for the purposes of advertising (i) the sale or lease of any of the Unsold Residential Units and all or any portion of the Non-Residential Units provided, however, that any such signs are in keeping with the first class nature of the Building, and (ii) the operation of any business of a tenant or occupant of all or any portion of any Non-Residential Units, provided, that such signs are contained within the areas designated by the Declarant for Signage. The approval of the Condominium Board shall not be unreasonably withheld, conditioned or delayed with respect to (a) the identifying Signs directly over Unit Entrances or on Storefronts or (b) other Signs on the exterior façade; provided such other Signs (i) conform to the Signage Conditions, (ii) do not obstruct another Unit Owner's view and (iii) are not located on any portion of the exterior façade other than the exterior façade directly outside of and within the boundaries of the applicable Unit Owner's Unit.

33.3 Each Non-Residential Unit Owner and their successors and assigns shall have (i) the right to install Signage in its Unit which is not visible from the exterior of its Unit without the consent of the Condominium Board or any other Unit Owner, and (ii) an easement to erect, maintain, repair and replace from time to time, lights and lighting fixtures on the Common Elements of the Condominium.

33.4 All Signage, whether exterior or interior, permitted to be installed by a Non-Residential Unit Owner hereunder shall be installed in a first-quality, neat, clean, safe and hazard-free condition and otherwise in accordance with the Signage Conditions, and the Unit Owner shall promptly and without delay, at its sole cost and expense, make all necessary repairs thereto.

33.5 Any consent or approval requested by a Unit Owner hereunder shall be given or denied by the Board within ten (10) Business Days after receipt of such request, together with the reasons for such disapproval and changes to be made in order to obtain approval, if any, provided that all plans, specifications and all other approvals and documentation required hereunder are submitted along with such request.

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IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ____ day of _____, 20___.

540 West 21st Street Holdings LLC

By: _____
Name:
Title:

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ___ day of ____ in the year 20__, before me, the undersigned personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT A

LEGAL DESCRIPTION

[TO BE INSERTED]

EXHIBIT B

DESCRIPTION OF THE UNITS

[TO BE COMPLETED]

Unit Designation	Unit Approximate Size in Square Feet	Terrace Approximate Size in Square Feet	Tax Lot Number	Common Interest (%)	Location in Building	Common Elements to which Unit has access
TOTAL:				**100.0000**		

EXHIBIT C

DEFINITIONS

"Access Costs" shall have the meaning ascribed thereto in Section 16.12.

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

"Affiliate" shall mean a Person or an entity who or which owns more than fifty percent (50%) of the legal and beneficial interest of a Unit Owner, Declarant or of any partner, a Person or an entity with respect to which either a Unit Owner, Declarant or any partner owns more than fifty percent (50%) of the legal and beneficial interest, or an entity as to which more than fifty percent (50%) of its legal and beneficial interest is owned by a Person or an entity which owns more than fifty percent (50%) of the legal and beneficial interest of a Unit Owner, Declarant or of any partner.

"Alteration" shall have the meaning ascribed thereto in Section 6.14.1 of the By-Laws.

"Annual Budget" shall have the meaning ascribed thereto in Section 6.1.5 of the By-Laws.

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

"Arbitration" refers to the process described in Article 11 of the By-Laws.

"Architect" shall have the meaning ascribed thereto in Section 6.3.1.2 of the By-Laws.

"Architect Casualty Allocation Ratio" shall have the meaning ascribed thereto in Section 6.3.5 of the By-Laws.

"Architect Taking Allocation Ratio" shall have the meaning ascribed thereto in Section 9.8 of the By-Laws.

"Award" shall have the meaning set forth in Section 9.1 of the By-Laws.

"BCL" shall have the meaning set forth in Section 3.14.6 of the By-Laws.

"Board" refers to the Condominium Board.

"Board Member" shall have the meaning set forth in Section 2.14.6 of the By-Laws.

"Budget" refers to the Annual Budget, Capital Budget, or any other budget prepared in accordance with the By-law, as applicable.

"Building" refers to the structures and improvements including above and below grade segments, known as 540 West 21st Street, New York, New York in which the Units of the Condominiums are located.

"Building System" refers to any of the systems in the Building providing heat, sprinkler, water, electric, steam, gas, sewer and fire protection or similar services serving more than one Unit or the Common Elements.

"By-Laws" or "Condominium By-Laws" refers to the By-Laws governing the operations of the Condominium.

"Capital Budget" shall have the meaning ascribed thereto in Section 6.1.6 of the By-Laws.

"Casualty Estimate" shall have the meaning ascribed thereto in Section 6.3.5 of the By-Laws.

"Certifying Professional" shall mean an architect (other than the Architect) or a licensed professional engineer or, engineering or construction consulting firm that provides engineering and/or architectural services, which is experienced in the design and operation in the City of New York of structures similar to the Building and has provided services comparable to those being requested hereunder within not less than three (3) of the immediately preceding ten (10) years, approved by the Condominium Board and the Gallery Unit Owner and the Retail Unit Owner, which approval shall not be unreasonably withheld or delayed.

"City" refers to the City of New York.

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

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

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

"Common Charges" refer to the aggregate of General Common Charges, Non-Residential Common Charges and Residential Common Charges.

"Common Elements" refer to the General Common Elements, the Residential Common Elements, the Residential Limited Common Elements, the Non-Residential Common Elements.

"Common Element Work" shall have the meaning ascribed in Section 6.11.1 of the By-Laws.

"Common Expenses" refer to the costs and expenses incurred from General Common Expenses and the Residential Common Expenses.

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

"Condemnation Estimate" shall have the meaning ascribed thereto in Section 9.8 of the By-Laws.

"Condominium" refers to 540 West 21st Street Condominium.

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

"Condominium Board" refers to the overall Condominium Board of the Condominium comprised of representatives of the Residential Committee and the Non-Residential Unit Owners.

"Condominium Documents" refers to this Declaration, By-Laws and Floor Plans and any other documents governing the Condominium.

"Construction Lender" shall refer to Goldman Sachs Bank USA and CRECB Funding W21, LLC, collectively.

"Consumer Price Index" shall have the meaning ascribed thereto in Section 12.8 of the By-Laws.

"Contractor" shall have the meaning ascribed thereto in Section 6.3.1.2 of the By-Laws.

"Declarant" refers to 540 West 21st Street Holdings LLC, a Delaware limited liability company, and its successors and assigns.

"Declarant and/or its designee(s)", "Declarant or a designee of Declarant" or similar terms refers to Declarant and any designee of Declarant.

"Declaration" refers to 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.

"Defaulting Unit Owner" shall have the meaning ascribed thereto in Section 26.3 of the Declaration.

"Default Rate" shall mean the Prime Rate (as hereinafter defined) plus four percent (4%) per year.

"Depositary" shall have the meaning ascribed thereto in Section 12.5 of the By-Laws.

"Development Rights" shall have the meaning ascribed thereto in Section 6.5.

"Development Rights Purchaser" shall have the meaning ascribed thereto in Section 6.5.

"DR Owner" is the owner of the Development Rights, which shall initially be the Declarant.

"Emergency" refers to any situation where the applicable Person, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any material portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unforeseen and unforeseeable suspension of any necessary material service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the Building or Property.

"Executive Committee" shall have the meaning ascribed thereto in Section 2.16 of the By-Laws.

"Exercising Party" is defined in Section 16.12 of the Declaration.

"Facility" and "Facilities" have the meanings contained in Section 8.1.2 of the Declaration.

"First Annual Meeting" shall have the meaning contained in Section 2.3.1.2 of the By-Laws.

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

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

"Full Replacement Cost" shall have the meaning ascribed thereto in Section 6.2.1 of the By-Laws.

"Gallery Unit" refers to the portion of the Condominium utilized as Gallery Unit but excluding any portion of the Retail Unit.

"Gallery Unit Owner" refers to the owner of the Gallery Unit.

"General Common Charges" refer to assessments payable to the Condominium Board by the Residential Committee or the Non-Residential Unit Owners for the purpose of meeting General Common Expenses.

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

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

"General Rules and Regulations" refer to the Rules and Regulations prepared by the Condominium Board.

"Impacted Owner" shall have the meaning ascribed thereto in Section 16.12 of the Declaration.

"Indemnitees" shall have the meaning ascribed thereto in Section 26.3 of the Declaration.

"Initial Control Period" refers to the period of time during which the Declarant or Sponsor, as the case may be, has voting control over the Condominium Board, and which continues until the earlier to occur of: (i) the sale by the Declarant or Sponsor, as applicable, of all the Residential Units or (ii) five (5) years following the first Closing of a Unit, or such earlier date as Sponsor may decide.

"Inspectors of Election" shall have the meaning ascribed thereto in Section 3.8.5 of the By-Laws.

"Institutional Mortgage" shall have the meaning ascribed thereto in Section 7.1.1 of the By-Laws.

"Institutional Mortgagee(s)" shall have the meaning ascribed thereto in Section 7.5.1 of the By-Laws.

"Institutional Non-Residential Mortgagees" shall have the meaning ascribed thereto in Section 7.5.1 of the By-Laws.

"Institutional Residential Mortgagees" shall have the meaning ascribed thereto in Section 7.5.1 of the By-Laws.

"Insurance Requirements" shall be defined as the requirements of the Condominium Board, the Residential Committee, a Unit Owner or a tenant to obtain insurance under the By-Laws, a lease or a Permitted Mortgage, as the case may be, provided in all events such requirements shall be the greater of the requirements imposed under any of the aforementioned as applicable to such Person.

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

"Law" or "Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, the Land, the Building, and Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to law, and the requirements and conditions of any easement, covenant,

restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Legal Requirements" shall mean all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen and unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Property, or any part thereof.

"Liening Unit Owner" shall have the meaning ascribed thereto in Section 6.26 of the By-Laws.

"Limited Common Elements" shall have the meaning ascribed thereto in Section 8.1 of the Declaration.

"Maintenance" or "Maintain" or "Maintaining" refers to the maintenance, repair, reconditioning, refurbishing, reconfiguration, inspection, testing, cleaning, improvement, decorating, painting, installation, alteration, addition, reconstruction, construction, demolition, restoration and replacement as and when necessary or desirable of any portion of the Building.

"Major Work" shall have the meaning ascribed thereto in Section 6.11.1 of the By-Laws.

"Majority of Residential Unit Owners" shall have the meaning ascribed thereto in Section 3.10 of the By-Laws.

"Majority of Unit Owners" shall have the meaning ascribed thereto in Section 3.10 of the By-Laws.

"Managing Agent" refers to the managing agent or manager of the Residential Section or of the Condominium, as applicable, at the time in question.

"Net Award" shall mean the award less all reasonable fees and expenses incurred by the Unit Owners and the Condominium Board and/or Residential Committee in collecting the award.

"Net Proceeds" shall have the meaning ascribed thereto in Section 6.3.6 of the By-Laws.

"Non-Occupying Owner" shall have the meaning ascribed thereto in Section 6.7 of the By-Laws.

"Non-Residential Common Charges" refer to (i) assessments payable to the Condominium Board by the Non-Residential Unit Owners for the purpose of meeting (a) Non-Residential Common Expenses and (b) each Non-Residential Unit Owner's pro rata share of General Common Expenses and (ii) that portion of the General Common Expenses attributable to the Non-Residential Unit Owners.

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

"Non-Residential Common Elements" refer to those Common Elements which serve or benefit exclusively the Non-Residential Units and/or the Non-Residential Unit Owners.

"Non-Residential Mortgage Representative" shall have the meaning ascribed thereto in Section 7.5.1.

"Non-Residential Section" refers to the Non-Residential Units and the Non-Residential Common Elements.

"Non-Residential Units" refer to the Retail Unit and the Gallery Unit and, to the extent the Non-Residential Units are further divided, the Non-Residential Units shall refer to all of the Units resulting from the subdivision of the Non-Residential Units.

"Non-Residential Unit Owner" refers to the owner or owners of the Non-Residential Units. In the event the Non-Residential Units are subdivided, Non-Residential Unit Owner shall refer to all of the Units resulting from the subdivision of the Non-Residential Units.

"Notice Work" shall have the meaning ascribed thereto in Section 6.10.3 of the By-Laws.

"Occupancy Plan" shall have the meaning ascribed thereto in Section 9.1.1 of the Declaration.

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

"Officer" refers to an officer of the Condominium or the Residential Committee.

"Operating Expenses" is defined in Section 6.1.18 of the By-Laws.

"Opposing Party" shall have the meaning ascribed thereto in Section 6.14.1 of the By-Laws.

"Outside Offer" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Outside Offeror" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Payments" shall have the meaning ascribed thereto in Section 6.7.1 of the By-Laws.

"Performing Unit Owner" shall have the meaning ascribed thereto in Section 6.10.3 of the By-Laws

"Permitted Mortgage" shall have the meaning ascribed thereto in Section 7.1.1 of the By-Laws.

"Permitted Mortgagee" shall mean the holder(s) of a Permitted Mortgage(s).

"Permitted User(s)" refers to any officer, director, member, stockholder, principal,

partner, employee, agent (including managing, sales and leasing agent) guest, tenant, occupant, customer, invitee, licensee, contractor, Mortgagee or any other Person related, affiliated or designated by the Condominium Board or a Unit Owner who has permission to use a Unit and/or the Common Elements, subject to the terms of the Declaration and the By-Laws, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Declaration and the By-Laws.

"Person" or "Persons" refers to an individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any Federal, State, County or municipal government, or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

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

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

"Prime Rate" shall have the meaning ascribed thereto in Section 6.2.7 of the By-Laws.

"Projected Budget for First Year of Operation" refers to the Budget contained in Schedule B to the Offering Plan.

"Project Standards" means the highest of the following standards: (1) the standard required to maintain and operate the Condominium (and all Units therein) in a condition and a quality level no less than that which existed at the time that the initial construction of the Building was completed (ordinary wear and tear expected) and (2) the standards maintained in similar mixed-use luxury Buildings in Manhattan.

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

"Proponent" shall have the meaning ascribed thereto in Section 6.14.1 of the By-Laws.

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

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

"Related Costs" refers to all reasonable fees and expenses incurred by the Condominium Board, the Residential Committee or the other Unit Owners in connection with necessary and reasonable inspections of Unit Work or Common Element Work of the Performing Unit Owner to determine whether the same are being or have been performed in accordance with the approved plans and specifications therefore and all requirements of (i) all Legal Requirements; (ii) all Insurance Requirements, (iii) the Declaration; and (iv) these By-Laws (including, with

respect to Unit Work or Common Element Work which constitute Structural Alterations, the fees and expenses of any architect or engineer employed for such purpose).

"Remedy Notice" has the meaning specified in Section 26.3 of the Declaration.

"Required Action" has the meaning specified in Section 26.2 of the Declaration.

"Required Documentation" shall have the meaning ascribed thereto in Section 6.12.3 of the By-Laws.

"Residential Committee" refers to the members of the Condominium Board representing the Residential Unit Owners.

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

"Residential Common Elements" refer to those Common Elements which serve or benefit exclusively the Residential Units and/or the Residential Unit Owners.

"Residential Common Expenses" refer to the costs and expenses incurred or projected in connection with repair, maintenance, replacement, restoration, improvement, alteration and addition of and to the Residential Common Elements or in connection with any services or facilities exclusively benefiting the Residential Section or the Residential Unit Owners.

"Residential Limited Common Elements" refers to those Common Elements which serve or benefit exclusively one or more but not all the Residential Units and/or the Residential Unit Owners.

"Residential Mortgage Representative" shall have the meaning ascribed thereto in Section 7.5.1.

"Residential Rules and Regulations" refer to the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A.

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

"Residential Unit" refers to any Unit designated as a Residential Unit in the Declaration, and all such Residential Units, are, collectively, referred to as the "Residential Units".

"Residential Unit Lease" or "Transfer Agreement" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

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

"Residents" refer to the people residing in the Building regardless of whether they are

Unit Owners, renters, or other occupants of the Units.

"Retail Unit" refers to one of the Non-Residential Units on the Lower Level and First Floor of the Building.

"Retail Unit Owner" refers to the owner of a Retail Unit.

"Rules and Regulations" collectively refers to the Residential Rules and Regulations and General Rules and Regulations, together with all modifications, amendments or additions thereto.

"Safety Work" has the meaning specified in Section 6.3.4 of the By-Laws.

"Satellite" or "Satellite Antenna" refers to an antenna and related satellite/telecommunications equipment together with transmission lines, communication facilities and similar related equipment including without limitation facilities for the operation of such Satellite Antenna and transmission of information received or transmitted from the Satellite Antenna to a location elsewhere in the Building.

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

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

"Significant Casualty" shall have the meaning ascribed thereto in Section 6.3.4 of the By-Laws.

"Sponsor" refers to 540 West 21st Street Holdings LLC, a Delaware limited liability company, and its successors and assigns.

"Sponsor and/or its designee(s)", "Sponsor or a designee of Sponsor" or similar terms refers to Sponsor and any designee of Sponsor.

"Substantially All of the Property" shall have the meaning set forth in Section 9.5 of the By-Laws.

"Taking" shall have the meaning set forth in Section 9.1 of the By-Laws.

"Tenant" or "tenants" shall refer to all tenants, such tenant's subtenants, successors, assigns or other occupants of the Building.

"Unavoidable Delays" refer to delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of Declarant), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, war, act of the public enemy, riot, sabotage, blockade, embargo, terrorist acts, shortage of or failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body or lightning, earthquake, fire, storm, hurricane, flood, explosion,

act of God or any cause similar to any of the causes hereinabove state; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause similar to the causes stated above.

"Unit" or "Condominium Unit" refers to space designated as a Residential Unit or a Non-Residential Unit in the Declaration, consisting, generally, of either a specific residence or a portion of the Non-Residential space in the Building, together with an appurtenant proportionate undivided interest in the General Common Elements and, as the case may be, in the Residential Common Elements, the Residential Limited Common Elements or in the Non-Residential Common Elements. All of such Units are collectively referred to as "Units".

"Unit Owner" refers to any Residential Unit Owner or Non-Residential Unit Owner, and all of such Residential Unit Owners and Non-Residential Unit Owners are collectively referred to as the "Unit Owners".

"Unit Owner BI Coverage" shall have the meaning ascribed thereto in Section 6.2.11 of the By-Laws.

"Unit Owner Expenses" shall have the meaning ascribed in Section 6.1.15 of the By-Laws.

"Unit Work" shall have the meaning ascribed in Section 6.10.1 of the By-Laws.

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

"Unsold Unit" refers to (a) any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Declarant or its designee, or a Unit that is acquired, individually or collectively, by a principal of Declarant or a group of which Declarant, or one or more of their principals, is a member or (b) any Unit for which there is a signed Purchase Agreement but for which Closing has not yet occurred. An Unsold Residential Unit remains an Unsold Residential Unit until it is sold to a Purchaser for occupancy by the Unit Owner for occupancy by the Residential Unit Owner, a member of his or her family, an employee or an affiliate.

"Violating Unit Owner" shall have the meaning ascribed in Section 6.25 of the By-Laws.

"Waiver Period" shall have the meaning ascribed in Section 6.1.18 of the By-Laws.

"Work Conditions" shall have the meaning ascribed in Section 6.10.3 of the By-Laws.

"Work Notice" shall have the meaning ascribed thereto in Section 6.10.3.1 of the By-Laws.

"Working Capital Fund" shall have the meaning ascribed thereto in Section 8.1.8 of the By-Laws.

"Zoning Lot Development Agreement" is described in Section 2.3.

"Zoning Resolution" refers to the 1961 Zoning Resolution of New York City.

EXHIBIT D

BY-LAWS

OF

540 WEST 21ST STREET CONDOMINIUM
540 WEST 21ST STREET
NEW YORK, NEW YORK 10011

EXHIBIT E

RESIDENTIAL UNIT POWER OF ATTORNEY

RESIDENTIAL UNIT POWER OF ATTORNEY

_____

TO

THE RESIDENTIAL COMMITTEE OF 540 WEST 21ST STREET CONDOMINIUM

AND

THE CONDOMINIUM BOARD OF 540 WEST 21ST STREET CONDOMINIUM

AND

540 WEST 21ST STREET HOLDINGS LLC

540 WEST 21ST STREET CONDOMINIUM

540 WEST 21ST STREET, NEW YORK, NEW YORK 10011

RESIDENTIAL UNIT _____

COUNTY: NEW YORK

BLOCK: 692

LOT:

RESIDENTIAL UNIT POWER OF ATTORNEY

Terms used in this Residential Unit Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 540 West 21st Street Holdings LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as 540 West 21st Street Condominium and by the street number 540 West 21st Street, New York, New York 10011 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 20__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned (the "Principal"), the owner of the Residential Unit (the "Unit") in 540 West 21st Street Condominium which is (are) designated and described as Residential Unit No. _____ in the Declaration and also designated as Tax Lot _____, in Block 692 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute:

A. the Condominium Board of the Residential Section of the Condominium (hereinafter collectively referred to as "**Residential Committee**"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Residential Committee or in the name of their designee (corporate or otherwise), on behalf of all Residential Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Residential Unit Owners, to acquire or lease any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Residential Unit Owners, to acquire any Residential Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Residential Committee or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Residential Unit so acquired by them, or to sublease any Residential Unit so leased by them without the necessity of further authorization by the Residential Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Residential Committee, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Residential Committee deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Residential Section and/or the Condominium, which the Residential Committee, deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of

Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Residential Section which the Residential Committee deems necessary or appropriate or (c) following due authorization by any affected Residential Unit Owner(s), to the extent required in the Declaration and By-Laws, any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, in each case that the Residential Committee deems necessary or appropriate.

The acts of a majority of such persons constituting the Residential Committee shall constitute the acts of said attorneys-in-fact.

This Residential Unit Power of Attorney shall be irrevocable; and

B. the Condominium Board of the Condominium (hereinafter collectively referred to as "**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 Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit 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 becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the 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, (3) upon request of the DR Owner or a DR Purchaser, to execute and deliver any documents or applications reasonably requested in connection with any merger, zoning lot Declaration, and/or ZLDA pursuant to the terms of the Declaration (a "Development Rights Transfer"), (5) any modification or amendment to that certain Zoning Lot Development Agreement dated September 15, 2017 by and between 540 West 21st Street Holdings LLC and DZ 20th Street LLC recorded on October 23, 2017 as CRFN 2017000389784, and (6) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the General Common Elements which the Condominium Board, with respect to the General Common Elements, 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 Condominium, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium Board deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s) or the Condominium Board, in each case to the extent required in the By-Laws and Declaration, any consent any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Residential Committee shall constitute the acts of said attorneys-in-fact.

This Residential Unit Power of Attorney shall be irrevocable; and

C. the **Declarant**, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-Laws and the Declaration 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 Residential Units, Non-Residential 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 subdivision (a) or (b) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to 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 subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Residential Unit Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This Residential Unit Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

PRINCIPAL signs here: =>_____

=>_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT "9"

CONDOMINIUM BY-LAWS

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BY-LAWS

540 WEST 21ST 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 540 West 21st Street Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 20,675.94 square feet of land (the "Land") which forms a part of Block 692, Lot 53 on the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County Office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All terms used herein including, but not limited to, "Declarant or its designee" and "Declarant or a designee of Declarant," which are not separately defined herein, shall have the meanings given to those terms in the Declaration.

1.2 **Applicability of By-Laws**. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as 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 reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2
BOARD OF MANAGERS

2.1 **Number, Term and Qualification.**

2.1.1 As more particularly set forth in 2.2, the affairs of the Condominium shall be governed by a Condominium Board of the Condominium (the "Condominium Board") and the affairs of the Residential Units shall be governed by a Residential Committee (the

"Residential Committee").

2.1.2 During the Initial Control Period the Condominium Board shall consist of the three (3) persons appointed by the Declarant. During the Initial Control Period, Declarant reserves the right to designate fewer than three (3) persons to the Condominium Board.

2.1.3 From and after the First Annual Meeting called after the end of the Initial Control Period: (a) the Residential Committee shall consist of three (3) persons elected by the Residential Unit Owners (including the Declarant), subject to Declarant's rights pursuant to paragraph 3.9.3; (b) the Condominium Board shall consist of five (5) persons: the three (3) members of the Residential Committee, one (1) member appointed by the Retail Unit Owner and one (1) member appointed by the Gallery Unit Owner, each Board member having an equal vote on the Condominium Board.

2.1.4 Except as otherwise provided herein, Residential Committee Members shall be elected at the annual meetings of Residential Unit Owners and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board member may serve.

2.1.5 The Condominium Board is herein sometimes referred to as the "Board."

2.1.6 Except for Board Members elected or designated by Declarant or its designee, all members of the Board shall be either Unit Owners or officers, directors, shareholders, partners, principals, employees or beneficiaries of corporations, partnerships, fiduciaries or any other entities which own Units, Permitted Mortgagees, or the spouse of individual Unit Owners. Other than Board Members elected or designated by Declarant or its designee no Board member shall continue to serve after ceasing to be qualified as set forth above.

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

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, however, which (a) affect only the Residential Section and do not adversely affect the Non-Residential Section or the use of the Non-Residential Units for their permitted purposes, shall be made by the Residential Committee or (b) affect only the Non-Residential Section and do not adversely affect the Residential Section or the use of Residential Units for their permitted purposes, shall be made by the applicable Non-Residential Unit Owner(s). All

other determinations with respect to the administration of the affairs of the Condominium including, without limitation, determinations which (i) relate to the Residential Section and adversely affect the Non-Residential Units, or (ii) relate to the Non-Residential Section and adversely affect the Residential Section, or (iii) relate to or affect the General Common Elements, shall be made by the Condominium Board. Any dispute between the Residential Committee and the Non-Residential Unit Owners with respect to whether the Residential Committee shall be entitled to make any determination shall be settled by Arbitration (as hereinafter defined); provided, however, that no such dispute with respect to whether the determination of one adversely affects the other shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the other party within ten (10) business days of receipt by it of notice of such determination. In addition, any dispute between the Residential Committee and the Non-Residential Unit Owners with respect to whether any matter is entitled to be determined by the Condominium Board shall be settled by Arbitration.

2.2.2 Subject to the provisions of the Condominium Documents and Section 2.2.1 and without limiting the generality thereof:

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters, in accordance with the Condominium Documents:

2.2.2.1.(a) Operation, care, upkeep, maintenance, repair and replacement of the General Common Elements, including contracts for utilities, services and supplies;

2.2.2.1.(b) The amount of General Common Charges (as hereinafter defined), subject to the provisions of these By-Laws.

2.2.2.1.(c) Employment and dismissal of the personnel necessary for the maintenance and operation of the General Common Elements.

2.2.2.1.(d) Adoption of, and amendments and additions to, the General Rules and Regulations.

2.2.2.1.(e) Making additions and improvements to, or alterations of, the General Common Elements.

2.2.2.1.(f) Making repairs and restorations of the General Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.1.(g) Enforcing obligations of the Unit Owners.

2.2.2.1.(h) Levying fines against Residential Unit Owners, the Non-Residential Unit Owners or the Residential Committee for violations of the General Rules and Regulations (any such fines shall constitute General Common Charges payable by the Unit Owner or Board against which the same are levied).

2.2.2.1.(i) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.1.(j) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves both the Residential Section and the Non-Residential Section or the General Common Elements, as set forth in 6.2.

2.2.2.1.(k) Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the General Common Elements; provided, however, that (i) the consent of at least 51% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $250,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years) unless the funds are required for Repairs or Replacements of Common Elements in which event no Unit Owner vote is required, and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph 2.2.2.1(k) is not repaid by the Condominium Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.1.(l) Organizing corporations to act as designees of the Condominium Board with respect to such matters as the Board may determine.

2.2.2.1.(m) Execution, acknowledgment and delivery of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of 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 (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.2.1.(n) Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.1.(o) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of 6.2.

2.2.2.1.(p) Furnishing of services and utilities.

2.2.2.2 Intentionally Omitted.

2.2.3 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.

2.2.4 Notwithstanding anything to the contrary contained in these By-Laws, (including, without limitation, in Section 2.2.2 above) for a period which shall end upon the later to occur of: (a) the fifth anniversary of the First Closing of title to any Unit, by the Sponsor, pursuant to an Agreement (as the terms "Sponsor" and "Agreement" are defined in that certain Offering Plan for the sale of Units at the Condominium (the "Offering Plan" or "Plan"); or (b) the closing of title by Sponsor of all the Residential Units (unless Sponsor voluntarily relinquishes control prior to the earlier of such dates) (the "Initial Control Period"), the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Residential Unit (unless required by any applicable laws, statutes and ordinances, including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof ("Legal Requirements"); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B — "Projected Budget for First Year of Condominium Operation" set forth in the Plan; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium unless any such borrowing is approved by the owners of Units representing at least seventy-five percent (75%) both in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Residential Unit. However, the Board may perform any function or take any actions enumerated in subsections (i) through (v) hereinabove, without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five (5) years after the First Closing or whenever the Unsold Residential Units constitute less than five percent (5%) of the Common Interest, whichever is sooner.

2.2.5 Any action required or permitted to be taken pursuant to the provisions of these By-Laws or the Declaration by either the Residential Committee or the Non-Residential

Unit Owners may, if required, be taken by either the Residential Committee or the Non-Residential Unit Owners in the name of the Condominium Board which shall, upon request, execute, acknowledge and deliver any and all instruments, documents or applications in connection therewith; *provided, however*, that the party desiring to take such action shall, subject to the provisions of 2.14, indemnify and hold harmless the other(s) and, in the case of action taken by a Non-Residential Unit Owner, the Non-Residential Unit Owner shall also indemnify and hold harmless the other Unit Owners from any expense or liability thereof or therefrom.

2.2.6 Notwithstanding anything to the contrary contained in these By-Laws, (a) no action which is taken or omitted to be taken by or on behalf of the Residential Committee or Residential Unit Owners shall be deemed to adversely affect in any way the Non-Residential Section or the use of the Non-Residential Units for their permitted purposes and thus shall not require the consent or approval of the Non-Residential Unit Owners pursuant to 2.2.1 unless the use of any portion of the Residential Section would result in or involve a violation of the provisions of the By-Laws or adversely affect the operation of the Gallery Unit, (b) no action which is taken or omitted to be taken by or on behalf of the Non-Residential Unit Owners or Non-Residential Section shall be deemed to adversely affect in any way the Residential Section or the use of Residential Units for their permitted purposes and thus shall not require the consent or approval of the Residential Committee pursuant to 2.2.1 unless the use of any portion of the Non-Residential Section would result in or involve a violation of the provisions of 6.16, and (c) no penetration of the General Common Elements shall be deemed to adversely affect in any way the Residential Section or the use of Residential Units for their permitted purposes and thus shall not require the consent or approval of the Residential Committee or the Residential Unit Owners unless such penetration would materially weaken the structural soundness of the Building.

2.2.7 Notwithstanding anything contained herein to the contrary, the Condominium Board shall not have the right to restrict or limit any of the uses of, or non-structural alterations in or to, the Non-Residential Unit, without obtaining the written consent of the Non-Residential Unit Owner.

2.2.8 Notwithstanding anything contained herein to the contrary, the Condominium Board shall not commence any litigation or arbitration other than to collect common charges or assessments or to enforce the provisions of the Declaration or By-Laws (other than to defend the Condominium in such actions) without first obtaining the consent of the owners of three-quarters of the Units and the owners of three-quarters of the Common Interests. This Section 2.2.8 shall not be amended, modified or deleted without the consent of the owners of three-quarters of the Units and Common Interests.

2.2.9 The Condominium Board, as to the Common Elements, and the Residential Committee, as to the Residential Section, and the Unit Owners, as to each Unit Owner's Unit, shall perform all routine inspections, maintenance, repairs and replacements required by the owner's manual and their professional advisors.

2.3 **Managing Agents and Managers**. With respect to matters the determinations concerning which the Board is entitled to make, the Board may 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. The Board and the Residential Committee may delegate to such managing

agent or manager other powers granted to the Board by these By-Laws, except the powers set forth in 2.2.2.1(b), (e), (h), (1), (m), (n), (o) and (p). The Managing Agent shall be responsible for arranging for the routine inspection of the Common Elements and advising the Condominium Board of any required maintenance, repairs and replacements to the Common Elements and the Units.

2.3.1 **Condominium Board and Residential Committee.**

2.3.1.1 **First Board.** During the Initial Control Period, the Condominium Board shall consist of the three (3) persons appointed by the Declarant.

2.3.1.2 **Later Board.** Within thirty (30) days after the end of the Initial Control Period, the Board will call a special meeting of the Unit Owners (the "First Annual Meeting"), to be held not less than ten (10) days nor more than forty (40) days after such date, at which time the Unit Owners will elect members to the Residential Committee and the members of the Condominium Board on behalf of the Residential Section. Commencing with the First Annual Meeting, the Residential Committee shall consist of three (3) persons and the Condominium Board shall consist of five (5) persons: the three (3) members of the Residential Committee, one (1) member appointed by the Retail Unit Owner and one (1) member appointed by the Gallery Unit Owner, and each member of the Condominium Board shall have an equal vote.

2.4 **Resignation and Removal**. Any Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board from which such member is resigning. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of 3.9.3, any Residential Committee member may be removed, with or without cause, by a majority vote of Residential Unit Owners present in person or by proxy at a regular or special meeting of Residential 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. Notwithstanding the above, Residential Committee Members designated by Declarant or its designee may only be removed with cause and replaced as described in 2.5. In addition, any member of the Board who is designated as such by Declarant or its designee, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member. A Board member, who fails to attend three (3) consecutive meetings of the Board or five (5) meetings in any twelve (12) month period or who ceases to be a Unit Owner or who is more than two (2) months in arrears in paying Common Charges and assessments shall be deemed to have resigned from the Board.

2.5 **Vacancies**. Subject to the provisions of 3.9.3, any vacancy on the Residential Committee for whatever reason shall be filled by the remaining members of the Residential Committee 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 until the next annual meeting of the Residential Unit Owners or Non-Residential Unit Owners, when a successor shall be elected for the remainder of the term of the member creating such vacancy.

Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Board, created by the resignation, removal or any other cause which results in any Board member designated by Declarant or its designee, ceasing to be a member of any the Board, Declarant or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

2.6 **Organizational Meetings of the Residential Committee**. The first meetings of the Residential Committee following each annual meeting of the Residential Unit Owners shall be held immediately following each such annual meeting.

2.7 **Regular Meetings of the Residential Committee**. Regular meetings of the Residential Committee 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, e-mail or telegram, at least five (5) business days prior to the day named for such meeting. Unit Owners or their representatives may only attend meetings with the prior written approval of the Residential Committee.

2.8 **Special Meetings of the Residential Committee**. Special meetings of the Residential Committee may be called by the President or Vice President of the Residential Committee by giving five business days' prior notice to each member of the Residential Committee by personal delivery, mail, e-mail or telegram, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Residential Committee shall be called in like manner and on like notice on the written request of at least two members of the Residential Committee.

2.9 **Resolutions of the Residential Committee**. The Residential Committee shall cause to be promptly delivered to the Residential Unit Owners copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable Law, (b) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

2.10 **Meetings of Condominium Board**. Except as otherwise provided in these By-Laws, no organizational or regular meetings of the Condominium Board shall be held unless otherwise required by applicable Law in which event such required meetings shall be held at such time and place in the Borough of Manhattan as shall be determined by the Condominium Board, provided that notice thereof be given to Board Members by personal delivery, mail, e-mail or telegram at least five (5) business days prior to the day named for such meeting. Special meetings of the Condominium Board may be called by the President of the Residential Committee by giving five (5) business days' prior notice to each member of the Residential Committee by personal delivery, mail or telegram, which notice shall state the time, place (which shall be in the Borough of Manhattan) and purpose of the meeting. Unit Owners or their representatives may only attend meetings of the Condominium Board with the prior written approval of the Condominium Board.

2.11 **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 a Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of a Board, no notice shall be required and any business may be transacted at such meeting.

2.12 **Determinations by Board; Quorums.**

2.12.1 Except as otherwise set forth in 2.12.4, all determinations by the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Condominium or Residential Committee 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 or Committee, as the case may be.

2.12.2 When the Residential Committee and the Non-Residential Unit Owners, with each acting in accordance with the provisions of this Article 2, have made the same determination as to any matter which is required or permitted to be determined by the Condominium Board, such determination shall constitute the determination of the Condominium Board and shall be enforceable as if such determinations were made by the Board. No meeting of the Condominium Board as such shall be necessary for any determination by it to be made. However, in the event any meeting of the Condominium Board is held, a majority of the members of the Condominium Board shall constitute a quorum for the transaction of business and a majority of the votes cast at any meeting at which a quorum is present shall constitute the decision of such Board.

2.12.3 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.

2.12.4 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 or writings are filed with the minutes of the Board.

2.13 **Compensation**. No member of the Board shall receive any compensation for acting as such.

2.14 **Liability of Board and Unit Owners.**

2.14.1 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, the

Non-Residential Units, or the Residential Units or any Common Element (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, Residential Unit Owners, or Non-Residential Unit Owners, as the case may be, that the Board Members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or the Residential or Non-Residential Units, as the case may be, or any Common Element shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, Residential Unit Owners, or Non-Residential Unit Owners, as the case may be, and, unless expressly stated to the contrary in such contract (as determined by the relevant Board in its sole and absolute discretion), to the extent permitted by applicable Law, shall be limited to such Unit Owner's interest in his Unit and the Unit's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission, either individual or joint and several. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Board on whose behalf the contract or agreement is made. Board Members shall have no liability to Unit Owners except that a Board member shall be liable for the Board member's own bad faith, gross negligence, fraud 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 and each Residential Committee member, as the case may be, against any liability or claim except those arising out of such member's own bad faith, gross negligence, fraud or willful misconduct. The Board may contract or effect any transaction with any Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith, gross negligence, fraud or willful misconduct, incurring any liability for self-dealing.

2.14.2 Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, the Board or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith, gross negligence, fraud or willful misconduct of the Board or any member thereof or (ii) any injury, loss or damage to any individual or property, occurring in or about either a Unit or any General or Limited Common Element.

2.14.3 The Condominium shall indemnify the Board member against all costs arising out of such Board member's serving in such capacity except those matters arising out of the Board member's own bad faith, gross negligence, fraud or willful misconduct.

2.14.4 The Condominium Board may contract or effect any other transaction with any Board member, any member of the Residential Committee, Declarant and/or affiliates of any of the foregoing without incurring any liability of self-dealing or otherwise (except in the case of bad faith, gross negligence, fraud or willful misconduct which shall not be deemed presumed or established by the relationship between or among any such parties), but all such contracts or transactions shall be made only in accordance with the provisions hereof.

2.14.5 No Unit Owner, in its capacity as a Unit Owner, shall be personally liable for any contract with respect to any contract, act or omission of the Condominium. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges or assessments.

2.14.6 Business Corporation Law. The indemnification provisions of the New York Business Corporation Law ("BCL") for corporate directors and officers shall apply respectively to the members of the Condominium Board including the members of the Residential Committee (the "Board Members") and officers of the Condominium including the members of the Residential Committee (the "Officers") to the same effect as though the Condominium were a corporation and the Board Members and Officers were respectively a board of directors and officers of such corporation.

2.14.7 Indemnity. The Board on behalf and as agent of the Unit Owners shall indemnify to the fullest extent provided in the BCL, the Board Members and Officers made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Board or any corporation of any type or kind, or any partnership, limited liability partnership, limited liability company (a "Claim"), joint venture, trust, employee benefit plan or other enterprise, whether domestic or foreign (each an "Enterprise"), which such Board Member or Officer or other person on behalf of the Board heretofore or hereafter served in any capacity at the request of the Board, by reason of the fact that such person, whether testate or intestate, was a Board Member or Officer, or served such other Enterprise in any capacity, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees and disbursements actually and necessarily incurred as a result of the threat of, the commencement of and/or the continuation of such action or proceeding, or any appeal therein, if such Board Member or Officer acted, in good faith, for a purpose which such person reasonably believed to be in, or, in the case of service for any such Enterprise, not opposed to, the best interests of the Board and the Condominium and, in criminal proceedings, in addition, had no reasonable cause to believe that his or her conduct was unlawful.

2.14.8 No Presumption. The termination of any such civil or criminal proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such Board Member or officer did not act in good faith, for a purpose which such person reasonably believed to be in, or, in the case of service for any such Enterprise, not opposed to, the best interests of the Board and the Condominium or that such person had reasonable cause to believe that his or her conduct was unlawful.

2.14.9 Expenses. Expenses incurred in defending a civil or criminal action or proceeding by a Board Member, Officer or other person to be indemnified under this Article shall be paid by the Board on behalf and as agent of the Unit Owners in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such Board Member, Officer or other person to repay such amounts as, and to the extent, required by BCL Section 725(a). The indemnification provided by the preceding Section 29.9.2 shall not be deemed exclusive of any other rights to which a Board Member or Officer seeking indemnification or advancement of expenses may be entitled, whether contained in this Declaration or the By-Laws, or a resolution of Unit Owners, a resolution of disinterested Board Members, or an agreement providing for such indemnification or under any statute, provided that

no indemnification may be made to or on behalf of any Board Member or Officer if a judgment or other final adjudication adverse to the Board Member or Officer establishes that such Board Member's or Officer's acts were committed in bad faith or were the result of active and deliberate dishonesty or willful misconduct and were material to the cause of action so adjudicated, or that such Board Member or Officer thereby personally gained a financial profit or other advantage to which he or she was not legally entitled.

2.14.10 Other Person. A person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in BCL Section 722 shall be entitled to indemnification as authorized by such section.

2.14.11 Specific Case. Except as provided in BCL Section 723(a), any indemnification under BCL Section 721, unless ordered by a court under BCL Section 724, shall be made by the Board on behalf and as agent of the Unit Owners, only if authorized in the specific case set forth in BCL Section 723(b).

2.14.12 Standard of Conduct. Any determination as to whether a person has met an applicable standard of conduct shall be made in accordance with the provisions of BCL Section 723.

2.14.13 Employees Agents and Committee Members. The Board on behalf and as agent of the Unit Owners may, to the extent authorized from time to time by resolution of a majority of the Board Members, provide indemnification to employees or agents of the Board or members of committees appointed by the Board, with such scope and effect as determined by said majority of the Board Members, but in no event shall such indemnification be greater than would be available to such individual under this Declaration or the By-Laws, if such individual were a Board Member.

2.14.14 Remedies. If a claim for indemnification under this Article is not paid in full by the Board within thirty (30) days after a written claim has been received by the Board, the claimant may at any time thereafter bring suit against the Board to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the reasonable expense of prosecuting such claim. It shall be a defense to any such action (other than action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Board) that the claimant has not met the standards of conduct prescribed hereunder, but the burden of proving such defense shall be on the Board. Neither the failure of the Condominium Board (including its independent legal counsel or the Unit Owners) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper under the circumstances because he or she has met the applicable standard of conduct set forth herein or in the BCL, nor an actual determination by the Board (including its independent legal counsel or the Unit Owners) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

2.14.15 Insurance. The Board on behalf and as agent of the Unit Owners shall have the power to purchase and maintain insurance to indemnify: (a) the Condominium

Board for any obligation which it incurs as a result of the indemnification of Board Members and Officers under the provisions of this Article; (b) the Board Members and Officers in instances in which they may be indemnified by the Board under the provisions of this Article; (c) the Condominium Board for any obligation which the Board incurs on behalf and as agent of the Unit Owners; and (d) Board Members and Officers under any indemnification provided in this Declaration or the By-Laws, a resolution of Unit Owners, a resolution of the Board, or any agreement.

2.14.16 Interpretation. The intent of the foregoing indemnification provisions in this Article is both to provide and to expand upon the indemnification provided by the BCL, as the BCL may from time to time be amended, so as to maintain and continue to attract persons of high quality to serve on the Board as Board Members, officers or in similar capacities.

2.14.17 Notice of Claim or Lawsuit. Promptly after being notified of a Claim or served in a lawsuit for which indemnity is sought (a "Lawsuit"), the indemnified party shall give notice thereof to the Board.

2.14.18 Control of Defense. The Board on behalf and as agent of the Unit Owners, as a Common Expense, shall be entitled: (a) to control the defense, compromise and settlement of such Claim or Lawsuit, provided the indemnified party shall not be adversely affected by the proposed compromise or settlement and shall be fully and unconditionally released and discharged in writing from all liabilities and expenses with respect to such Claim by all claimants or with respect to such Lawsuit by all plaintiffs or petitioners or counter-claimants or cross-claimants (such release and discharge to be in form and content as shall be reasonably approved by the indemnified party); and (b) to choose the attorneys, who shall be reasonably satisfactory to the indemnified party.

2.14.19 Cooperation. The indemnified party shall cooperate fully and make available to the Condominium Board such information and documents under the control or in the possession of the indemnified party as are reasonably related to the defense of the Claim or Lawsuit.

2.14.20 Participation. The indemnified party shall have the right, but not the obligation, at such indemnified party's sole cost and expense, to participate and be represented by separate counsel (chosen by the indemnified party) in the defense, compromise and settlement of the Claim or Lawsuit.

2.15 **Fidelity Bonds**. The Condominium Board shall obtain or ensure maintenance of fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds shall constitute General Common Expenses.

2.16 **Committees**. The Condominium Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an Executive Committee ("Executive Committee") and such other committees as the Board may deem appropriate, each to consist of as many members as the Board shall deem appropriate for the purpose of making such reports and

studies as each the Board deems appropriate. For so long as Declarant is entitled to designate members to the Board, any committee appointed by any the Board shall have as at least one of its members a member appointed by Declarant.

2.17 **Principal Offices**. The principal offices of the Condominium Board shall be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by the Board.

2.18 **Status of Condominium Board**. In addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act, the Condominium Board shall, to the extent permitted by applicable Law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Condominium Board pursuant to the provisions of 2.19, the provisions of this Section 2.18 shall no longer be applicable to the Board.

2.19 **Incorporation of the Condominium Board**. To the extent and in the manner provided in the Condominium Act, the Condominium Board may by action of the Condominium Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Condominium Board so incorporates, it shall have, to the extent permitted by applicable Law, the status conferred upon it under such statutes in addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and By-Laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and By-Laws.

2.20 **The Condominium Board and Residential Committee as Agents of Unit Owners**. In exercising their respective powers and performing their respective duties under the Declaration and these By-Laws, the Condominium Board and Residential Committee shall act in good faith as, and shall be, the agent of the Unit Owners the Board or Committee represents, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.21 **Prohibited Transactions**. Each member of the Condominium Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable Law, no contract or other transaction between the Condominium Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of a Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; *provided, however*, that either: (1) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the members thereof and noted in the minutes thereof, and the Condominium Board shall authorize, approve or

ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction less the number of such Unit Owners who are also such members involved in such contract or transaction; and (3) the contract or transaction is professionally reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board or of the Unit Owners which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

ARTICLE 3
UNIT OWNERS

3.1 **Annual Meetings**.

3.1.1 On or no more than one hundred eighty (180) days after the end of the Initial Control Period, the Board will call the First Annual Meeting of the Unit Owners. Such meeting shall be held not less than ten (10) days nor more than forty (40) days after such date. At such meeting, the Residential Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as otherwise provided in these By-Laws) a Residential Committee consisting of three (3) persons elected by the Residential Unit Owners (including the Declarant), subject to Declarant's rights pursuant to paragraph 3.9.3. The Retail Unit Owner shall designate one (1) member to the Board and the Gallery Unit Owner shall designate one (1) member to the Board. Thereafter, annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the members of the Board shall be elected and there shall also be transacted such other business as may properly come before such meetings.

3.1.2 Only the Unit Owners or their proxy holders and the Condominium's professional advisors may attend Unit Owners' meeting without the prior approval of the Board.

3.2 **Place of Meetings**. Meetings of all or any Unit Owners or Residential Unit Owners, as the case may be, shall be held at the principal office of the Condominium and the Residential Units, respectively, or, at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the appropriate Board.

3.3 **Special Meetings**. The President of the Residential Committee shall call a special meeting of Residential Unit Owners, if so directed by resolution of the Residential Committee or upon a petition signed and presented to the Secretary of the Residential Committee by not less than twenty five percent (25%) in Common Interest of Residential Unit Owners. The President of the Condominium shall call a special joint meeting of all Unit Owners if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary of the Condominium by not less than twenty five percent (25%) in Common Interest of both the Residential Unit Owners and the Non-Residential Unit Owners.

3.4 **Notice of Meetings and Actions Taken**. Notice of each annual or special meeting shall be given by the appropriate Secretary to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, mail or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the appropriate Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 **Adjournment of Meetings**. If any joint or separate meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty eight (48) hours from the time fixed for the original meeting.

3.6 **Order of Business**. The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(a) Call to order;

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Board;

(g) Reports of committees;

(h) Election of inspectors of election (when so required);

(i) Election of members of the Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 **Title to Units**. Title to Units may be taken by any individual, corporation,

partnership, limited liability company, association, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 **Voting.**

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on his or her behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Residential Unit Owners and at all joint meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Board and shall be revocable at any time by written notice to the Secretary by the Unit Owner so designating; *provided, however*, that no designation to act as a proxy shall be effective for a period in excess of twelve months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or his or her proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast a vote equal to the Unit Owner's percentage interests in the Common Elements.

3.8.3 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is in terms of the Residential Unit Owners, such required percentage shall mean a percentage in terms of total Common Interests attributable to that particular group and not the percentage of Common Interests attributable to all Unit Owners.

3.8.4 When ownership is in the names of two or more persons in the absence of written directions from the Unit Owners to the contrary, at any meeting of Unit Owners, any one or more of such Unit Owners may cast, in person or by proxy, the vote to which such ownership is entitled. In the event an attempt is made to cast conflicting votes, in person or by proxy, by the persons in whose names the Unit is owned that Unit's one vote shall be split among the persons who own the Unit and are present in person or by proxy at such meeting.

3.8.5 Inspectors of Election. In advance of or at any meeting of Unit Owners, the Board may appoint any person, other than nominees for election to the Board or their relatives or employees or existing Board Members, as inspectors of election ("Inspectors of Election") to act as such at the meeting or any adjournment. Any such appointments may be altered at the meeting. If Inspectors of Election are not so appointed, the President may, or on the request of not fewer than ten percent (10%) of the votes represented at the meeting, shall make such appointment at the meeting. In case any person appointed as an Inspector of Election fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Board in advance of the meeting or at the meeting by the President. Unless otherwise prescribed, the duties of such Inspectors of Election with the advice of the Condominium's counsel, shall include: verifying the number of common interests, the Units represented at the meeting, the

existence of a quorum, and the authenticity, validity and number of proxies, receiving votes, ballots, hearing and determining all challenges and questions in any way arising in connection with the rights to vote; counting and tabulating all votes or consents; determining the result; and such act as may be proper to conduct the election or vote with fairness to all Unit Owners.

3.9 **Election of Board Members; 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 Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with 3.8.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the First Annual Meeting, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it. In addition, for so long as Declarant owns at least one (1) Unsold Unit (a) Declarant shall have the right to designate one member of the Board or vote the Common Interests attributable to Unsold Units owned by it and (b) the number of members of the Board may not be increased without the consent of Declarant. Any vacancy created by removal of a Board member designated by Declarant, or by any other cause which results in a Board member designated by Declarant ceasing to be a member of the Board, shall be filled by a person designated by Declarant.

3.10 **Majority of Unit Owners**. Except as may otherwise be provided by Law, as used in these By-Laws, the terms "Majority of Residential Unit Owners" and "Majority of Unit Owners" means either those Residential Unit Owners or Unit Owners, as the case may be, having more than 50% of the total authorized votes of either Residential Unit Owners or all Unit Owners, as the case may be, 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 (a) Residential Unit Owners owning more than 50% of the aggregate Common Interests applicable to the Residential Units shall constitute a quorum at all meetings of Residential Unit Owners, and (b) Unit Owners owning more than 50% of the aggregate Common Interests applicable to all of the Units shall constitute a quorum at all joint 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, and at all meetings of Residential Unit Owners, the affirmative vote of a Majority of Residential Unit Owners shall be binding upon all Residential Unit Owners for all purposes.

3.13 **Meetings**. Any action required or permitted to be taken at any meeting of the

Condominium Board or any committee thereof may be taken without a meeting if all members of the Condominium Board or the committee, as the case may be, consent in writing to the adoption of a resolution authorizing the action and if the resolution and the written consents thereto are filed with the minutes of the proceedings of the Condominium Board or the committee.

3.14 **Confidentiality**. Information disclosed to Board Members should be kept in confidence and not disclosed under any circumstance until a decision is made by the Board to make the information public. Once determined, decisions of the Board are to be presented in their final form, and any discussions leading up to such decisions are confidential. Board Members are prohibited from disclosing how other Board Members voted unless required to do so in a legal proceeding or by court order.

3.15 **Conflicts of Interest**.

(a) No member of the Board shall receive any economic benefit of any nature, including any remuneration, gift or other consideration, from any person, firm, or entity dealing with the Condominium, as a result of, or in any way associated with, transactions involving the Condominium, unless such economic benefit shall have been specifically disclosed to, and approved by, a two-thirds vote of the disinterested Board Members prior to receipt thereof.

(b) Real estate brokers or salespersons, who are members of the Board, shall refrain from engaging in selling Units in the building or participating in such sales, either directly or indirectly, as listing broker, co-broker or otherwise as an economic participant in such sales.

(c) Attorneys, who are members of the Board, shall refrain from representing Unit Owners of the Condominium in matters arising between the Condominium and such Unit Owners. A Board Member who is a principal or owner of, or has a financial interest in, any company supplying goods or services to the Condominium shall refrain from doing business with the Condominium.

(d) No Residential Member of the Board shall vote on any matter, or participate in the discussion of any matter, in which the member has a financial interest, other than a general interest as a Unit Owner or proprietary Unit Owner of the Condominium. "Financial interest" includes, without limitation, any of the following interests:

(i) Interests as an owner, agent or principal of, either directly or indirectly, or otherwise possessing a financial interest of any nature in or with, any company or other entity, in any way involved in the subject of such vote; or

(ii) Interests as a party involved in any manner in the transaction being voted upon, including, without limitation, as a broker in any way involved in the sale of a Unit; or

(iii) Interests as attorney for, or other legal representative of, any Unit Owner or any party being the subject of such vote or discussion.

(e) The violation of any of the foregoing provisions shall be grounds for removal of the Board Member for cause by a vote of two thirds of the Board or majority vote of the Unit Owners.

The Condominium Board may, by majority vote, require that a Board Member be recused from participating in any discussion or voting on any matter, when the Board determines that there is a substantial financial conflict between the interests of the Board Member and the interests of the Condominium or that such a conflict of interest reasonably appears to exist.

3.16 **New Business**. Any new business to be taken up at the annual meeting shall be stated in writing and filed with the secretary of the Condominium at least five (5) days before the date of the annual meeting, and all business so stated, proposed, and filed shall be considered at the annual meeting; but no other proposal shall be acted upon at the annual meeting. Any Unit Owner may make any other proposal at the annual meeting and the same may be discussed and considered, but unless stated in writing and filed with the secretary at least five (5) days before the meeting, such proposal shall be laid over for action at an adjourned, special, or annual meeting of the Unit Owners taking place thirty (30) days or more thereafter. This provision shall not prevent the consideration and approval or disapproval at the annual meeting of reports of officers, Board Members, and committees; but in connection with such reports, no new business shall be acted upon at such annual meeting unless stated and filed as herein provided.

ARTICLE 4
OFFICERS

4.1 **Designation**. The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof. The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Board Members until the first organizational meeting of the Board after the First Annual Meeting. Any one may hold multiple offices.

4.2 **Election of Officers**. The officers shall be elected annually by the Board, at the organizational meetings thereof, except that the initial officers of the Board shall be elected by the initial Board and shall hold office at the pleasure of the Board and until their successors are elected.

4.3 **Resignation and Removal of Officers**. Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board which elected such officer. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board electing him, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 **President**. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium 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 or she may in his or her discretion decide are appropriate to assist in the conduct of the affairs of the entire Condominium or of the Residential Units, as the case may be.

4.5 **Vice President**. The Vice President shall take the place of the President under whom he or she serves and perform his or her duties whenever such President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Board under whom such President and Vice President serves shall appoint some member of the 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 or her by the Board or by the President under whom he or she serves.

4.6 **Secretary**. The Secretary of the Condominium shall keep the minutes of all joint meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Board under which he or she serves shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 **Treasurer**. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the 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 of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 **Execution of Documents**. Unless otherwise delegated by the Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, any significant expenditure by the Condominium Board must be countersigned by two members of the Condominium Board, one of whom is also a member of the Residential Committee and the other having been designated as a member of the Condominium Board by the Non-Residential Unit Owners. 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.

4.9 **Compensation of Officers**. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

4.10 **Liability of Officers**. To the extent permitted by applicable Law, no officer of the Condominium shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable Law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her own bad faith, willful

misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each officer against any liability or claim except those arising out of such officer's own bad faith, willful misconduct, illegal acts, fraud or gross negligence.

ARTICLE 5
NOTICES

5.1 **Notices**. All notices required or desired to be given hereunder to the Board shall be personally delivered or sent by registered or certified mail or 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 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 Residential Unit Owner or Non-Residential Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by first class mail to the Property address of such Residential Unit Owner or Non-Residential Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 **Waiver of Service of Notice**. Whenever notice is required to be given by Law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

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 attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements ("General Common Expenses") shall be determined by the Condominium Board as set forth below. General Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be General Common Expenses. General Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the General Common Elements. The Condominium Board shall, from time to time and at least annually, prepare a budget to meet General Common Expenses and shall allocate and assess to the Unit Owners, pro rata in accordance with the aggregate respective Common Interests of the Unit Owners (except as otherwise provided in the Declaration or these By-Laws or to the extent a different method of allocation is described in Schedule B, Projected Budget for First Year of Condominium Operation) charges set forth in the Plan ("General Common Charges") to meet General Common Expenses. Such budgets shall include such amounts for reserves, as the Condominium Board

deems appropriate. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of General Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law. Notwithstanding anything to the contrary set forth above, the Condominium Board may not modify its method of allocations and assessments or increase the number of building employees servicing the Non-Residential Section in such a manner as would increase the Common Charges otherwise payable by the Non-Residential Unit Owners, without the consent of the Non-Residential Unit Owners. Common Charges shall be assessed against the Unit Owners as follows:

6.1.1.1 **Payroll and Benefits.** Common Charges for payroll and benefits for the Superintendent and 1 porter shall be assessed against all Unit Owners in the Building in accordance with their Common Interests. All other payroll and benefits expenses shall be charged to the Residential Unit Owners only.

6.1.1.2 **Electricity**. Common Charges for electricity shall be assessed against the Residential Unit Owners only. The Non-Residential Units are direct metered.

6.1.1.3 **Gas**. Common Charges for gas shall be assessed against the Residential Unit Owners only. The Non-Residential Units are direct metered.

6.1.1.4 **Water Charges and Sewer Rent**. Common Charges for water charges and sewer rent shall be assessed against the Residential Unit Owners only. The Non-Residential Units are direct metered.

6.1.1.5 **Repairs and Maintenance.** Common Charges for repairs and maintenance to plumbing, electrical, windows, locks, doors, and general repairs (related to Common Elements only, and not the Units) shall be assessed against all Unit Owners in the Building in accordance with their Common Interest. Common Charges for supplies, elevators, intercom, plastering and painting (related to Common Elements only, and not the Units) shall be charged to the Residential Unit Owners only.

6.1.1.6 **Service Contracts.** Common Charges for service contract expenses for fire protection, exterminating, window washing, the generator, telephone, cable and internet shall be assessed against all Unit Owners in the Building in accordance with their Common Interest. Service contracts for elevator, landscaping, amenity operators, water treatment, HVAC, Buildinglink and uniforms shall be charged to the Residential Unit Owners only.

6.1.2 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, Residential Common Elements or the Residential Limited Common Elements ("Residential Common Expenses") shall be determined exclusively by the Residential Committee and shall be borne solely by the Residential Unit Owners in proportion to their respective Common Interests.

6.1.3 Notwithstanding anything to the contrary in this Section 6.1.3, if a Residential Common Element or Residential Limited Common Element benefits only certain Residential Unit Owners, then the costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) shall be borne solely by those Residential Unit Owners who benefit from the Residential Common Element or Residential Limited Common Element in the proportion that the Common Interest of each benefiting Residential Unit Owner bears to the Common Interest of all benefiting Residential Unit Owners. In addition, except as otherwise provided in the By-Laws, such Residential Unit Owners shall be responsible for the normal operation, maintenance and repair, including but not limited to the cost of staff necessary for such operation, maintenance and repair, of any such Residential Common Element or Residential Limited Common Element at their sole cost and expense.

6.1.4 Residential Common Expenses shall include, without limitation, such amounts as the Residential Committee may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Residential Common Elements or the Residential Limited Common Elements. Residential Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be Residential Common Expenses. The Residential Common Expenses may include the rental or purchase of an apartment to be used as the residence of the Superintendent and all costs and expenses associated therewith. Such budgets shall include such amounts for reserves as the Residential Committee deems appropriate.

6.1.5 The Condominium Board shall cause the Managing Agent to prepare a proposed annual budget for operations for the Property (the "Annual Budget") for the Condominium and the Residential Section for each calendar year and shall deliver such proposed Annual Budget to each of the Condominium Board Members not later than October 1st of each calendar year. Such proposed Annual Budget shall include a property operating statement, a budget detail and trial balance for the General Common Expenses and the Residential Common Expenses. The proposed Annual Budget shall show the estimated costs of Maintaining and operating the Condominium for the following calendar year, but shall not include capital expenditures.

6.1.6 The Managing Agent shall prepare a proposed budget for capital expenditures projected to be needed for the Common Elements for the following three (3) calendar years of condominium operation (the "Capital Budget") and shall deliver such proposed Capital Budget to each of the Condominium Board Members (with respect to any Capital Budget for the Condominium) or Residential Committee Members (with respect to any Capital Budget for the Residential Section), simultaneously with delivery of the proposed Annual Budget for each such calendar year. Such proposed Capital Budget shall describe in reasonable detail the capital expenditures scheduled for the immediately following three (3) year period including; (i) a project description, (ii) the estimated duration of the work and (iii) the estimated cost thereof. Except as expressly set forth in these By-Laws or the Declaration, each Unit Owner shall be responsible for all capital expenses with respect to such Unit Owner's Unit and appurtenant Limited Common Elements.

6.1.7 The members of the Condominium Board shall have a period of thirty (30)

days following receipt of each proposed Annual Budget and Capital Budget to review and object to same. If a Board member has not responded within such thirty (30) day time period, a reminder notice delivered by the Managing Agent to such member of the Condominium Board which shall state in bold letters that if such Board member does not object of such proposed Annual Budget or proposed Capital Budget, as applicable, within five (5) business days, such failure to respond shall be deemed an approval of such proposed Annual Budget or proposed Capital Budget, as applicable. If a majority of the members of the Residential Committee shall object to any proposed Annual Budget or proposed Capital Budget in accordance with the foregoing provisions of this Section 6.1.7, the Condominium Board Members shall attempt to resolve such objection and in the event of such resolution, the Managing Agent shall revise the Annual Budget and/or Capital Budget accordingly. In the event that the dispute cannot be resolved by the Condominium Board as aforesaid, such dispute shall be submitted to Arbitration, and in such event, the Annual Budget and/or Capital Budget which have been previously in effect, shall remain in effect until such time as the Condominium Board shall have otherwise resolved such dispute or such Arbitration has been finally determined.

6.1.8 The Managing Agent shall submit to the Condominium Board or the Residential Committee, as the case may be, a variance report, monthly asset report, revised budget, and/or similar report at any time and from time-to-time during the year. The Managing Agent shall request the approval of such parties, of any of the foregoing reports and, if so requested, such parties, as the case may be, shall either approve or disapprove of the report within fifteen (15) business days after receipt thereof. Notwithstanding the foregoing, unless the respective party, sends written notice to the Managing Agent that such party, disapproves a proposed report within fifteen (15) days after its receipt by such party, the proposed report shall be deemed approved by the such party. If approved by each of the Condominium Board or the Residential Committee, as the case may be, the report shall be deemed to modify the existing Budget with respect to the items in the existing Budget that are set forth in the report (or in the event the Managing Agent submits a revised budget, such revised budget, once approved by all parties, shall replace the existing Budget).

6.1.9 Except for expenditures made and obligations incurred as a result of an Emergency, or in accordance with an approved Budget, or which are otherwise not required to be approved by the Condominium Board or the Residential Committee, as the case may be, or which have been previously approved by the Condominium Board or the Residential Committee, as the case may be, the Managing Agent shall have no authority to make any expenditure or incur any obligation on behalf of the Condominium Board or the Residential Committee, as the case may be. When a Budget is approved or when an existing Budget is modified and such modification is approved by the Condominium Board or the Residential Committee, as the case may be, as set forth above, the Managing Agent shall implement such Budget and shall be authorized, without the need for further approval by the Condominium Board or the Residential Committee, as the case may be (except as expressly set forth herein), to make the expenditures and incur the obligations provided for in such Budget. In the event items of expense are in excess of the budgeted amount, the Managing Agent shall perform its obligations under the By-Laws in accordance with the prior Annual Budget and Capital Budget; provided, however, that (i) the amounts in such prior budgets for non-discretionary items (*i.e.*, fixed by contract, government decree, or not subject to change or cancellation by the Board) shall be deemed increased to the actual cost of such items, (ii) any expense that has been separately approved by the Board (for

example, a capital project or the work relating to an agreement that has been approved by the Condominium Board or the Residential Committee, as the case may be) must be authorized by the Board or the Residential Committee, as applicable, (iii) any amounts required to be paid under the terms of any pre-existing contracts, and (iv) all other items included in the prior Budget shall be deemed increased by three percent (3%).

6.1.10 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board or the Residential Committee, as the case may be, as agent for and on behalf of the applicable Unit Owners, or forming a part of or included in any Residential or Non-Residential Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by (i) the Residential Committee if a Residential Common Element is involved, as agent for and on behalf of the Residential Unit Owners or (ii) the Non-Residential Unit Owners if a Non-Residential Common Element is involved, as agent for an on behalf of the affected Non-Residential Unit Owner. 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.

6.1.11 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.12 All repairs, maintenance, alterations and improvements to the exterior of the Building, including the structural components of the exterior, shall be performed by the Condominium Board. The cost of repairs, maintenance, alterations and improvements to the exterior of the Building including the structural components of the exterior excluding those resulting from a casualty covered by insurance shall be the responsibility of, and at the cost of, Unit Owners and shall be allocated among them based on their percentage interest in the Common Elements. Notwithstanding the foregoing, nothing contained herein shall relieve a Unit Owner of liability for damage caused by the Unit Owner to the exterior of the Building including the structural components of the exterior allocated in accordance with this Section 6.1.12. All proceeds from any Condominium insurance policy shall be allocated to the performance of work pursuant to this Section 6.1.12 in a manner reasonably determined by the Board, and any dispute therefor shall be determined by Arbitration.

6.1.13 All repairs, maintenance, alterations to, and snow and trash removal from, the sidewalks and alleys surrounding the Building shall be performed by the Condominium Board and the cost allocated pursuant to Schedule B of the Offering Plan.

6.1.14 Notwithstanding the foregoing, any and all costs and expenses paid or incurred by the Condominium in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, (a) any Residential Common Element shall be allocated and assessed as a Common Expense solely to the applicable Residential Unit Owners; or (b) any Retail Common Element shall be allocated as an expense to

the Retail Unit or (c) any Gallery Common Element shall be allocated as an expense to the Gallery Unit. If any of the Units shall have been divided into individual Units, such costs shall be assessed to the owners of the Units comprising said Unit and the Board shall have the authority to assess its Unit Owners for the costs of operating their section of the Condominium. However, should the Condominium incur increased insurance premiums solely as the result of a specialized use that results in an increase in premium, the Owner of the Unit responsible for such specialized use shall pay such increase in premium directly resulting from such specialized use.

6.1.15 Unit Owner Expenses (as said term is referred to in this Section 6.1.15, as well as Sections 16.12 and 26.3 hereof) shall be invoiced by the Managing Agent from time to time as such expenses are incurred ("Unit Owner Expenses") and shall be promptly paid by the applicable Unit Owner (and in any event shall be paid within thirty (30) days after receipt of an invoice therefore) and the Condominium Board shall have a lien on the applicable Unit Owner's Unit (whether payable to the Condominium Board or the other Unit Owners) as though such amounts were payable to the Condominium Board as Common Charges, but in the case of any payments due to another Unit Owner, such lien shall be held and enforced by the Condominium Board for the benefit of such Unit Owner. Costs incurred by the Condominium for any Emergency work performed by the Condominium Board may be included in the Common Charges or invoiced as Unit Owner Expenses (as the case may be in accordance with the terms of the Declaration and these By-Laws) from time to time as such costs are incurred (and in any event shall be paid within thirty (30) days after receipt of an invoice therefore).

6.1.16 In addition to the foregoing duty to determine the amount of and to assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses (or a prior period's deficit, in accordance with subsection 6.1.2). All special assessments shall be levied against all Unit Owners in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges (including, without limitation, perfecting a lien against the defaulting Unit).

6.1.17 Notwithstanding anything contained herein to the contrary, the Board shall not impose any charge or fee against any tenants or occupants of Units owned by Sponsor or its designee or against Sponsor on account of Building services provided to such tenants and occupants unless Sponsor or its designee is permitted by Legal Requirements to impose such charge or fee against such tenants or occupants. Any permitted charge or fee may be increased by the Board but only to the extent Sponsor or its designees is permitted by Legal Requirements to charge its tenants or occupants such increased charges or fees. If, as the result of the aforesaid limitations on the Board, the amount of such charges or fees collected by the Board is insufficient to cover the cost of providing such Building services, then such additional cost shall be included in the Common Charges and be borne by all Unit Owners in proportion to their respective Common Interests.

6.1.18 Sponsor shall have the right, in its sole and absolute discretion, to cause the Board to waive the collection of some or all of the Residential Common Charges from Residential Unit Owners for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall either (a) be solely responsible for payment of all remaining expenses to operate the Residential Section during the Waiver Period

(the "Operating Expenses") or (b) assess Residential Unit Owners their proportionate share based on their respective Common Interest of the Operating Expenses. In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor shall provide notice to Residential Unit Owner disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration and shall subsequently disclose the expiration of the Waiver Period in an amendment to the Plan; (iii) that during any such Waiver Period, Sponsor or Sponsor and the Residential Unit Owners if the Operating Costs are assessed as provided for herein, as applicable, will timely pay all Operating Costs of the Residential Section, including but not limited to insurance premiums and any reserve fund payments required by lenders to the extent otherwise included in Schedule B – "Projected Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents.

6.1.19 All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B– "Projected Budget for First Year of Condominium Operation". In all instances the Residential Unit Owners will remain responsible for the payment of their allocable share of real estate taxes. In addition, each Purchaser shall be responsible for payment of its allocable share of the insurance premium attributable to its respective Residential Unit during the Waiver Period, which expenses shall be separately assessed to each Purchaser in proportion to their respective Common Interest, as more particularly set forth in Exhibit B of the Declaration. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Residential Unit Owners terminate the Waiver Period.

6.1.20 If the actual expenses of operating the Condominium are less than the projected expenses set forth in Schedule B–"Projected Budget for First Year of Condominium Operation" for the first year of Condominium operations then, to the extent such excess was paid by such Unit Owner, the difference between the actual expenses and the full Common Charges will be refunded to all Unit Owners (including the Sponsor) on a pro-rata basis in the form of either a credit against future Common Charges or as a cash reimbursement if the Unit Owner (including the Sponsor) has sold the Unit prior to the receipt of the full credit. Sponsor makes no warranty or representation that the operating expenses during this period will be less than the actual Common Charges or as to the amount of any credit that may be available as a result of such computation.

Notwithstanding the foregoing, if a refund is contemplated for the first or any subsequent year of Condominium operation, such refund may only be effectuated if an independent certified public accountant, as part of its preparation of the yearly annual statement for the Condominium has determined that a refund is warranted based on an excess payment of Common Charges by Unit Owners over actual expenses for the Condominium and has determined the amount of such refund as part of its annual review. For purposes of this Plan, an "excess payment of Common Charges" shall mean the actual expenses of the Condominium (or specific sections of the Condominium, as applicable) were less than the projected expenses set forth in the Budget of the Condominium (or the applicable section). No refund may be given

unless all expenses of the Condominium are paid, including, but not limited to, insurance premiums and reserve funds required by lenders. Additionally, if income taxes are owed, the refund will be reduced by the income taxes owed to the Condominium with respect to the surplus. During the budget year following a year for which a refund was effectuated, no special assessment or increase in Common Charges shall be instituted to pay for any item which was set forth in the previous year's budget and which was refunded to Unit Owners as per the foregoing. While Sponsor controls the Board it is required to regularly update and provide budgets to Unit Owners.

6.2 **Insurance.**

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (i) "all risk" insurance on the Property, the Building and the improvements and the personal property, in each case (A) in an amount equal to one hundred percent (100%) of the "Full Replacement Cost", which for purposes of these By-Laws shall mean actual replacement value (exclusive of costs of excavations, foundations, underground utilities and footings) with a waiver of depreciation; (B) containing an agreed amount endorsement with respect to the Property, the Building and the improvements (other than Unit alterations, improvements and betterments) and personal property waiving all co-insurance provisions; (C) providing for no deductible in excess of $100,000 for all such insurance coverage; and (D) if any of the improvements or the use of the Property shall at any time constitute legal non-conforming structures or uses, providing coverage for contingent liability from operation of Building laws, demolition costs and increased cost of construction endorsements and containing an "Ordinance or Law Coverage" or "Enforcement" endorsement; (ii) commercial general liability insurance, including terrorism coverage for so long as the construction loan is in effect, against claims for personal injury, bodily injury, death or property damage occurring upon, in or about the Property, with such insurance (A) to be on the so-called "occurrence" form with a general aggregate limit of not less than $1,000,000 and a per occurrence limit of not less than $1,000,000 and (B) to cover at least the following hazards: (1) premises and operations; (2) products and completed operations; (3) independent contractors; and (4) blanket contractual liability; (iii) fidelity bonds or insurance, in amounts deemed appropriate by it and/or the Residential Committee, for all of its members, officers and employees and for the Managing Agent, if any, employed by it; to the full extent permitted by Law, the Condominium Board and the Residential Committee shall purchase and maintain directors and officers insurance (A) to indemnify the Unit Owners, the Condominium Board and the Residential Committee for any obligation which any of them incurs as a result of the indemnification of members and officers of the Condominium Board or Residential Committee under the provisions of these By-Laws or as required by Law or by a court order, (B) to indemnify members and officers of the Condominium Board and Residential Committee in instances in which they may be indemnified by the Unit Owners or the Residential Unit Owners, as the case may be, or the Condominium Board or the Residential Committee under the provisions of these By-Laws, and (C) to indemnify members and officers of the Condominium Board and the Residential Committee in instances in which they may not otherwise be indemnified, to the extent provided by such insurance and (iv) at all times during which structural construction, repairs or alterations are being made with respect to the improvements, and only if the Property coverage form does not otherwise apply, (A) commercial general liability insurance covering claims resulting from structural construction, repairs or alterations

and otherwise satisfying the terms and provisions of the above mentioned commercial general liability insurance and (B) the insurance provided for in clause (i) above written in a so-called "Builder's Risk Completed Value" form (1) on a non-reporting basis, (2) against "all risks" insured against pursuant to clause (i) above, (3) including permission to occupy the Property, and (4) with an agreed amount endorsement waiving co-insurance provisions; (v) workers' compensation, subject to the statutory limits of the State of New York, and employer's liability insurance in respect of any work or operations on or about the Property, or in connection with the Property or its operation (if applicable); (vi) boiler and machinery insurance, if applicable, on terms consistent with the commercial property insurance policy required under clause (i) above; (vii) excess liability and umbrella insurance, including terrorism coverage for so long as the construction loan is in effect, in an amount not less than $100,000,000 per occurrence on terms consistent with the commercial general liability insurance required under (ii) above; and (viii) upon sixty (60) days' written notice, such other reasonable insurance and in such reasonable amounts as the Condominium Board or the Residential Committee, as the case may be, from time to time may reasonably determine against such other insurable hazards which at the time are commonly insured against for property similar to the Property located in or around the region in which the Property is located. Additionally, the Building will have flood insurance as required by Law (which will not cover the property in the Units). Notwithstanding anything to contrary set forth herein, in the event of a dispute as to the full replacement costs of the Property, the parties shall refer the matter to a replacement cost appraiser for determination.

6.2.2 All policies maintained by or on behalf of the Condominium Board or the Residential Committee, as the case may be, as provided in Section 6.2.1 shall provide that adjustment of loss shall be made between the insurance company(ies) and by the Board or the Residential Committee, if the loss involves only one Section or by the Condominium Board, if the loss involves both the Residential Section and the Non-Residential Units, the General Common Elements or the Limited Common Elements or more than one Unit. The right of the Condominium Board or a Unit Owner to adjust any loss as described above shall be subject (as to an encumbered Unit) to the rights of a Permitted Mortgagee, if any, under the terms of a Permitted Mortgage to approve adjustments to the extent required under the applicable loan documents, as it pertains to the Unit secured by the Permitted Mortgage (or other loan documentation related thereto) held by said Permitted Mortgagee.

6.2.3 All policies provided for in this Section 6.2 shall contain clauses or endorsements to the effect that:

6.2.3.1 no act or negligence of the Condominium Board or the Residential Committee, as the case may be, the Unit Owners, or anyone acting for the Condominium Board or the Residential Committee, as the case may be, or Unit Owners, or of any tenant or other occupant of a Unit, or failure to comply with the provisions of any Policy, which might otherwise result in a forfeiture of the insurance or any part thereof, shall in any way affect the validity or enforceability of the insurance insofar as any Permitted Mortgagee is concerned;

6.2.3.2 the policies shall not be materially changed (other than to increase the coverage provided thereby) or canceled without at least thirty (30) days' prior written notice to any party named therein as an additional insured, including, without limitation,

any Permitted Mortgagee; and

6.2.3.3 the issuers thereof shall give written notice to the Permitted Mortgagees if a policy has not been renewed thirty (30) days prior to its expiration.

6.2.4 The insurance required to be maintained under this Section 6.2 shall meet the following criteria:

6.2.4.1 No Unit Owner shall (1) do or permit any act or thing to be done in or to its Unit which will invalidate or be in material conflict with any public liability, property or other policy of insurance at any time carried by the Condominium Board with respect to the Property, (2) keep anything in its Unit or in the Common Elements that is prohibited by the Fire Department, Board of Fire Underwriters, fire insurance rating organization or other authority having jurisdiction or (3) permit its Unit or the Common Elements to be used in any manner which will increase the insurance rate for the Property over that in effect as of the date of this Declaration, unless such Unit Owner pays the additional cost thereof as provided below.

6.2.4.2 Any costs, expenses, fines, penalties or damages which shall be imposed upon the Condominium Board by reason of a default by a Unit Owner in performing its obligations under this Section 6.2. or by reason of any increase in the premium charged for insurance carried by the Condominium Board resulting from a change in the insurance rate for the Property attributable to a particular use of such Unit Owner's Unit, shall be assessed against and payable by such Unit Owner and be deemed a Unit Owner Expense. For all purposes hereunder, a schedule or "makeup" of rates for the Property issued by the New York Fire Insurance Rating Bureau or other body making fire insurance rates applicable to the Property shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rate or rates then applicable to the Property.

6.2.4.3 Any blanket insurance policy required or permitted hereunder shall specifically allocate to the Property the amount of coverage from time to time required hereunder and shall otherwise provide the same protection as would a separate Policy insuring only the Property in compliance with the provisions of Section 6.2.1 above.

6.2.4.4 All policies of physical damage insurance obtained by the Condominium Board and the Unit Owners shall contain, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or materially or substantially modified without at least thirty (30) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. The Condominium Board and all Unit Owners hereby waive their subrogation rights as to each other.

6.2.4.5 Except for workers compensation and New York Statutory Disability insurance coverages, all insurance maintained hereunder shall contain waivers of subrogation and the Condominium Board and the Unit Owners each hereby waive and agree that they shall make no claim for recovery against each other for damages to or loss of the Common Elements and/or any Unit, or any improvements and betterments thereon or therein, and injury or damage arising out of operations if such damage injury or loss is covered by valid and collectible

insurance protecting the Condominium Board and the Unit Owners and which contains a clause permitting the insured to waive such rights prior to the occurrence of a loss. Such waiver of subrogation shall apply to all stated insurance coverages herein.

6.2.4.6 All policies maintained by the Condominium Board shall acknowledge and provide that (a) all Unit Owners and Permitted Mortgagees are deemed additional insureds for any liability insurance except that Unit Owners shall not be considered additional insureds with respect to the operations of their own Unit, (b) the Condominium Board is deemed a loss payee for casualty to a General Common Element or a Limited Common Element appurtenant to more than one but not all Units and (c) each Unit Owner is deemed a loss payee for casualty to its respective Limited Common Element exclusively appurtenant to such Unit. The Condominium Board shall provide a copy of all insurance policies to all Unit Owners and Permitted Mortgagees, at no cost to any Permitted Mortgagee, evidencing all required Condominium Board policy coverages and additional insured, loss payee or mortgagee status.

6.2.4.7 Liability coverage shall be endorsed with a severability of interest endorsement, if not otherwise included, stating that if a claim is brought by one insured against another insured under such policy, or by an employee of one insured against another insured under such policy, each insured shall be considered a separate insured for purposes of the insurance. The policies shall be written with a contractual liability endorsement, if not otherwise included, providing coverage for bodily injury or property damage assumed under any type of "written agreement," as defined in the standard ISO liability policy, to the extent permitted by Law.

6.2.4.8 The issuance of any insurance policy hereunder with respect to a Unit Owner's insurance coverage, shall not be deemed to limit or restrict in any way any Unit Owner's liability in connection with or arising out of its work and the indemnification obligations set forth in this Declaration.

6.2.5 The Condominium Board shall provide copies of its new or renewal policies to each Permitted Mortgagee within thirty (30) days following expiration of expired policies, and evidence of renewal policies, in binder form, shall be delivered by the Condominium Board to each Permitted Mortgagee at least ten (10) days prior to the expiration dates of such policies, together with proof that the premiums for at least the first year of the term of such policies have been paid.

6.2.6 If any of the foregoing insurance coverages, including, without limitation, the deductibles with respect thereto, are unavailable or unavailable at commercially reasonable rates, then in lieu thereof, the Condominium Board may, subject to the rights of any Permitted Mortgagee, obtain and maintain such other insurance coverages as would then be obtained and maintained by prudent property owners of similar properties situated in the City of New York. The Condominium Board shall have the right to reasonably amend the required limits and types of insurance from time to time with the consent of at least one member of the Condominium Board designated by the Non-Residential Unit Owners and at least one member of the Condominium Board designated by the Residential Committee. The insurance coverage described herein may be adjusted for inflation at the discretion of the Condominium Board.

6.2.7 If the Condominium Board fails to obtain and maintain the insurance required in this Article 6, then the Residential Committee and the Non-Residential Unit Owners shall have a the right, upon three (3) business days' notice to the Condominium Board, to obtain such insurance in the required amounts. If the Residential Committee and the Non-Residential Unit Owners fail to obtain and maintain the insurance required in this Article 6 following the Condominium Board's failure, then a Permitted Mortgagee shall have the right, upon three (3) business days' notice to the Condominium Board, the Residential Committee, Permitted Mortgagees, and the Non-Residential Unit Owners, to obtain such insurance in the required amounts. All premiums paid therefor shall be deemed a debt and obligation of the Condominium Board to be repaid with interest at a rate equal to the prime rate of interest (as reported from day to day in The Wall Street Journal) imposed by Citibank, N.A. or its successor, or if such rate is not available, the same rate or prime rate of interest at any "money center" bank as may be designated by a Permitted Mortgagee (the "Prime Rate"), plus 2% per year (but in no event in excess of the maximum rate permitted by law), upon demand. The Residential Committee and each of the Unit Owners shall be deemed to have a power of attorney, coupled with an interest, from the Condominium Board to act on its behalf to perform the obligations of the Condominium Board as set forth herein. Each Permitted Mortgagee also shall be deemed to have a power of attorney, coupled with an interest, from the Condominium Board, the Residential Committee and the Non-Residential Unit Owners to act on their behalf to perform the obligations of the Condominium Board as provided under this Section. Any dispute under this Section 6.2 shall be resolved by Arbitration. Notwithstanding anything to the contrary set forth herein, any Permitted Mortgagee, Board, or Unit Owner intending to obtain insurance on behalf of the Condominium pursuant to this Section 6.2.7 shall provide all other Permitted Mortgagees, the Board and Unit Owners notice of such intent.

6.2.8 The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. Each Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage of at least $1,000,000 per occurrence, plus at least $3,000,000 umbrella liability coverage, or as otherwise established by the Condominium Board or the Residential Committee, as the case may be, from time to time and (b) Unit Owner's "all-risk" property insurance in respect of property damage occurring in, upon, or from the apartment or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board or the Residential Committee, as the case may be, from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board or the Residential Committee, as the case may be, by good and solvent insurance companies of recognized standing, authorized to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Residential Committee, as the case may be, or the Managing Agent, the Unit Owner shall deliver to the Condominium Board or the Residential Committee, as the case may be, a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board or the Residential Committee, as the case may be. The Condominium Board or the Residential Committee, as the case may be, and the Managing Agent shall not be

responsible for ensuring that Unit Owners are insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

6.2.9 Notwithstanding anything to the contrary set forth above, in the event that any Unit is subject to more stringent Insurance Requirements as a result of any Lease or Permitted Mortgage placed upon such Unit, or otherwise, the Condominium Board and the Depositary will be obligated to satisfy the more stringent requirements, and the Condominium Board, if necessary, will obtain such additional insurance coverage as may be required. Any additional costs incurred as a result of the foregoing will be borne by the Unit Owner whose Unit was subject to the more stringent requirements.

6.2.10 Without limiting the remedies of the Condominium Board or the Residential Committee, as the case may be, for a Unit Owner's default, in the event that a Unit Owner (or any tenant or occupant of all or any portion such Unit Owner's Unit) fails to provide a certificate or other evidence of insurance required to be provided by each Unit Owner (or such tenant or occupant) hereunder and does not cure such default within ten (10) business days after notice from the Condominium Board or the Residential Committee, as the case may be, the Non-Residential Unit Owner or a Permitted Mortgagee (as the case may be), the Condominium Board, or the Residential Committee, as the case may be, such Non-Residential Unit Owner or such Permitted Mortgagee shall be authorized (but not required), if the same remains uncured, to procure such coverage on behalf of such Unit Owner and the cost thereof (if made by the Condominium Board or the Residential Committee, as the case may be) shall be charged back to such Unit Owner as a Unit Owner Expense (and, if such coverage is obtained by the Non-Residential Unit Owner or such Permitted Mortgagee, all payments with respect thereto shall be reimbursed to such Unit Owner by the defaulting Unit Owner).

6.2.11 The Condominium Board or the Residential Committee, as the case may be, shall obtain and maintain such additional or greater insurance coverage as may be requested in writing by a Unit Owner provided, the requesting Unit Owner shall pay the premium (or increase in existing premiums) related thereto as a Unit Owner Expense. Such additional or greater insurance coverage may include business interruption insurance in such amounts as may be requested by the Unit Owner (the "Unit Owner BI Coverage"). In the event that more than one Unit Owner requests that the Condominium Board or the Residential Committee, as the case may be, obtain business interruption insurance on behalf of such Unit Owners (a) the premium therefore shall be allocated pro rata on the basis of each Owner's respective Unit Owner BI Coverage payable as a Unit Owner Expense, (b) the proceeds disbursed by the insurance company in respect to such coverage will be paid to each Unit Owner based upon each Unit Owner's loss of rental income, up to the respective Unit Owner's BI Coverage and (c) each Unit Owner who has suffered a loss of rental income shall participate with the Condominium Board to handle the adjustment of such loss.

6.2.12 Any company writing any insurance required under these By-Laws shall have an A.M. Best rating of not less than A-/VIII. All commercial general liability insurance policies shall name as additional insureds the Condominium Board, the Residential Committee, the Unit Owners, and Permitted Mortgagees and such other parties as the particular Unit Owner shall desire, all as their respective interests shall appear. All policies of insurance shall contain

endorsements that the insurer(s) shall give the Condominium Board, the Residential Committee and the Unit Owners and their designees and Permitted Mortgagees at least thirty (30) days' advance written notice of any cancellation, termination, material change or lapse of insurance, however the insurer may give ten (10) days' notice for nonpayment. Certificates evidencing the existence of the policies to be maintained by a Unit Owner (or any tenant or occupant of such Unit Owner's Unit) under this Section 6.2 shall evidence satisfaction of the requirements for such policies set forth herein and shall be delivered to the Condominium Board, the Residential Committee and each Unit Owner no later than ten (10) days prior to such Unit Owner's acceptance of the deed for its Unit or, if a Unit Owner (or any tenant or occupant of such Unit Owner's Unit) is performing any alterations, additions or improvements, not less than fifteen (15) days prior to the commencement of such work. Within ten (10) days prior to the expiration or termination date of any policy, the Unit Owner or tenant shall deliver a renewal or replacement certificate evidencing the existence thereof, to the Condominium Board, the Residential Committee, each Unit Owner and Permitted Mortgagee. All policies of property insurance maintained by any Unit Owner shall contain a waiver of subrogation with respect to the Condominium Board, the Residential Committee, each Unit Owner, each Permitted Mortgagee and their respective agents and employees, to the extent obtainable. Nothing herein shall preclude or prevent any Unit Owner from obtaining or maintaining insurance, which is greater in scope than that which is required hereunder.

6.2.13 Premiums for insurance required to be obtained by the Condominium Board shall be allocated to each Unit Owner as follows:

6.2.13.1 Casualty insurance, terrorism insurance and boiler and machinery insurance shall be allocated to each Unit Owner based upon its respective Common Interest and paid as a Unit Owner Expense.

6.2.13.2 Commercial general liability and excess and umbrella coverage, worker's compensation and employer's liability to each Unit Owner based upon its respective Common Interest and paid as a Unit Owner Expense.

6.2.13.3 Fidelity Bonds shall be included as part of the Common Charges payable by each Unit Owner.

6.2.14 If any insurance policy maintained by the Condominium Board contains a deductible, then that portion of any loss or claim which is not covered by insurance due to the application of a deductible, as well as any claim or loss for which the Condominium is self-insured, may be assessed by the Condominium Board against the individual responsible for the loss.

6.3 **Repair or Reconstruction after Fire or Other Casualty.**

6.3.1 If the Building is damaged by fire or other casualty, the Condominium Board shall, with due diligence and in as timely a manner as practicable under the circumstances, cause the damage to be repaired and the Building (exclusive of tenant build outs and other interior improvements which shall be the sole responsibility of the affected Unit Owner in accordance with Section 6.3.1.2 below) to be restored pursuant to the following provisions of

this Section 6.3.1 and Sections 6.3.2 – 6.3.8 below, unless such casualty is a Significant Casualty and the Residential Committee does not decide to repair and restore the Residential Section, in which event the provisions of Section 6.3.4 below shall apply.

6.3.1.1 Claims shall be adjusted as follows: (a) if the casualty affects only a Non-Residential Unit (or any portion thereof), such adjustment shall be made by the affected Non-Residential Unit Owner, (b) if the casualty affects only the Residential Section (or any portion thereof), such adjustment shall be made by the Residential Committee, and (c) in all other cases, such adjustment shall be made by the Condominium Board. Any dispute regarding the adjustment and/or settlement of any claim with the relevant insurance company shall be submitted to Arbitration.

6.3.1.2 The Non-Residential Unit Owners, the Condominium Board and the Residential Committee, shall cause all necessary repair and restoration work with respect to the Building to be performed in accordance with the provisions of this Section 6.3.1 and Sections 6.3.2 – 6.3.8. If proceeds with respect to a loss shall be payable to the Condominium Board and such proceeds are less than $500,000.00, the Condominium Board (i) shall hold such proceeds in trust for the purpose of paying the costs of the repair or restoration as provided in Section 6.3.1 and (ii) shall apply such proceeds first to the payment in full of the cost of such repair and restoration before using any part of the same for any other purpose. In the event that the proceeds are more than $500,000.00, the proceeds shall be payable to the Depositary in accordance with Section 12.5 of these By-Laws. The Condominium Board shall give notice of completion of any such repair or restoration to the Unit Owners if such repair or restoration is needed in both the Residential Section and the Non-Residential Section, then the excess proceeds shall be distributed in accordance with Section 9.9. In connection with the repair and restoration work to the Building in accordance with the provisions of this Section 6.3 and Sections 6.3.2 – 6.3.8, the Condominium Board shall engage an Architect (as defined below), if required. The repair and restoration shall be commenced and pursued to completion in as timely a manner as practicable and shall be performed on behalf of the Condominium Board by a Contractor (as hereinafter defined) approved by a majority of Condominium Board Members. "Architect" shall mean an architect or construction consulting firm that provides engineering and/or architectural services, which is experienced in the design and operation in the City of New York of structures similar to the Building and has provided services comparable to those being requested hereunder within not less than three (3) of the immediately preceding ten (10) years. "Contractor" shall mean a qualified general contractor or construction manager with significant experience in the construction of structures in Manhattan similar to the Building.

6.3.1.3 The Plans and Specifications for such repair and restoration of the Building shall be prepared by the Architect in accordance with instructions given by the Condominium Board and shall provide for the restoration of the damaged portion of the Building as close as commercially practicable to the Building as it existed prior to the damage or destruction, except to the extent any changes in applicable Legal Requirements require otherwise.

6.3.1.4 During the course of the repair and restoration, the Condominium Board shall maintain the builder's risk insurance required by 6.2.1.

6.3.2 In connection with any casualty, the Depositary shall hold all Net Awards and shall be the disbursement agent for all Net Awards that pertain to such casualty. The approval of the Mortgage Representatives is required as to any Restoration Work costing more than $500,000 and for contracts of more than $200,000. For so long as Declarant's construction loan is outstanding, the approval of Declarant's Construction Lender is also required as to any Restoration Work costing more than $500,000 and for any contracts requiring payments of more than $200,000, in the aggregate.

6.3.3 In the event any build outs or other similar improvements to the interior of any of the Units and not Common Elements are damaged or destroyed by fire or other casualty, the affected Unit Owner, at its sole cost and expense (and whether or not insurance proceeds are available therefor), shall immediately remove any rubble and debris resulting from such event and, within a reasonable time thereafter, shall, at its election, and at its sole cost and expense, either (i) repair and restore the space so damaged to a habitable and usable condition in compliance with the provisions of any existing leases and otherwise in compliance and conformity with applicable Legal Requirements, the Declaration, these By-Laws, the Project Standards and the standards generally applicable to similar Building in Manhattan, or (ii) restore such space to a safe and secure condition in compliance with applicable Legal Requirements and with complete and slightly demising walls, doors and exterior visible surfaces separating such space from any other space which is visible from outside of the damaged space, which shall include any appropriate aesthetic alterations to the exterior of such damaged space.

6.3.4 If more than seventy five percent (75%) of the Building is damaged or destroyed by fire or casualty (a "Significant Casualty") and 75% or more of the Unit Owners agree not to repair and restore the Building, (a) the Board shall secure and fence in the Property boundary, and shall raze the Building, if necessary, and put the Building and Property into compliance with Law, and otherwise make the Property and Building safe (all of the activities described in this clause (a) being defined as the "Safety Work") and (b) the Property shall be withdrawn from the provisions of the Condominium Act and shall be subject to an action for partition at the election of the Board or Residential Committee or lienor as if owned in common, in which event the Net Proceeds of Sale, together with any net insurance proceeds, shall be distributed into a trust fund for the benefit of the Unit Owners (including any Resultant Unit Owner) and deemed allocated amongst the Unit Owners in proportion to their respective Common Interest (the "Casualty Distributions") and delivered to the Condominium Board, which in turn shall deposit the Casualty Distributions in a separate trust fund for the benefit of the Unit Owners, which fund shall thereafter be distributed in accordance with the Unit Owner's Allocable Percentage (hereinafter defined). Notwithstanding anything to the contrary set forth herein, no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such proceeds all liens on such Unit Owner's Unit, in the order of priority of such liens. In the event the Building is repaired and restored as aforesaid, each Unit Owner (including any Resultant Unit Owner) hereby acknowledges and agrees that insurance proceeds will be first applied to such repair and restoration.

6.3.4.1 "Allocable Percentage" refers to each Unit Owner's allocable share of certain proceeds, expressed as a numerical percentage. The Allocable Percentage shall be based upon the ratio of the estimated values of each Unit (rather than Common Interest) as determined by an appraiser. The appraisal shall be conducted in

accordance with the Appraisal Procedures except that the cost of the appraiser(s) shall be borne by the Unit Owners.

6.3.4.2 Notwithstanding anything contained herein to the contrary, after a Significant Casualty the Non-Residential Unit Owner shall have a thirty (30) day right of first refusal to purchase the Property on the same terms offered by a third party.

6.3.5 As soon as reasonably practical after any fire or other casualty (but in no event more than sixty (60) days after such fire or other casualty), a Certifying Professional shall be retained by the Condominium Board. The Condominium Board shall direct the Certifying Professional to prepare a reasonably detailed statement setting forth (i) a description of the damaged areas of the Building (exclusive of tenant build outs and other similar interior improvements) and structural supports, and (ii) an estimate (the "Casualty Estimate") of the total costs of such repair or restoration (exclusive of tenant build outs and other similar interior improvements), and to reasonably determine and certify the Architect Casualty Allocation Ratio (as hereinafter defined) and to notify the Condominium Board and the Unit Owners of such ratio and the method by which such ratio was calculated, which notice shall include a complete schedule of costs and a reasonably detailed breakdown thereof by area and type of damage and necessary repair and restoration. The term "Architect Casualty Allocation Ratio" shall have the following meaning: the ratio of (A) the relative cost of the restoration to be performed as a result of the damage to each Unit Owner (including its applicable share of damage to the Common Elements), to (B) initially, the Casualty Estimate and, as and if the costs change during the course of the restoration work, the actual total costs. To the extent that the Condominium Board and the Unit Owners are required to restore in accordance with the provisions of this Section 6.3 each Unit Owner shall be responsible for its share of the costs of restoration based upon the Architect Casualty Allocation Ratio. If the cost and expense of any repair and restoration to the Building (exclusive of tenant build outs and other similar interior improvements) pursuant to this Section 6.3 shall exceed the amount of Net Proceeds, the excess cost and expense (or the entire amount of such cost and expense, if there are no insurance proceeds) shall be borne by the Unit Owners in proportion to the Architect Casualty Allocation Ratio. Notwithstanding the foregoing, (1) to the extent the additional costs result from changes requested by a Unit Owner or the acts or omissions of a Unit Owner, such Unit Owner shall be solely responsible for payment of the additional costs, and (2) if a Unit Owner fails to carry any insurance required under Section 6.2 (or otherwise cause its tenants to maintain such coverage, as applicable), such Unit Owner shall be responsible for the payment of any restoration costs that would have been paid from the proceeds of such insurance. The Unit Owners shall share, subject to the terms of the immediately preceding sentence, any cost overruns resulting from Unavoidable Delays based on the Architect Casualty Allocation Ratio. Each Unit Owner shall share in paying any insurance deductible in accordance with the Architect Casualty Allocation Ratio.

6.3.6 Intentionally omitted.

6.3.7 Upon completion of the repair and restoration in accordance with the provisions of this Section and full payment therefore and for all costs in connection therewith, any excess Net Proceeds shall be retained by the Depositary.

6.3.8 Except as set forth in Sections 6.3.3 and 6.3.4 above, the Condominium

Board shall be obligated to repair and restore the Building regardless of whether or not any insurance proceeds are available.

6.3.9 Reallocation of Common Interests. If, as a result of a casualty, the total square footage of any Unit changes, the parties shall promptly (x) adjust, as of the date of completion of the repairs and restoration required in connection with such casualty, the Unit Owners' Common Interests in the Condominium in a manner consistent with the allocation thereof in existence immediately preceding such casualty, and (y) prepare and record in the City Register's Office an amendment to the Declaration and/or these By-Laws, as appropriate, confirming such reallocation. If the parties shall not agree on any of the matters referred to in the foregoing clauses (x) and (y) within ninety (90) days following completion of the repairs and restoration, they shall submit such issue to Arbitration to the extent permitted by Law.

6.4 **Payment of Common Charges.**

6.4.1 As set forth in the Condominium Documents, the Unit Owners shall be obligated to pay to the Condominium Board the General Common Charges assessed to them by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. All Residential Unit Owners shall be obligated to pay such amounts as assessed by the Residential Committee pursuant to the provisions of Section 6.1 at such time or times as the Residential Committee determines. Unless otherwise determined by the Board to which they are payable, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against the Unit Owner's Unit subsequent to a sale or other conveyance by the Unit Owner (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations is then existing with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to the Board or their designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges or General Common Charges, as the case may be, 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 or her of such Unit, except that, to the extent permitted by Law, neither (a) a Permitted Mortgagee acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale of a Permitted Mortgage shall 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. In the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by Law, the Residential Committee, on behalf of all Residential Unit Owners, shall have a lien on each Residential Unit for unpaid Residential Common Charges, together with interest thereon, assessed against such Unit. In addition, except to the extent prohibited by Law, the Condominium Board, on behalf of all Unit Owners, shall have a lien for General Common

Charges unpaid to it by (i) the Residential Unit Owners, together with interest thereon, on the Residential Units owned by any non-paying Residential Unit Owners, in proportion to their respective Common Interests.

6.4.3 All liens provided for in 6.4.2, to the extent permitted by applicable Law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.4 Notwithstanding 6.4.2, neither the seller nor the purchaser of a Residential Unit shall be liable for, nor shall the Residential Unit be conveyed subject to a lien for, any unpaid Common Charges against such Residential Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Residential Committee or the Managing Agent on its behalf.

6.4.5 In the event that prior to the Units being separately assessed for real estate tax purposes, a Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and the Board shall have a lien (as provided in Section 6.4.2) for any such accrued and unpaid amounts.

6.4.6 Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by any foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of these By-Laws.

6.5 **Collection of Common Charges**. Each Board shall take prompt action to collect any Common Charges due to the Board which remain unpaid for more than thirty (30) days after the due date for payment thereof. In the event that the Board fails to take such action, another Board in its own name, or, if necessary, in the name of the Board to which such charges are due, may take any action for the collection of such charges which the Board to which such charges are due may have taken, including, without limitation, the institution of such actions and 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 when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or five (5%) percent of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.33% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by Law. All such "late charges", interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, each

Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein.

6.7 **Non-Occupying Unit Owner**. For the purposes of this subsection 6.7, "Non-Occupying Owner" shall mean a Residential Unit Owner who or which does not occupy its Unit.

6.7.1 If a Non-Occupying Owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges or any other amounts payable by such Non-Occupying Owner to the Board, including, without limitation, assessments and/or late fees (all of the foregoing, collectively, "Payments") for such Unit within sixty (60) days of the expiration of any grace period after the same are due, upon notice in accordance with subdivision (b) of this subsection, all rental payments from the tenant shall be directly payable to the Board.

6.7.2 If the Payments for any Unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the Non-Occupying Owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Board at the address listed on the notice. The Board may elect not to require that rental payments be made payable to the Board. At such time as Payments 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 shall be made payable to the Non-Occupying Owner or a designated agent. A Non-Occupying Owner who disputes the Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within thirty (30) days of the date that the Board receives notice that such owner seeks to dispute such claim.

6.7.3 Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other law or agreement.

6.7.4 Payment by a rental tenant to the Board made in connection with this subsection shall relieve that rental tenant from the obligation to pay such rent to the Non-Occupying Owner against such tenant for such rent.

6.8 **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 the fair market rental for the use and occupancy of the 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 any such Unit or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit. Notwithstanding anything to the contrary set forth above, the Condominium

Board and the Residential Committee, at the request of Declarant or its designees will enter into a recognition agreement with any tenant with which Declarant or its designees has entered into a lease for any of the Non-Residential Units. Under the terms of the recognition agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Board will agree that so long as there is no event of default under said lease, as would entitle the Declarant or any successor landlord under the lease to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Board lien on a Non-Residential Unit for Common Charges or any other sums of any sort, and the Board shall agree that the lease shall not be terminated nor shall the tenant's use, possession, or enjoyment of such Non-Residential Unit be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Board, or, in case the Board takes possession of the Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that if the Board or any other party succeeds to the interests of the Declarant under the lease the tenant will agree to be bound to the Board or party under all of the terms, covenants and conditions of the lease and the tenant will attorn to the Board or party as its landlord.

6.9 **Statement of Common Charges**. The Board shall promptly provide the other Board and any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners which statement may be made by the Managing Agent, if any, on its behalf.

6.10 **Alterations, Additions, Improvements and Repairs of Units**. Each Unit shall be kept in good order and repair in a manner consistent with the Project Standards by the Unit Owner thereof at its sole cost and expense. Each Unit Owner shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection with the foregoing maintenance obligations. Each Unit Owner shall have the affirmative duty to Maintain its respective Unit in such a manner so as to prevent and avoid causing damage to or impairing the use of the other Unit, Common Elements or the Building, including, without limitation, providing necessary services and utilities to its respective Unit (such as heat and water) to the extent the provision of such services and utilities is necessary to the proper functioning of another Unit, the Common Elements or the Building.

6.10.1 Each Unit Owner shall have the right, pursuant to the terms of the Declaration but subject to the provisions of this Section 6.10, to make any alterations, additions, improvements, or repairs in or to its Unit or the Residential Limited Common Elements appurtenant thereto and wholly located within, whether structural or non-structural, ordinary or extraordinary (collectively the "Unit Work"). In the event a Unit is subdivided, any work in the Resultant Units or in any Residential Limited Common Elements appurtenant thereto shall be deemed to be Unit Work and subject to the applicable provisions hereof.

6.10.2 Each Unit Owner, at its expense, shall (x) obtain and keep in effect during the course of the Unit Work, all necessary municipal and other governmental permits, authorizations, approvals and certificates for the commencement and prosecution of its Unit Work and shall obtain final approval thereof upon completion (including, without limitation,

such revisions to the certificate of occupancy as may be required), and deliver copies of the same to the Condominium Board for Unit Work in the Non-Residential Section or the Residential Committee in the Residential Section (y) obtain such insurance coverage as required in Section 6.2.1(iv) of these By-Laws and (z) if the Condominium Board or the Residential Committee, as the case may be, determines (acting through the Unit Owners which are not performing such Unit Work) that any Unit Work so requires, cause the Declaration to be amended and new Floor Plans to be filed (by those Persons designated by the Condominium Board or the Residential Committee, as the case may be, to prepare such amendment or file such amended Floor Plans) at the sole cost of the Unit Owner undertaking such Unit Work. To the extent such Unit Work requires plans or permits, the Unit Owner undertaking such work shall provide the Condominium Board or the Residential Committee, as the case may be, with copies thereof. The Condominium Board or the Residential Committee, as the case may be, shall cooperate with a Unit Owner and, at such Unit Owner's expense, execute all applications, authorizations and other instruments reasonably required to enable such Unit Owner to obtain such permits, authorizations, approvals and certificates, provided the Condominium Board or the Residential Committee, as the case may be, receives the indemnity referenced in Section 6.10.6 below. The Unit Owner undertaking the Unit Work shall reimburse the Condominium Board or the Residential Committee, as the case may be, for all reasonable fees and expenses incurred by the Condominium Board or the Residential Committee, as the case may be, within thirty (30) days of receipt of an invoice, in connection with necessary and reasonable inspections of the Unit Work to determine whether the same is being or has been performed in accordance with the approved plans and specifications therefor and all requirements of (i) applicable Legal Requirements; (ii) insurance carriers providing insurance coverage pursuant to Section 6.2; (iii) the Declaration; and (iv) these By-Laws (including, with respect to Unit Work which may affect the Building structure, systems or exterior, the fees and expenses of any architect or engineer employed for such purpose). Any costs of the Condominium Board or the Residential Committee, as the case may be, associated with the Unit Work including, but not limited to, the costs set forth above, shall be deemed "Related Costs."

6.10.3 No work (x) involving any structural alterations or improvements or (y) impacting any Building System, any other Unit or any Common Element (such work hereinafter referred to as "Notice Work") shall be commenced by or on behalf of a Unit Owner (the "Performing Unit Owner"), including without limitation, any such work to be performed by a tenant or occupant of all or any portion of such Unit, until the Condominium Board and the Impacted Owners shall have been furnished with (i) certificates of insurance indicating that the insurance coverage then required by the Condominium Board to be carried during the making of any Unit Work is in effect and otherwise in compliance with Section 6.2 of these By-Laws, (ii) in the case of Notice Work, a certification of the architect or engineer for the Notice Work stating that such Notice Work will not adversely affect (A) the structural integrity of the Building or the other Unit, (B) the Building Systems or such Common Elements, (iii) in the case of Notice Work involving noise, odor or vibrations, a certification of the architect or engineer for the Notice Work stating that such Notice Work will be performed in a commercially reasonable manner so as to minimize such noise, odor or vibrations (taking into account the fact that portions of the Building will be occupied by tenants), and (iv) all necessary permits, authorizations, approvals and certificates required for the commencement of the Notice Work (the provisions of subparagraphs (i) through (iv) are hereinafter referred to as the "Work Conditions"). Notwithstanding anything to the contrary herein, the provisions of this Section

6.10.3 do not apply to work other than Notice Work.

6.10.3.1 Except in case of an Emergency (in which event the Performing Unit Owner shall use commercially reasonable efforts to notify the Condominium Board or the Residential Committee, as the case may be, and the Impacted Owners as soon as possible), a Performing Unit Owner shall not commence Notice Work unless (i) the Performing Unit Owner has given at least fifteen (15) days prior written notice to the other Unit Owners of its intent to perform the Notice Work (the "Work Notice") which Work Notice shall include a set of plans of the Notice Work for the Notice Work and (ii) the Performing Unit Owner has (x) not received written objection thereto from any affected Unit Owner or the Condominium Board or the Residential Committee, as the case may be, pursuant to Section 6.10.3.2 of these By-Laws within the fifteen (15) day period set forth therein, (y) received consent from any affected Unit Owner with respect to the Notice Work, or (z) received a written Arbitration determination in accordance with Section 6.10 of these By-Laws authorizing the Performing Unit Owner to perform the Notice Work.

6.10.3.2 In connection with the review of such Notice Work by the Impacted Owners and/or the Condominium Board or the Residential Committee, as the case may be, the Performing Unit Owner shall be obligated to reimburse the Impacted Owners and/or the Condominium Board or the Residential Committee, as the case may be, for all reasonable costs and fees associated with the review of the Unit Work prior to the commencement of the Unit Work. The Impacted Owners and/or the Condominium Board or the Residential Committee, as the case may be, may, within fifteen (15) days of receipt of a Work Notice, submit a written objection to the proposed Notice Work to the Performing Unit Owner setting forth in detail, the basis for such objection. If such an objection is submitted and not resolved by the Unit Owner, the proposed Notice Work may only be performed if the matter is submitted to Arbitration for a determination of whether the Notice Work will satisfy the requirements of Section 6.10 including without limitation, the Work Conditions. The Impacted Owners and/or the Condominium Board or the Residential Committee, as the case may be, receiving the Work Notice shall only have the right to submit a written objection if the proposed work will adversely affect its Unit, have a material adverse effect on the Common Elements, Building Systems or access to and from the Unit and/or any services provided to such Impacted Owners or the Condominium Board or the Residential Committee, as the case may be. In the event the other Impacted Owner(s) or the Condominium Board or the Residential Committee, as the case may be, receiving the Work Notice does not make a written objection to the Notice Work within the 15-day period set forth in this Section 6.10, such Impacted Owner(s) or the Condominium Board or the Residential Committee, as the case may be, will be deemed to have waived any objections and the Performing Unit Owner shall be authorized to perform the Notice Work, subject to compliance with these By-Laws.

6.10.3.3 Once any Unit Work or Notice Work is commenced, such work shall be completed with reasonable diligence and undertaken in such manner as not to unreasonably delay or impose any expense upon the Condominium Board or the Residential Committee, as the case may be, or the other Unit Owners in the construction, Maintenance, cleaning, repair, safety, management, security of operation of the Building, or any part thereof, and so as not to unreasonably interfere with, or cause unreasonable interruption of, the operation and Maintenance of the Building, or any part thereof, or cause unreasonable annoyance to, or

unreasonable interference with, the use and occupancy of the Building and the other Unit by Permitted Users (including, without limitation, causing unusual noise or vibrations). No Unit Work or Notice Work may jeopardize the soundness or structural integrity of any Unit or the Common Elements or the safety of any Permitted Users or involve commercially unreasonable levels of noise, odors or vibrations (taking into account the fact that portions of the Building may be occupied by Owners and/or tenants). Any dispute hereunder shall be resolved by Arbitration.

6.10.4 Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to perform any work (including, without limitation, structural alterations, additions, improvements or repairs) or to obtain any amendment to the existing certificate of occupancy to reflect such work or any reconfiguration of a Unit and/or a change in use) in or to any Unit or to the Limited Common Elements exclusively appurtenant thereto may be submitted by a Unit Owner and, if required by Law or such department or authority, be executed by the Condominium Board and/or the Residential Committee, as the case may be, provided that the Condominium Board and the Residential Committee shall not incur any liability, cost or expense in connection with such application or to any Unit Owner, contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any Person having any claim for injury to person or damage to property arising therefrom and the Unit Owner undertaking such structural alterations, additions, improvements or repairs (or an entity reasonably acceptable to the Condominium Board or the Residential Committee, as the case may be, including, without limitation, any tenants or occupants of such Unit Owner) shall, in addition to the indemnity provided in Section 6.10.6, indemnify and hold the Condominium Board or the Residential Committee, as the case may be, the members of the Condominium Board or the Residential Committee, as the case may be, the officers of the Condominium Board or the Residential Committee, as the case may be, the Managing Agent(s) and the other Unit Owners harmless from and against any liability, cost and expense (including, reasonable attorneys' fees) arising from or in connection with such application.

6.10.5 Each Unit Owner shall:

6.10.5.1 Give prompt notice to the Condominium Board or the Residential Committee, as the case may be, of any written notice of violation received by said Unit Owner arising from or otherwise connected to the Unit Work or Notice Work performed by it or on such Unit Owner's behalf, which shall be issued by any public authority having or asserting jurisdiction over the Unit or Building, and, upon receipt of notice from the Condominium Board or the Residential Committee, as the case may be, or otherwise acquiring knowledge thereof, promptly procure the cancellation or discharge of the same at its expense; provided, however, nothing herein shall prevent a Unit Owner from contesting in good faith and at its own expense any such notice of violation.

6.10.5.2 Violations and Liens.

6.10.5.2.(a) Violations. Within sixty (60) days after a Unit Owner receives notice from the Condominium Board or the Residential Committee, as the case may be, or otherwise acquires knowledge of a violation resulting from such Unit Owner's Unit Work performed by it or on its behalf, such Unit Owner shall remove such violation, provided,

however, if the Unit Owner has commenced and been diligently prosecuting the removal of the violation within the sixty (60) day period, the period shall be extended for such additional time as is reasonably necessary to remove the violation.

6.10.5.2.(b) Liens. Within thirty (30) days after a Unit Owner receives notice from the Condominium Board or the Residential Committee, as the case may be, or otherwise acquires knowledge of the filing of any lien resulting from such Unit Owner's Unit Work performed by it or on its behalf, such Unit Owner shall discharge, by payment, bond or otherwise, such mechanics' liens or other liens or violations filed against the Building or its Unit for work, labor, services or materials claimed to have been performed at or furnished to such Unit Owner's Unit as aforesaid for or on behalf of such Unit Owner or otherwise. If a Unit Owner shall fail to so discharge any such lien within such thirty (30) day period, the Condominium Board or the Residential Committee, as the case may be, shall have the right, but not the obligation, to do so at the expense of such Unit Owner and any such expenditure shall be a Unit Owner Expense, the collection of which shall subject to all of the remedies set forth in these By-Laws.

6.10.5.3 Neither the Condominium Board nor the Residential Committee, as applicable, nor the Unit Owners (other than the Unit Owner making any alterations, improvements, additions, or repairs, or causing or permitting any of the same to be made) shall incur any liability, cost or expense (i) in connection with the preparation, execution, or submission of the applications referred to in this Section 6.10; (ii) to any contractor, subcontractor, materialman, architect or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any other Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. A Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to its Unit or the Limited Common Elements appurtenant thereto, shall, indemnify and hold the Condominium Board and the Residential Committee, as applicable, the members of the Condominium Board and the Residential Committee, as applicable, the officers of the Condominium Board and the Residential Committee, as applicable, the Managing Agent and the other Unit Owner harmless from and against any liability, cost and expense (including, reasonable attorneys' fees) arising from or in connection with such work, except to the extent caused by the willful misconduct or gross negligence of any such indemnified party.

6.10.5.4 Each Residential Unit Owner shall be responsible for maintaining the HVAC system and equipment in his or her Unit and shall, twice each year, have the system serviced by a service provider approved by the Residential Committee. In the event a Residential Unit Owner fails to have the HVAC system and equipment in their Unit serviced, the Residential Committee shall have the right, but not the obligation, to arrange to have it done at the Unit Owner's cost and expense.

6.10.6 Notwithstanding any other provision of these By-Laws to the contrary:

6.10.6.1 In the event that any Maintenance to the Property or any part thereof is necessitated by the negligence, misuse, neglect or willful acts or omissions of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of such Unit Owner, the entire cost thereof shall be borne by such Unit Owner or (b) the Condominium Board or the Residential

Committee, as the case may be, the entire cost thereof shall be charged to the Unit Owners as a General Common Expense, a Residential Common Expense, or a Non-Residential Common Expense, as the case may be, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.10.6.2 In the performance of Unit Work, to the extent a Unit Owner needs to access Common Elements, said Common Elements must be restored to the condition they were in prior to the performance of such Unit Work at the performing Unit Owner's sole cost and expense.

6.10.6.3 The public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Condominium Board with respect to the General Common Elements and the Residential Committee with respect to the Residential Common Elements, and (b) the Unit Owners with respect to the Units and the Limited Common Elements.

6.10.6.4 Except as otherwise expressly provided in the Declaration or these By-Laws, all Maintenance, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit or Limited Common Element appurtenant thereto (except as otherwise provided in these By-Laws) shall be made by the owner of such Unit at such Unit Owner's sole cost and expense unless a shared Limited Common Element in which case it would be at the expense of the sharing Unit Owners in relation to their relative percentage interests in the Common Elements; (b) in or to the General Common Elements shall be made by the Condominium Board and (c) in or to the Residential Common Elements shall be made by the Residential Committee.

6.10.6.5 Upon the written request of a Unit Owner, the Condominium Board or the Residential Committee, as the case may be, shall, at the sole cost of such requesting Unit Owner, execute (i) any declaration or other instrument affecting such Unit Owner's Unit which the Unit Owner reasonably deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Building, 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 thereof and which would not adversely affect the other Units or the Common Elements, or otherwise violate the Declaration or these By-Laws, and (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Unit which the Unit Owner reasonably deems necessary or appropriate and which would not adversely affect the other Units or the Common Elements or otherwise violate the Declaration or these By-Laws; *provided*, in each such case it shall have received an indemnity in form and substance acceptable to the Condominium Board or the Residential Committee, as the case may be, and from a creditworthy entity acceptable to the Condominium Board or the Residential Committee, as the case may be, in its reasonable discretion, indemnifying the Condominium Board or the Residential Committee, as the case may be, and the other Unit Owner from any and all liability and claims in connection with such instrument, declaration, easement, amendment or other document. All reasonable costs and expenses of the Condominium Board or the Residential Committee, as the case may be, in connection with the foregoing shall be paid by the Unit Owner making such request and shall be deemed a Unit Owner Expense.

6.10.7 All normal maintenance, repairs and replacements of any Terrace shall be made by the Unit Owner having access to such Terrace at the Unit Owner's own cost and expense, but any structural or extraordinary repairs or replacements to such Terrace (excluding any leaks which are not caused by the negligence of the Unit Owner having access to the Terrace) shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. Unless caused by the Unit Owner, repairs to the slab beneath the Terrace surface shall be the Board's responsibility and the surface of the Terrace above the slab, if any, shall be the Unit Owner's responsibility. No plantings, structures or installations may be placed on Terraces without the prior written approval of the Condominium Board. The Condominium Board may require a Unit Owner to remove plantings and other installations placed on Terraces by said Unit Owners if the Condominium Board determines, in its sole but reasonable discretion, that such plantings and other installations adversely affect the integrity of the surface beneath the Terrace. 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 and safety of the occupants.

6.10.8 The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and the windows may not be modified, altered or replaced without the consent of the Board. Terraces appurtenant to Residential Units are Limited Common Elements. The exterior surface of all windows in the Condominium if so determined by the Condominium Board, shall be washed and cleaned by the Board and the cost and expense thereof shall be a Common Expense. Otherwise, the exterior of all windows in the Condominium shall be washed or cleaned at the cost and expense of the Unit Owner. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at his or her sole cost and expense.

6.10.9 Unit Owners shall have the right, at their sole cost and expense, to replace the windows in their Unit provided, however, that Residential Unit Owners shall only replace the windows in their Unit with a style of window approved by the Board and any applicable government agency. In the event the Board shall determine, in its sole but reasonable discretion, that (a) because one or more windows in a Unit are dangerous or no longer airtight or watertight the Unit Owner of the Unit which includes the window, shall replace the window or windows at the Unit Owner's sole cost and expense or (b) all of the windows in the Building that have not already been replaced within the preceding ten (10) years and do not need to be replaced should be replaced, the cost of the replacement shall be allocated among the Unit Owners as follows: (i) each Unit Owner shall pay for the cost to acquire and install the windows in that Unit Owner's Unit; and (ii) all of the Residential Unit Owners in the Condominium shall share the common costs of the window replacement program (e.g., architects and engineer's fees, site safety, sidewalk bridges, permits and necessary approvals, the cost to dispose of the old windows, and environmental remediation, if required, and related window replacement costs), as a Common Expense based on each Unit Owners' percentage interest in the Common Elements.

6.10.10 In the event the Unit Owner or the Unit Owner's predecessor in interest replaced the windows or doors or modified the plumbing, gas or electrical lines ("Utility Lines") servicing the Unit or made any other repairs or replacements affecting the Unit or the Building and such windows, doors or Utility Lines require repair due to an adverse effect in the

Building or otherwise, the Unit Owner shall be responsible for the cost of making such repairs including repairs to the Utility Lines running from the Unit to the riser if necessary.

6.11 **Performance of Work in Common Elements.**

6.11.1 Except as otherwise expressly provided herein, the Condominium Board shall be solely responsible for and shall operate and Maintain the General Common Elements and any appurtenances thereto (including the sidewalk and the public curbs appurtenant to the Property) and the Residential Committee shall be solely responsible for and shall operate and Maintain the Residential Common Elements and any appurtenances thereto, including but not limited to, the public areas adjacent to the Building, in good order and repair in a manner consistent with the Project Standards and standards of similar Building in Manhattan. Whenever in the judgment of the Condominium Board, the General Common Elements require Maintenance and/or replacement or in the judgment of the Residential Committee, the Residential Common Elements require Maintenance and/or replacement (the "Common Element Work"), the Condominium Board or the Residential Committee, as the case may be, shall proceed with the General Common Element Work or Residential Common Element Work. Notwithstanding the foregoing, (i) any determination by the Condominium Board or the Residential Committee, as the case may be, to perform Common Element Work costing in excess of $25,000 (the "Major Work") shall be subject to the following competitive bid process: at least two competent contractors shall be invited to bid pursuant to this Section, which contractors shall be selected by the Condominium Board or the Residential Committee, as the case may be. The contractor which presents the most competitive and favorable bid (which bid need not be the lowest bid) in the reasonable opinion of the Condominium Board or the Residential Committee, as the case may be, shall be engaged by the Managing Agent to do the work in question.

6.11.2 If any Common Element Work shall be required in order to comply with applicable Legal Requirements, such Common Element Work, as applicable, shall be performed by the Condominium Board and shall be payable by the Unit Owners as Common Charges or a special assessment, as the case may be. Notwithstanding the foregoing, but subject to any Arbitration rights contained herein, the Gallery Unit Owner shall only be responsible for their pro rata share of special assessments related to insurance.

6.12 **Structural Alterations, Additions, Improvements and Repairs of Units.**

6.12.1 Except as otherwise provided in the Declaration, no Residential Unit Owner: (a) shall make any structural alteration, addition, improvement or repair in or to the Unit Owner's Unit without the prior written approval of the Residential Committee; (b) pull a permit from the City of New York prior to the Building receiving a Permanent Certificate of Occupancy, without receiving the written consent of the Declarant and if the work on the permit shall prevent the Declarant from receiving the Permanent Certificate of Occupancy, the responsible Unit Owner should reimburse the Declarant for its costs incurred in having the issued resolved. The Residential Committee shall have the obligation to answer any written request for approval of a proposed structural alteration, addition, improvement or repair in or to a Unit Owner's Unit within thirty (30) days after such request is received, and the failure to do so within the stipulated time shall constitute the Board's consent to the proposed alteration, addition, improvement or repair unless the alteration, addition, improvement or repair will

violate the Project Standards. 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 exercise 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 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. The Board may impose fees upon a Unit Owner to reimburse the Condominium Board and Residential Committee for their costs incurred in reviewing or supervising the aforesaid work. Notwithstanding anything to the contrary contained in this 6.12.1, neither Declarant nor its designee nor a Permitted Mortgagee (or its designee) of Declarant or its assignee shall be required to obtain the approval of the Board for any structural alteration, addition, improvement or repair in or to Unsold Residential Units or enter into any alteration agreement with respect thereto.

6.12.2 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 each Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.12.3 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 appropriate Board shall, if required by Law or such department or authority, be executed by said Board or, if required, by the Condominium Board, provided that no Board shall incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant is hereby authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units and Common Elements as Declarant is entitled to perform in accordance with the terms of the Declaration and these By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the appropriate Board, if requested by Declarant, shall execute the Required Documentation.

6.12.4 In the event that any alterations, additions, improvements or repairs made by any Residential Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Units or the Building, then upon the written request of Declarant, the Condominium Board or the Residential Committee whose Unit Owners are affected, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the Declarant or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner

and to exercise any other remedies provided in these By-Laws. Each Unit Owner and the Condominium Board shall be obligated to cooperate with and refrain from obstructing Declarant in its undertakings to obtain temporary and permanent certificates of occupancy.

6.12.5 Until such time as the initial construction of the Building are complete, including the completion of "punch list" work, no Board or Unit Owner shall use or suffer to be used in any part of the Building any labor forces incompatible with the labor forces which are completing the construction of the Building on behalf of Declarant. In addition, the prosecution of the work necessary to complete initial construction of the Building, including the completion of "punch list" work by or on behalf of Declarant, shall take precedence over the prosecution of any other work at the Building.

6.13 **Alterations, Additions, Improvements or Repairs to Common Elements.** Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements, repairs, or replacements in or to any General, Residential, Non-Residential or Limited Common Element shall be made by the Board or Unit Owner(s) required to maintain such General, Residential, Non-Residential or Limited Common Element and the cost and expense thereof shall be charged to the Unit Owners as a General Common Expense, to all Residential Unit Owners as a Residential Common Expense, to all Non-Residential Unit Owners as a Non-Residential Common Expense, or to the Unit Owner(s) responsible therefor, as the case may be. Whenever in the judgment of the Residential Committee or the Condominium Board, as the case may be, the cost of any addition or improvement would exceed $250,000 in the aggregate in any calendar year (except if such alteration, addition, or improvement is provided for in a duly approved budget or if required by Legal Requirements), then such proposed addition, or improvement shall not be made unless first approved by a Majority of Residential Unit Owners or a Majority of Unit Owners, as the case may be, who shall be required to bear the cost and expense thereof as aforesaid with respect to additions, or improvements made by the Residential Committee or the Condominium Board, as the case may be. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, or improvements costing in the aggregate $250,000 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners. Required repairs, alterations and replacements of existing Common Elements of the Building shall be made by the respective Board in their own discretion regardless of the cost. All alterations, additions, improvements and repairs to Common Elements shall be made in compliance with Project Standards.

6.14 **Alterations of Certain Common Elements.**

6.14.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the Board or Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.14 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners or the Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Board or Unit Owner (referred to in this Section 6.14 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within thirty (30) days after the Proponent gives its notice, then the Opposing Party shall be deemed to

have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such 30-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for maintaining and repairing such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the Building.

6.14.2 Nothing contained in 6.14.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing 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 a Common Element without the Opposing Party's approval.

6.15 **Restrictions on Use of Units.**

6.15.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Residential Unit shall be used as described below.

6.15.1.1 A Residential Unit may be used only as a residence and, subject to compliance with these By-Laws, for a lawful home occupation. Residential Units may be owned or leased by an individual, corporation, partnership limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments). Residential Units may only be occupied by (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership, which is a Residential Unit Owner or permitted lessee; (iv) any member, manager or employee of any limited liability company, which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, manager, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of an Occupancy Plan; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Subject to the foregoing, Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

6.15.1.2 A Residential Unit may be used for any purpose permitted by Law including an incidental business use, provided such use (1) does not violate the then existing certificate of occupancy for such Residential Unit, (2) does not adversely affect the use and enjoyment of neighboring or adjacent Residential Units for residential purposes, and (3) complies with all applicable governmental regulations. Incidental business use is acceptable only so long as (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside of the residence; (b) the business activity does not involve visitation of the Residential Unit by employees, clients, customers, suppliers or other business invitees in greater volume than would normally be expected for guest visitation to a residence without business activity; (c) the business activity is legal and conforms to all zoning requirements for the Condominium; (d) the business activity does not increase traffic in the Condominium in excess of what would normally be expected for Residential Units in the Condominium without business activity; (e) the business activity is consistent with the residential character of the Condominium and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Condominium, as determined at the discretion of the Condominium Board; (f) the business activity does not result in a materially greater use of Common Elements or other facilities at the Condominium; (g) the business activity does not increase the insurance premium paid by the Condominium Board or otherwise negatively affect the ability of the Condominium Board to obtain insurance coverage; and (h) there are no signs, advertisements or plaques of any type visible from the exterior of the Residential Unit.

6.15.1.3 No portion of a Residential Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this Subsection 6.15.1) may be accommodated therein.

6.15.1.4 Each Residential Unit Owner shall notify the Managing Agent in writing when a child or children ten (10) years of age or younger lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Managing Agent. Unit Owners shall not remove the window limit stops from the windows in the Units.

6.15.1.5 Residential Unit Owners shall not take any action in their Units that would violate any collective bargaining agreement in effect in the Condominium.

6.15.1.6 Residential Unit Owners and their guests shall have the right to smoke in their Units, however Residential Unit Owners shall not permit cigarette, cigar, pipe or marijuana smoke from escaping from the Unit and entering any other Unit or the Common Elements. The Board shall have the right to obtain a court order enjoining the occupant of a Unit from smoking in the Unit or the Common elements if the smoke escapes the Unit and the Board shall have the right to seek the eviction of a tenant, who smokes in a Unit or the Common Elements if the smoke escapes from the Unit. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium to cause the smoke infiltration into the Common

Elements or another Unit to cease (including legal fees) in enforcing this provision.

6.15.2 Notwithstanding the provisions of 6.15.1, Declarant or its designee may, without the permission of the Residential Committee, (a) grant permission for the use of any Unsold Residential Unit as a professional office or for any purpose, provided such use is permitted by Law, does not violate the applicable deed restrictions, does not violate the then existing certificate of occupancy for such Residential Unit and the user of such Unit complies with all applicable governmental regulations and (b) use any Unsold Residential 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 the provisions of the Declaration and these By-Laws and in compliance with applicable governmental laws and regulations.

6.15.3 The Condominium Board may, in its sole discretion, consent to the use of a Residential Unit as a professional or business office or for any purpose provided that the nature and manner of such use complies with Law and does not violate the then existing certificate of occupancy covering the Building. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior written consent of the Condominium Board before using such Unit for any purpose other than that set forth in paragraph 6.15.1.

6.15.4 It is intended that the Retail Unit shall initially be used as a restaurant, but it may be used for any purpose permitted by Law and the Declaration and By-Laws. The Gallery Unit may not be used for any purpose other than as a first-class art gallery, which may include incidental office use and incidental food and beverage sales. The Gallery Unit will not be open past eight o'clock in the evening (8pm) more than twenty (20) times per year, and Gallery Unit Owner shall exercise good faith efforts to use a lighting system in the Gallery Unit that minimizes the impact upon the Residential Units of light from the Gallery Unit. Other than as provided in the Condominium Declaration, neither the Condominium Board, the Residential Committee, nor the Unit Owners shall impose any restrictions on the use of the Gallery Unit. No amendments to the Declaration or the By-Laws, that impose further material restrictions on the use or operation of the Gallery Unit shall be permitted without the written consent of the Gallery Unit Owner.

6.15.5 Except for Declarant or its designees, no Unit Owner or other occupant of a Residential Unit shall represent to the public that such person is a real estate broker or sales agent that is (a) the "official" broker/sales agent for the Condominium or (b) has the endorsement of the Residential Committee or of the Condominium Board to broker the purchase or sale of Condominium Units at the Property.

6.15.6 All alterations to a Residential Unit or the Residential Section or services for a Unit Owner or the Residential Section shall be performed in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of the Condominium employees, or contractors or subcontractors employed in the Units or the Building (which may result from, among other things, the use of non-union labor); and in all events, in compliance with the Declaration, the Condominium By-Laws, the Rules and Regulations, the Project Standards and applicable Laws. In furtherance of the foregoing, the Condominium Board may require that the Residential Committee also assume and/or subject itself to the applicable union

contracts.

6.15.7 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of Hazardous Substances within its Unit or elsewhere in the Building. No occupant or tenant of any portion of the Building shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, except in strict compliance with applicable Law. "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous substances, materials, wastes, constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law. Hazardous Substances shall not include an any customary cleaning solutions as long as same are stored and used as required by Law. The Condominium Board and the Residential Committee shall have all remedies available at law or equity, including, without limitation, injunctive relief.

6.16 **Use of Common Elements.**

6.16.1 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.

6.16.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the General Common Elements other than in (a) Residential Limited Common Elements for the exclusive use of a particular Residential Unit Owner or (b) in the areas designated as storage areas, without the prior consent of the Residential Committee as to the Residential Common Elements, or the Condominium Board as to General Common Elements. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.16.3 Residential Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Residential Committee for transporting packages, merchandise or other objects and shall cause such tradesmen to at no time interfere with the other Unit Owners and the use and occupancy of such other Unit Owners' Units.

6.16.4 The owner of any two or more Residential Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by Law and with the consent of the Residential Committee (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation, maintenance and repair of such Common Element for so long as such owner exercises such

exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Residential Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys his or her Unit to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.17 **Other Provisions as to Use.**

6.17.1 No nuisance shall be allowed in the Residential Section nor shall any use or practice be allowed in the Residential Section which is a source of annoyance to the residents or occupants of the Property 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 Residential Section or any portion thereof. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property. Except as otherwise provided in the Declaration and Section 6.15.4, the Non-Residential Units may be used for any lawful purpose; and no sale, lease, sublease or use of all or any portion of the Non-Residential Units shall be deemed to adversely affect the Residential Section.

6.17.2 The Residential Committee 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 title to such Residential Unit shall be required to obtain the prior written approval of the Board before using such Unit for any purpose other than those expressly set forth above.

6.17.3 Declarant or its designee, without the permission of the Board, may (a) use or grant permission for the use of any Unsold Unit for any purpose (including, without limitation, use for a home occupation), provided such use is permitted by Law or court order, does not violate the then existing certificate of occupancy for such Unit, and the user of such Unit complies with all applicable Legal Requirements; (b) use any one or more Unsold Units as models and sales and/or leasing offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable legal requirements; and (c) lease Unsold Units to any party(ies).

6.17.4 Each Unit Owner shall promptly comply with all Legal Requirements applicable to its Unit.

6.18 **Right of Access.**

6.18.1 A Residential Unit Owner shall grant a right of access to his or her Unit to the Declarant or its designees for the completion of the Building including but not limited to any punch list work in such Unit Owner's Unit, and to the Board, the Managing Agent(s), managers, Superintendent and/or any other person authorized by any of the foregoing. The Non-Residential

Unit Owners shall, grant a right of access to the Units to the Condominium Board, the managing agents, and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in his or her Unit and threatening another Unit or all or any part of the Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the Common Elements within his or her 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 or any other Unit 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 normal conduct of business by the tenants and occupants of the Units or with the use of the Units for their permitted purposes. In case of an Emergency, 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 Unit, and the Board shall grant rights of access to the General Common Elements and the respective Common Elements and Limited Common Elements to Declarant and its designees, and its contractors, subcontractors, agents and employees, for the completion of punch list work, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

6.19 **Rules and Regulations**. Annexed hereto as Schedule A to these By-Laws and made a part hereof are rules and regulations (the "Residential Rules and Regulations") concerning the use of the Residential Common Elements and the Residential Limited Common Elements. The Residential Committee may from time to time, modify, amend or add to the Residential Rules and Regulations except that a Majority of Residential Unit Owners may overrule the Board with respect to any such modification, amendment or addition. The Residential Committee shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Residential Unit Owners. The Condominium Board may adopt and from time to time, modify, amend or add to reasonable rules and regulations (the "General Rules and Regulations") concerning the use of the General Common Elements, except that a Majority of Unit Owners may overrule said Board with respect to any such adoption, modification, amendment or addition. As used herein, the term "Rules and Regulations" shall mean a collective reference to the Residential Rules and Regulations and General Rules and Regulations, together with all modifications, amendments or additions thereto. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto, shall be furnished by the Board responsible therefor to each affected Unit Owner not less than 30 days prior to the effective date thereof. Nothing contained herein shall permit either the Condominium Board, the Residential Committee nor the Residential Unit Owners to impose any Rules and Regulations on the operation or use of the Non-Residential Units or to amend, change reduce or eliminate any of the provisions benefiting the Non-Residential Units contained in the By-Laws without the written consent of the affected Non-Residential Unit Owner(s). No rules affecting the operation of the Non-Residential Units may be adopted or modified by the Board without the prior written consent of the affected Non-Residential Unit Owners.

6.20 **Real Estate Taxes, Water Charges and Sewer Rents.**

6.20.1 Water and sewer services shall be supplied to and for all of the Units and the Limited Common Elements through one or more building systems by the City of New York. Except to the extent Unit Owners are billed directly by the City or its agencies, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. The remaining costs for the Building will be paid by the Residential Unit Owners and included in Common Charges. Until the Units are separately assessed for real estate tax purposes, the Non-Residential and the Residential Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (in the proportion to their respective Common Interests) to the Condominium Board as Common Charges, which will in turn pay such taxes to the proper authorities of The City of New York. In the event of a proposed sale of any Residential Unit, the Residential Committee, on request of the selling Residential Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title insurance company, a letter agreeing to pay all charges for water, sewer rents and real estate taxes (so long as the Board is still collecting and paying such charges) affecting such owner's Unit to the date of the closing of title to such Unit, promptly after such charges have been billed by the proper authorities.

6.20.2 The Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Units on behalf of and as agent for the respective Unit Owners thereof, but only with respect to such Units as to which the respective Unit Owners thereof have, in writing requested and authorized the Board to do so, and indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Unit Owners making such request to the Board will share the costs in connection therewith in proportion to the benefits derived therefrom by such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies, defends and holds the Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

6.21 **Heat**. Heat for the Building shall be supplied by boilers using natural gas and the charges therefor shall be paid by the Residential Committee and the Non-Residential Units based on their respective submetered usage and direct metered usage for gas. The cost of heat in the Residential Section will be borne by the Residential Unit Owners as a Common Charge.

6.22 **Gas**. Gas will be supplied by the Con Edison gas distribution system. Gas for the Residential Units will be collectively metered. Charges therefor shall be paid by the Residential Committee and the cost of gas consumed in the Residential Section will be borne by the Residential Unit Owners as a Common Charge. Gas for the Non-Residential Units will be individually metered. Charges therefore shall be paid by the Non-Residential Units to the and the costs thereof will be borne by such Non-Residential Unit.

6.23 **Electricity.**

6.23.1 Electricity shall be supplied by Con Edison to the Condominium. Electricity to each Residential Unit will be submetered. Electricity to Non-Residential Units will be separately metered. The cost of electricity shall be borne by each Residential Unit Owner based upon sub-metering or any other reasonable basis, as determined by the Board. Each Residential Unit Owner shall be required to pay bills for electricity consumed or used in his Unit either to the Board or to the utility company as directed by the Board. Electricity for the Residential Limited Common Elements shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Residential Committee and will be borne by the Residential Unit Owners as a Residential Common Charge.

6.23.2 While the Property is submetered, no Unit Owners will be charged an amount (including any charge for billing costs) which exceeds the rate contemporaneously paid by customers who are served directly by the utility company and who are in the service classification that would be applicable if the Unit Owners were served directly by the utility company.

6.23.3 A Unit Owner who has a complaint about his or her submetered electricity bill shall first attempt to resolve any dispute regarding electrical service or charges with the Managing Agent. If a satisfactory resolution is not obtained then a Unit Owner shall bring said complaint in writing before the Condominium Board and shall send a copy of the complaint to the Managing Agent. If the Condominium Board is unable to provide a satisfactory resolution to the Unit Owner within thirty (30) days after the Condominium Board receives the complaint, then the complainant will be provided written notice of the grievance procedure rules summarized below and the complaint shall be submitted to arbitration proceedings which shall be conducted in accordance with the rules of the JAMS. The cost of such arbitration shall be paid by the Condominium Board. The JAMS shall be asked to appoint the arbitrator.

6.23.4 The arbitrator shall be obliged to provide a full and fair hearing within fifteen (15) days of the filing of the complaint with the arbitrator, unless the Unit Owner requests a longer period to prepare his case. At the hearing, both sides may be represented by counsel or other designated persons, produce witnesses, submit documentary evidence and cross-examine adverse witnesses. The arbitrator shall be obligated to issue a written decision specifying the grounds for its decision and evidence relied upon therein, within ten (10) days of the hearing. The decision of the arbitrator shall be binding on all parties to the proceeding, and shall not be appealable. Records on all such complaints and decisions shall be maintained by the Condominium Board for at least three (3) years from the date the complaint is first brought.

6.23.5 Notwithstanding the fact that a Unit Owner has filed a complaint about an electricity bill or that an arbitration is pending or proceeding, the complaining Unit Owner must continue to pay his or her electricity bill to the Condominium Board or its agent. Failure to make any payment when due may subject the Unit Owner to penalties and/or interest charges, as the same may be established, from time to time by the Condominium Board. Any refund due a complaining Unit Owner will be paid or credited to such Unit Owner by the Condominium Board or its agent promptly upon receipt by the Condominium Board or its agent of such payment or credit from the utility company.

6.23.6 Rates and charges to be paid by Unit Owners shall be based on the actual

cost of the energy consumed. The Condominium Board or its agent may charge the Unit Owner the actual cost of providing an electricity billing statement charged by the Managing Agent or a submetering company. The capital and repair costs of the electronic submetering equipment will not be passed on to Unit Owners as part of their individual charges for electrical service. The capital costs of submetering the Property have been included in the Purchase Price for each Unit. Any costs for repair of the submetering system will be treated as a Common Expense of the Condominium and paid for through Common Charges.

6.23.7 Nothing contained herein shall preclude the Condominium Board, on behalf of Unit Owners, from filing a complaint concerning electricity provided to the Property with the Public Service Commission.

6.24 **Utilities Serving the General Common Elements**. Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, electricity and gas serving or benefiting any General Common Element shall be (a) considered part of the expense of maintaining such General Common Element, (b) determined by the Condominium Board, and (c) charged as a General Common Expense. Any dispute as to the amount of such cost or expense shall be determined by Arbitration.

6.25 **Violations**. If notice of a municipal or other violation of applicable Legal Requirements is given or filed in respect of any portion of the Property as a result of the alleged or actual act of or failure to act by one Unit Owner or its tenants, subtenants or invitees (the "Violating Unit Owner") and such violation (1) jeopardizes the full force or effect of any certificate of occupancy issued for the Property, (2) materially adversely affects any other Unit Owners' right to occupy, use, enjoy and improve its Unit or Limited Common Elements or any part thereof, (3) results in the imposition of a lien against the Property as a whole or any other Unit Owner's Unit, (4) such violation results in a notice of violation, premium increase or otherwise from any insurance provider for any insurance required hereunder or (5) would create criminal liability for the other Unit Owners or the Condominium Board or the Residential Committee (in such other Unit Owner's and/or the Condominium Board's and/or the Residential Committee's reasonable opinion, as the case may be), the Violating Unit Owner shall remove such violation within sixty (60) days of receipt of notice from such other Unit Owner and/or the Condominium Board, provided, however, if the Violating Unit Owner has commenced and been diligently prosecuting the removal of the violation within the sixty (60) day period, the period shall be extended for such additional time as is reasonably necessary to remove the violation. Any time a Violating Unit Owner is otherwise required under this Section to remove a violation, such Violating Unit Owner shall nevertheless not be required to remove the violation if upon prior notice to the Condominium Board, the Residential Committee and the other Unit Owners, and at its own expense, it is contesting by appropriate legal or administrative proceedings or redress, promptly initiated and conducted in good faith and with due diligence, the validity or enforceability, in whole or in part, of the applicable Legal Requirement giving rise to the violation, provided the following conditions are met: (i) such proceeding shall suspend the obligation of the Violating Unit Owner to comply with any such Legal Requirement, (ii) failure to comply with any such Legal Requirement pending the contest will not invalidate or vitiate any insurance required hereunder to be maintained with respect to the Property, in whole or in part, and will not, in the reasonable opinion of the other Unit Owner and/or the Condominium Board and/or the Residential Committee, constitute a present danger to the Property, or any portion

thereof, or to the persons using and entering upon the Property, (iii) neither the Property nor any part thereof or interest therein will in the reasonable opinion of the other Unit Owner and/or the Condominium Board and/or the Residential Committee be in danger of being sold, forfeited, confiscated, terminated, canceled or lost as a result of such contest by the Violating Unit Owner (whether by foreclosure of any mortgage thereon or otherwise), (iv) the Violating Unit Owner shall have furnished such security as may be required in the proceeding, or in the event that none is required, as may be reasonably required by the Condominium Board and/or the Residential Committee to insure the payment by the Violating Unit Owner of all costs of compliance, fines and penalties, together with interest thereon, as may be incurred by the Violating Unit Owner in the event of a determination in such proceeding adverse to the Violating Unit Owner, and (v) the other Unit Owners and the Condominium Board and/or the Residential Committee, as the case may be, will not, in their reasonable opinion, be subject to any criminal liability as the result of such contest by the Violating Unit Owner. If any compliance with this Section shall require any repairs to, or which otherwise affect, the General Common Elements, such repairs shall be performed by the Condominium Board pursuant to Section 6.10 hereof and the cost thereof shall be deemed to be part a General Common Expenses charged to the Unit Owners, unless the reason for such repairs is solely the fault of one Unit Owner, in which event all such costs shall be charged to the applicable Unit Owner as a Unit Owner Expense.

6.26 **Liens**. Each Unit Owner (the "Liening Unit Owner") shall cause to be removed, by payment, bond or otherwise, within thirty (30) days after notice of the filing thereof, any mechanics', materialmen's or any other like lien arising by reason of its acts or acts of its agents and contractors or for any work or materials which it or its agents, contractors, tenants, subtenants or invitees has ordered and filed against the Property or any other Unit Owners' Unit. Except as may be otherwise expressly set forth in the loan documentation evidencing a Permitted Mortgagee's loan to the Liening Unit Owner, the Liening Unit Owner shall not be required to remove such lien if such lien does not expose the other Unit Owners and/or the Condominium Board and/or the Residential Committee to civil and criminal penalties and does not cause the foreclosure of any Permitted Mortgage on any other Unit Owners portion of the Property, and within said thirty (30) day period the Liening Unit Owner (i) shall in good faith diligently proceed to contest the same by appropriate proceedings and shall give notice to the other affected Unit Owners and the Condominium Board and the Residential Committee, as the case may be, of its intention to contest the validity of such lien and (ii) shall deliver to the other affected Unit Owners and the Condominium Board and the Residential Committee, at such Unit Owners' and/or the Condominium Board's or Residential Committee's option, either: (a) cash or a surety bond from a responsible surety company reasonably acceptable to the Condominium Board, as the case may be, in an amount not less than one hundred ten percent (110%) of the lien claim and all interest and penalties then accrued thereon or such greater amount as may be required by Law or (b) such other security or indemnity reasonably acceptable to the Condominium Board and/or the other Unit Owners and its recognized mortgagee, if any. The Liening Unit Owner must cause to be removed or released all liens prior to foreclosure thereof. In the event the Liening Unit Owner fails to comply with the foregoing provisions of this Section, the other Unit Owners and/or the Condominium Board and/or the Residential Committee may give notice to the Liening Unit Owner specifying the respect or respects of such noncompliance and if, upon the expiration of ten (10) days after the receipt of such notice, the cure of any such noncompliance is still not proceeding diligently, then the Condominium Board and/or the Residential Committee and/or the non-defaulting Unit Owners may cause such compliance to occur by taking all appropriate steps

necessary to defend against or remove such lien. The Condominium Board and/or the Residential Committee and the non-defaulting Unit Owners shall be entitled to payment from the Liening Unit Owner for all costs and expenses (including reasonable attorneys' fees) paid or incurred by the Condominium Board and/or the Residential Committee and/or the non-defaulting Unit Owners, as the case may be, in defending against, removing or attempting to defend against or remove such lien and may use any security delivered to the Condominium Board and/or the Residential Committee and/or any non-defaulting Unit Owners for such purposes and for any other damages from the Liening Unit Owner's breach under this Section and failure to pay any such amounts shall be subject to the same remedies set forth in Section 6.6 hereof. NOTHING CONTAINED IN THIS SECTION IS INTENDED TO GIVE OR CONFER ANY BENEFITS, RIGHTS, PRIVILEGES, CLAIMS, ACTIONS OR REMEDIES TO ANY PERSON AS A THIRD PARTY BENEFICIARY UNDER ANY LAWS OR OTHERWISE AND THE PERFORMANCE OF WORK ON ONLY ONE UNIT OWNER'S UNIT SHALL IN NO WAY BE DEEMED TO GIVE THE PARTY PERFORMING SUCH WORK THE RIGHT TO ATTACH A LIEN AGAINST THE OTHER UNIT OWNERS' UNITS OR THE CONDOMINIUM.

6.27 **Abatement and Enjoinment of Violations by Unit Owners.**

6.27.1 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 (a) the Condominium Board with respect to matters affecting the General Common Elements, (b) the Residential members of the Condominium Board with respect to matters affecting the Residential Section, and (c) the Non-Residential member of the Condominium Board with respect to matters affecting a Non-Residential Unit, the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Residential Unit or Non-Residential Unit or General or Limited 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 manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach; and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.27.2 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 its designee shall give to Declarant and its designee 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.

6.28 **Reimbursement of Condominium Expenses**. A Unit Owner shall reimburse the Condominium for all expenses incurred by the Condominium (including but not limited to legal fees, disbursements and the cost of collection) as a result of the Unit Owner's failure to comply with the Declaration, these By-Laws or the Rules and Regulations.

ARTICLE 7
MORTGAGES

7.1 **Mortgages of Units; Notices to Board.**

7.1.1 As more fully set forth in this Article 7, each Unit Owner may grant a mortgage to its Unit, or the holders of direct or indirect interests in a Unit Owner may pledge and grant a first priority security interests in and to such interests, to a Permitted Mortgagee (as herein defined. A Permitted Mortgage shall refer to (i) a first priority mortgage secured by the fee interest in the Unit, or (ii) a pledge or other security agreement which grants a first priority security interest in and to the direct or indirect ownership interests in a Unit Owner, or (iii) any mortgage granted by Declarant or (iv) any pledge of the direct or indirect ownership interests in Declarant, as any of the same may be amended, modified restated, increased, severed and/or assigned from time to time. A Permitted Mortgagee is a mortgagee that is the holder of a Permitted Mortgage. For the avoidance of doubt, the following are each a Permitted Mortgage: (i) the mortgages securing the acquisition, building and project loans held by Goldman Sachs Bank USA and (ii) the pledge creating the security interests in the direct and indirect membership interests in the Declarant held by CRECB Funding W21, LLC as security for a its mezzanine loan. As used herein, the term "Institutional Mortgage(s)" means any mortgage covering a Unit or Units or a security interest in and to the direct or indirect interests in a Unit Owner (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, commercial bank, investment bank, a real estate mortgage investment conduit or any other financial institution organized under the laws of the United States or any state thereof; (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system; (iii) any opportunity or other fund, or institutional investor investing in mortgages; and (iv) any transferee or assignee of the note and mortgage held by such Institutional Mortgagee.

7.1.2 A Unit Owner who mortgages his or her Unit, or the holder of any mortgage encumbering such Unit shall notify the Board, or in the case of a Residential Unit, the Residential Committee, of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage or the security agreement, as applicable, with the Board or the Residential Committee, as the case may be. In addition, in instances in which the holder of a direct or indirect interest in a Unit Owner has granted a security interest in the Unit Owner or its beneficial owner, such Unit Owner, or the holder of the interests therein shall notify the Board, or in the case of a Residential Unit Owner, the Residential Committee, of the name and address of the holder of such security interest. Prior to granting such mortgage or security interest, any such Unit Owner shall first satisfy all unpaid liens against his or her Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering his or her Unit shall so notify the Board or in the case of a Residential Unit, the Residential Committee and shall file a conformed copy of the satisfaction of mortgage with the Board, or the Residential Committee, as may be applicable. The Board shall maintain such information in a book entitled "Mortgages of Units." Notwithstanding anything to the contrary herein, the holder of any Permitted Mortgage secured by Units owned by Declarant or the pledge of any security interest in the direct or indirect ownership interests of Declarant shall be excluded from the requirement to give notice to the Board or the Residential Committee, as the case may be, and from the requirement to furnish a

copy of its mortgages or security agreements to the Board or the Residential Committee, as the case may be.

7.2 **Notice of Default and Unpaid Common Charges**. The Residential Committee, with respect to Permitted Mortgagees of Residential Units, or the Board, with respect to the Non-Residential Units, shall promptly report to a 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, provided that: (i) such Permitted Mortgagee holds a Permitted Mortgage encumbering Units owned by Declarant or its designee and/or a security interest in the direct and/or indirect ownership interests of Declarant or its designee, or (ii) such Permitted Mortgagee requested, in writing, to be given notice of any such defaults by the Board or the Residential Committee, as applicable. In such events, the Board and/or the Residential Committee, when giving notice to a Unit Owner or Declarant of any such default shall send a copy of such notice to any Permitted Mortgagee thereof in accordance with the provisions of these By-Laws.

7.3 **Performance by Permitted Mortgagees**. The Residential Committee or Condominium Board, as the case may be, shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act 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.

7.4 **Examination of Books**. Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium (including, in the case of Residential Unit Owners and Permitted Mortgagees thereof, the books of account of the Residential Section or the Non-Residential Units, as the case may be) at reasonable times, on business days, but not more frequently than once a month.

7.5 **Representatives of Mortgagees.**

7.5.1 In the manner more particularly set forth in Section 7.5.2, the holders of Institutional Mortgages encumbering Residential Units ("Institutional Residential Mortgagee(s)") or Institutional Mortgages encumbering Non-Residential Units ("Institutional Non-Residential Mortgagees", and together with Institutional Residential Mortgagees collectively, "Institutional Mortgagees") at their election, may designate one or more representatives ("Residential Mortgage Representatives" or "Non-Residential Mortgage Representatives", collectively "Mortgage Representatives"), who shall have the authority to act on behalf of all holders of Permitted Mortgages, with respect to any matter requiring the consent or approval or Permitted Mortgagees pursuant to the Declaration or these By-Laws. There shall be no more than three (3) Residential Mortgage Representatives and no more than two (2) Non-Residential Mortgage Representatives. If any Residential Mortgage Representatives or Non-Residential Mortgage Representatives are so designated, notice of such designation shall be given to the Condominium Board and/or the Residential Committee, as appropriate. The action of any such Representative (or a majority of such Representatives, if more than one is so designated) shall be binding upon all Permitted Mortgagees that hold Permitted Mortgages encumbering the Residential Units or the Non-Residential Units, as the case may be. In no event may any Non-Residential Mortgage Representative act on any matter that solely concerns the

Residential Section. As used herein, the term "Institutional Residential Mortgage" means an Institutional Mortgage (defined below) covering one or more Residential Units; the term "Institutional Non-Residential Mortgage" means an Institutional Mortgage covering all or a portion, of any Non-Residential Unit. Notwithstanding anything to the contrary set forth above in this Section 7.5.2, for so long as any Permitted Mortgagee holds a Permitted Mortgage secured by Units owned by Declarant or a security interest in the direct or indirect ownership interests of Declarant, such Permitted Mortgagee shall be appointed as a Mortgage Representative, whether or not such Permitted Mortgagee is an Institutional Mortgage.

7.5.2 Any designation of a Residential Mortgage Representative or a Non-Residential Mortgage Representative made by the holders of Institutional Residential or Non-Residential Mortgages, respectively, constituting a majority in principal amount of all Institutional Residential Mortgages or Institutional Non-Residential Mortgages, respectively, shall be binding upon the holders of all Institutional Residential or Non-Residential Mortgages, as the case may be. Any such designation of any Residential or Non-Residential 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 or the Residential Committee, as may be appropriate. Unless otherwise required by Law or as otherwise specifically provided herein, Permitted Mortgagees other than holders of an Institutional Residential Mortgage or Institutional Non-Residential Mortgage, shall have no right to participate in the selection of Residential or Non-Residential Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Residential or Non-Residential Mortgage Representatives, as the case may be, pursuant to the Declaration or these By-Laws.

7.5.3 Without limiting any other express grant of rights to a mezzanine lender set forth in the Condominium Documents, a mezzanine lender shall have the rights of a Permitted Mortgagee and any mezzanine pledge creating a first priority security interest in and to the direct or indirect ownership interests of a Unit Owner or any security interest in and to the direct or indirect ownership interests of Declarant shall be deemed a Permitted Mortgage with respect to the matters set forth in the second sentence of Section 26.3 of the Declaration; and the first sentence of Section 2.1.6; Section 5.1; Section 6.2; Section 7.2; Section 7.3, Section 7.4; Section 7.5, Section 7.7, Section 8.14, and the first sentence of Section 10.2 of the Condominium By-Laws, to the extent not inconsistent with the rights of a Permitted Mortgagee with respect to the subject Unit.

7.6 **Consent of Mortgagees**. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against its mortgagor.

7.7 **Rights of Permitted Mortgagees.**

7.7.1 Each Permitted Mortgagee in the Condominium shall be given written notice within ten (10) days of:

7.7.1(a) Any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing a Permitted Mortgage;

7.7.1(b) Any 60-day delinquency in the payment of assessments or Common Charges owed by the Unit Owner of any Unit on which a Permitted Mortgagee holds a Permitted Mortgage;

7.7.1(c) A lapse, cancellation, or material modification of any insurance policy maintained by the Board unless said policy is simultaneously replaced; and

7.7.1(d) Any proposed action that requires the consent of the holders of a specified percentage of Permitted Mortgages.

7.7.2 A Permitted Mortgagee that acquires title to a Residential Unit or Non-Residential Unit pursuant to the remedies in the mortgage, foreclosure proceedings or pursuant to a deed in lieu of foreclosure will not be liable for the Unit's unpaid Common Charges that have accrued prior to the acquisition of title to the Unit by the Permitted Mortgagee.

7.7.3 No provision in these By-Laws shall give a Unit Owner or any other party priority over the rights of a Permitted Mortgagee pursuant to its mortgage in the case of payment to the Unit Owner of insurance proceeds or condemnation awards for losses to or taking a Unit and/or Common Elements.

7.7.4 Any amendment to these By-Laws of a material nature to Permitted Mortgagees shall be agreed to by Mortgagees that represent at least fifty-one percent (51%) of the Common Interests that are subject to Permitted Mortgages.

7.7.5 Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs or for other reasons must be agreed to by Permitted Mortgagees that represent at least fifty one percent (51%) of the Common Interests that are subject to Permitted Mortgages.

7.7.6 If a Permitted Mortgagee fails to submit a response to any written proposal for an amendment to the Declaration or these By-Laws, which amendment affects the rights of Permitted Mortgagees, within sixty (60) days after such Permitted Mortgagee receives notice of such proposed amendment, in accordance with these By-Laws, such amendment shall be deemed approved by such Permitted Mortgagee. Notwithstanding the foregoing, this subsection 7.7.5 provision shall not apply to any Permitted Mortgagee that holds a Permitted Mortgage encumbering Units owned by Declarant or a security interest in the direct or indirect ownership interests in Declarant..

7.7.7 The right of first refusal contained in Article 8 hereof will not apply in the event that a Permitted Mortgagee: a) forecloses or acquires title to a Condominium Unit pursuant to the remedies in its Permitted Mortgage; b) accept a deed or assignment in lieu of foreclosure in the event of a default by a mortgagor; or c) wishes to sell or lease a Unit acquired by such Permitted Mortgagee or its assignee.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 **Selling and Leasing**. No Residential Unit Owner, other than Declarant or its designee, may sell or lease his or her Residential Unit except by complying with the following provisions:

8.1.1 Any Residential Unit Owner who receives a bona fide offer to (a) purchase his or her Residential Unit together with its appurtenant Common Interest, or (b) lease his or her Residential Unit (such offer to purchase or lease a Residential Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror" and the Residential Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he or she has accepted, shall give notice by certified or registered mail, return receipt requested, to the Residential Committee of the receipt of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended Closing Date in the event of a purchase or intended occupancy date in the event of a lease), a copy of the fully executed purchase and sale agreement or other transfer agreement or the lease or other occupancy agreement, as the case may be, (the "Residential Unit Lease" or "Transfer Agreement") the completed purchase or lease application in the Condominium's standard form and such other information as the Residential Committee may reasonably require. The giving of such notice to the Residential Committee, on behalf of all the Unit Owners represented by the Board, shall constitute an offer by such Unit Owner to sell or otherwise convey his or her Residential Unit together with its appurtenant Common Interest or to lease his or her Residential Unit to the Residential Committee, or its designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Offeree Unit Owner to the Residential Committee acting on behalf of all Residential Unit Owners that such Offeree Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Residential Committee may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, the Residential Committee may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by hand delivery or by certified or registered mail, return receipt requested, to purchase such Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Residential Unit Owners, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner. Notwithstanding anything contained herein to the contrary, the Board shall not be obligated to exercise the option herein contained and the sale or lease shall not proceed in the event the Board determines that the purchaser, lessee or anyone anticipated to be residing in the Unit has diplomatic immunity or has been convicted of a violent crime or child molestation in which event the Board shall not be required to exercise the right of first refusal and the Residential Unit Lease or Transfer Agreement shall be void ab initio.

8.1.2 In the event the Residential Committee shall timely elect to purchase a Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Residential

Committee, in accordance with the terms of the Outside Offer, within forty five (45) days after the giving of notice by the Residential Committee of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Residential Committee elects to accept such offer. Notwithstanding the foregoing, in the event that the Closing Date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than forty five (45) days after the giving of notice by the Residential Committee of its election to accept the aforesaid offer, the Residential Committee shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a downpayment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to the Residential Committee referred to in 8.1.1 as the intended Closing Date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Residential Committee may purchase the Residential Unit and assume or take title to the Residential Unit subject to said existing mortgage or mortgages, as the case may be. At the Closing, the Offeree Unit Owner, if such Residential Unit together with its appurtenant Common Interest is to be sold, shall convey the same to the Residential Committee, or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Residential Committee, or its designee, corporate or otherwise, as of the Closing Date. In the event such Residential Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Residential Committee, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Residential Committee, or its designee, corporate or otherwise, as tenant, covering such Residential Unit, for the rental and term contained in such Outside Offer.

8.1.3 In the event the Residential Committee or its designee shall fail to accept such offer within twenty (20) days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an additional sixty (60) days to accept the Outside Offer by executing and delivering a contract or lease, as the case may be. In the event the Offeree Unit Owner shall not, within such 60-day period, accept in writing the Outside Offer, or if the Offeree Unit Owner shall accept the Outside Offer within such 60-day period but such sale or lease, as the case may be, shall not be consummated within an additional sixty (60) days following the expiration of such 60-day period, then, should such Offeree Unit Owner thereafter elect to sell such Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1. Notwithstanding the foregoing, the Residential Committee, in its discretion, may waive the Offeree Unit Owner's obligation to comply with either or both of the sixty (60) day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

8.1.4 Any deed to an Outside Offeror shall be deemed to provide that the

acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Residential Unit shall be consistent with these By-Laws and shall provide for a term of not less than one (1) year nor more than two (2) years and that the lease may not be materially modified, amended or extended without the prior consent in writing of the Residential Committee, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board, if permitted by applicable Law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Residential Committee or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Residential Committee which governs the Unit to be leased and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by the Board. Any lease executed by the Residential Committee as tenant shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Residential Units (including the lease of a Residential Unit to Declarant or its designee) or the Non-Residential Units (or any Resultant Units into which the Non-Residential Units may hereafter be divided). Declarant or its designee and the Non-Residential Unit Owners shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Residential Units or the Non-Residential Units, as the case may be, without having to first offer the same for sale or lease to the Board.

8.1.8 On the closing of the sale of each Residential Unit, the purchaser shall make a non-refundable contribution to the working capital fund of the Residential Section (the "Working Capital Fund") equal to two (2) month's Common Charges. The Working Capital Fund shall only be used by the Residential Committee to pay closing adjustments at the First Closing or to make repairs or replacements to the Residential Common Elements or the Residential share of the cost of repairs and replacements to the General Common Elements.

8.1.9 Notwithstanding anything contained in this Article 8 to the contrary, the Residential members of the Condominium Board shall have the right to reject the purchase or lease of a Residential Unit without the necessity of exercising a right of first refusal if the Purchaser or lessee of a Residential Unit or a person who will be residing in their unit has diplomatic immunity or has been convicted of a violent crime or child molestation.

8.2 **Consent of Residential Unit Owners to Purchase or Lease Residential Units by Residential Committee**. The Residential Committee shall not exercise any option

hereinabove set forth to purchase or lease any Residential Unit without the prior approval of a Majority of Residential Unit Owners, unless the Residential Committee is assigning its rights to a third party including another Unit Owner or a member of the Board and the Condominium will not incur any expense as a result, in which event Unit Owner approval is not required. However, the Residential Committee shall have the right to release or waive such option without the prior approval of a Majority of Residential Unit Owners.

8.3 **No Severance of Ownership.**

8.3.1 No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 **Release by Residential Committee of Right of First Refusal**. The right of first refusal contained in 8.1 may be released or waived by the Residential Committee only in the manner provided in 8.5. In the event the Residential Committee shall release or waive its right of first refusal as to any Residential Unit, such Residential Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of 8.1.1 and 8.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to 8.1.3.

8.5 **Certificate of Termination of Right of First Refusal**. A certificate executed by an officer of the Residential Committee stating that the provisions of 8.1.1 have been met by a Residential Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Residential Committee, and that as a result thereof the rights of the Residential Committee thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to 8.1.3), shall be conclusive upon the Residential Committee and the Residential Unit Owners in favor of all persons who rely on such certificate in good faith. The Residential Committee shall furnish such certificate upon request to any Residential Unit Owner with respect to whom the provisions of 8.1.1 have, in fact, terminated.

8.6 **Financing of Purchase of Residential Units by Residential Committee**. The purchase of any Residential Unit by the Residential Committee or its designee, on behalf of all Residential Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Residential Committee. If the funds in such accounts are insufficient to effectuate any such purchase, the Residential Committee may levy an assessment against each Residential Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such

financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant Common Interest.

8.7 **Exceptions**. The provisions of 8.1 shall not apply with respect to any lease, sale or conveyance of any Residential Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to his or her spouse, adult children or grandchildren, parents, grandparents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof, (b) Declarant or its designee, or an owner of an Unsold Residential Unit (c) the Residential Committee, (d) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure, (e) a Permitted Mortgagee or his nominee, who has acquired title to any Residential Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction or any purchaser at a foreclosure sale under a mortgage, or (f) to a Permitted User; provided, however, that each succeeding Residential Unit Owner shall be bound by, and his Residential Unit subject to, the provisions of this Article 8. In addition, the provisions of 8.1 shall not apply to any lease, sale or conveyance of the Non-Residential Units or any part thereof. The term "affiliate" shall be deemed to be an individual or entity which owns more than fifty percent (50%) of the legal and beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than fifty percent (50%) of the legal and beneficial interest.

8.8 **Gifts and Devises, etc**. Any Residential Unit Owner shall be free to convey or transfer his or her Residential Unit by gift, or may devise his or her Residential Unit by will or have his or her Residential Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Residential Unit Owner shall be bound by, and his or her Residential Unit subject to, the provisions of this Article 8.

8.9 **Unauthorized Sales or Leases of Residential Units**. Any purported sale or lease of a Residential Unit consummated in violation of Section 8.1 or 8.3 shall be voidable at the election of the Residential Committee and if the Board shall so elect, the Residential Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Residential Unit Owner as the owner or landlord, as the case may be. Said Residential Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.10 **Charges Imposed on Sale or Lease of Residential Units**. The Residential Committee shall be entitled to fix by resolution and collect, before any sale or lease of a Residential Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Board, in connection with the sale or lease. If such charge is adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charge shall not apply to the lease of a Residential Unit to Declarant or its designee, to the sale or lease of Unsold Residential Units by Declarant or its designee, or to the sale or lease of Unsold Residential Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Residential Units. Upon the acquisition of a Residential Unit, Purchasers of Residential Units shall also pay to the Residential Committee their

non-refundable contribution to the Working Capital Fund.

8.11 **Power of Attorney**. At the time of acquiring title to a Residential Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the New York City Register's Office, the Residential Unit power of attorney required by Article 17 of the Declaration, in substantially the form set forth as Exhibit E to the Declaration.

8.12 **Notices Concerning Residential Unit Occupancy**. Within five (5) days following acquisition of a Residential Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the Purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the Purchaser or lessor, from time to time, by further notice to the Managing Agent.

8.13 **Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common**. In the event that any Unit shall be acquired by the Residential Committee or the Condominium Board, or their respective designees, corporate or otherwise, on behalf of all Residential Unit Owners or all Unit Owners, as the case may be, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

8.14 **Payment of Assessments**. No Residential Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Residential Unit unless and until he shall have paid in full to the Board all unpaid Common Charges theretofore assessed by said Board against such Residential Unit and until such Residential Unit Owner shall have satisfied all unpaid liens against his Residential Unit other than Permitted Mortgages.

8.15 **Mortgage of Units**. Subject to Article 7 and Section 8.14, each Unit Owner shall have the right to mortgage his Unit without restriction, provided that, with respect to any mortgage covering a Residential Unit, the Residential Unit Owner making such mortgage shall notify in writing the Residential Committee of the making of such mortgage.

8.16 **Lease or Purchase of Residential Unit or Other Apartment for Superintendent's Residence**. The Condominium Board shall have the right to lease or purchase a Residential Unit or other apartment for the Superintendent's use and shall have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease without the approval of a Majority of Unit Owners.

8.17 **Intentionally Omitted.**

8.18 **Transfer of Interests in Entities Owing Units**. In the event a Unit is owned by an entity, a transfer of interest in the entity shall be considered a transfer of the Unit and the Board shall have the same right of first refusal to purchase the interests in the entity.

8.19 **Limitations on Sale**. In order to facilitate the Sponsor's sale of the Residential Units, prior to one (1) year after a Purchaser's closing on its Residential Unit from Sponsor, such Residential Unit Owner will not be permitted to (a) sell the Unit without Sponsor's written

approval, or (b) list the Unit for sale or resale with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale.

ARTICLE 9
CONDEMNATION

9.1 **Takings in General**. If the Condominium Board or any Unit Owner receives notice that all or any part of the Property has been or is to be taken through the exercise of the power of eminent domain under applicable Law (a "Taking") or becomes aware of any actual or threatened commencement of any proceeding for the condemnation of all or any portion of the Property, the Condominium Board, the Residential Committee, or Unit Owner, as applicable, shall so notify the other Unit Owners, the Residential Committee, and the Condominium Board, as applicable. The Condominium Board shall on behalf of the Unit Owners, prosecute the claims for the Award (as defined below). If such Taking is not of Substantially All the Property (as defined below in Section 9.4), then any restoration, reconstruction, or alteration required in connection with such Taking shall be performed with due diligence and in as timely a manner as practicable under the circumstances in accordance with the provisions of this Article. "Award" shall mean the award for damages or compensation payable on the basis of, or attributable to, a Taking, and, in the case of a Taking of less than Substantially All of the Property, shall include any award (or portion thereof) payable on the basis of restoration or other work necessitated by the Taking, but not including any separate claim by any Unit Owner or their respective tenants for personal property, trade fixtures, moving or relocation costs. "Net Award" shall mean the Award less all reasonable fees and expenses incurred by the Unit Owners and the Condominium Board in collecting the Award.

9.2 **Immaterial or Temporary Taking**. In the event of an immaterial Taking (e.g. a Taking in connection with a street widening which does not affect the Building), the Net Award shall, following payment of any amounts required in connection with any restoration in connection with such Taking, be disbursed to the Unit Owners in accordance with their respective Common Interests. In the event of a temporary Taking, the Net Award will be allocated to the Unit Owners based upon the portion of each Unit, as applicable, that is so taken.

9.3 **Material Takings**. In the event of a material Taking that does not constitute a Taking of Substantially All of the Property (as hereinafter defined), the Unit Owners shall cooperate to repair and restore the remainder of the Building in accordance with the applicable provisions of this Article.

9.4 **Taking of Substantially All of the Property**. In the event of a Taking of Substantially All of the Property, the remainder of the Property not taken shall be withdrawn from the provisions of the Condominium Act and shall be subject to an action for partition at the election of any Unit Owner or lienor as if owned in common, in which event the Net Proceeds of Sale, together with the Net Award, shall be distributed into a trust fund for the benefit of Unit Owners (including any Resultant Unit Owner) and deemed allocated amongst the Unit Owners in proportion to their respective Common Interest and delivered to the Depositary, which in turn shall deposit the Net Proceeds of Sale and the Net Award in a separate trust fund for the benefit of Unit Owners, which fund shall thereafter be distributed to the Unit Owners in accordance with the Unit's Appraised Value. Notwithstanding anything to the contrary set forth herein, no payment

shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such proceeds all liens on such Unit Owner's Unit, in the order of priority of such liens. A Taking of "Substantially All of the Property" shall mean (i) such portion of the Property as, when so taken, would leave a balance of the Property that, due either to the area so taken or the location of the part or parts so taken in relation to the part or parts not so taken, would not, under economic conditions, zoning Laws and building regulations then existing, readily accommodate a new or reconstructed building or buildings of a type and size generally similar to that of a Comparable Building existing at the date of Taking or (ii) a Taking of more than fifty percent (50%) of the rentable square footage of the Building, as determined by the Certifying Professional in accordance with these By-Laws, unless the Condominium Board agrees to repair and restore the Property as a result of such Taking in which event such Taking shall not be deemed to be a Taking of Substantially All of the Property.

9.5 **Obligation to Restore**. Except in the event of a Taking of "Substantially All of the Property", the Unit Owners shall be obligated to repair and restore the Building to the extent required in connection with a Taking regardless of whether or not the Net Award is sufficient. Each Unit Owner shall cooperate with the other Unit Owner and the Condominium Board in connection with any such repairs or restoration to the Building.

9.6 **Supervision of Repair and Restoration**. The Condominium Board shall cause all necessary repair and restoration work with respect to the Building to be performed in accordance with the provisions of this Article. In connection therewith, the Condominium Board shall engage an Architect. The repair and restoration shall be commenced and pursued to completion in as timely a manner as practicable and shall be performed on behalf of the Condominium Board by a Contractor provided; however, that the selection by the Condominium Board of an Architect or Contractor shall require the approval of the majority of members of the Condominium Board designated by the majority of the members of the Condominium Board, which approval shall not be unreasonably withheld or delayed. If the applicable members of the Condominium Board fail to agree upon the selection of an Architect or the Contractor within sixty (60) days after the occurrence of such Taking, then the selection of the Architect and the Contractor, as applicable, shall be submitted to Arbitration.

9.7 **Plans and Specifications**. The Plans and Specifications for necessary repair and restoration in accordance with the provisions of this Article shall be prepared by the Architect in accordance with instructions given by the Condominium Board and shall provide for the restoration of the remaining portion of the Building as close as commercially practicable to the Building as it existed prior to the Taking, except to the extent any changes in applicable Legal Requirements require otherwise; provided, that in the event any Taking affects any portion of the Gallery Unit, any such changes shall be approved by the applicable Gallery Unit Owner in its sole discretion.

9.8 **Determination of Costs.** As soon as reasonably practical after a Taking (but in no event more than sixty (60) days after a Taking), a Certifying Professional shall be retained by the Condominium Board. The Condominium Board shall direct the Certifying Professional to prepare a reasonably detailed statement setting forth (a) a description of the condemned areas of the Building and structural supports, and (b) an estimate of the total costs of required repairs and restoration (exclusive of tenant build outs and other similar interior improvements) (which

estimate shall be deemed the "Condemnation Estimate"), and to reasonably determine and certify to the initial Architect Taking Allocation Ratio (as defined below) and to notify the Unit Owners of such ratio and the method by which such ratio was calculated, which notice shall include a complete schedule of costs and a reasonably detailed breakdown thereof by area and type of damage and type of necessary repair and restoration. The term "Architect Taking Allocation Ratio" shall have the following meaning: the ratio of (A) the relative cost of the restoration to be performed as a result of the damage suffered by each Unit Owner to (B) initially, the Condemnation Estimate and, as and if the costs change during the course of the restoration work, the actual total costs. To the extent the Unit Owners are required to restore pursuant to this Article, each Unit Owner shall be responsible for its share of the costs of restoration based on the Architect Taking Allocation Ratio. If the cost and expense of any repair and restoration to the Building pursuant to this Article shall exceed the amount of the Net Award, the excess cost and expense shall be borne by the Unit Owner based on the Architect Taking Allocation Ratio. Notwithstanding the foregoing, to the extent the additional costs result from the acts or omissions of one of the Unit Owners or optional changes requested by a Unit Owner, such Unit Owner requesting the changes or causing the delays shall be solely responsible for payment of the additional costs (which costs will be factored into an adjusted Architect Taking Allocation Ratio). The Unit Owners shall share, subject to the terms of the immediately preceding sentence, any cost overruns resulting from Unavoidable Delays based on the Architect Taking Allocation Ratio. Notwithstanding the foregoing, the cost of any restoration of the structural supports in connection with a covered Taking shall be shared by the Unit Owners based on their respective Common Interests, to the extent that such cost is not satisfied out of the available Net Award.

9.9 **Excess Net Award**. Upon completion of the repair and restoration in accordance with the provisions of this Article and full payment therefore and for all costs in connection therewith, any excess Net Award shall be distributed as follows:

9.9.1 If one of the Unit Owners failed to contribute to a deficiency in connection with the repair and restoration work as herein provided, the amount of such deficiency, together with interest thereon at the Default Rate, shall be paid to the other Unit Owner to the extent advanced by them and the amount of such deficiency shall be deemed a Unit Owner Expense, and

9.9.2 Any remaining balance shall be paid to the Unit Owners in accordance with the Architect Taking Allocation Ratio.

9.10 **Costs Defined**. For purposes of this Article, architects' and engineers' fees, attorneys' fees (other than those arising from a dispute of the parties hereunder, including, without limitation, any dispute that is submitted to Arbitration) consultants' fees, the fees of the Certifying Professional, title insurance premiums and other similar costs and expenses relating to repair or restoration shall be included in the costs and expenses of any such repair or restoration.

9.11 **Reallocation of Common Interest**. If, as a result of a Taking, the total square footage of any Unit changes, the parties shall promptly (x) adjust, as of the date of such taking, the Unit Owners' Common Interest in a manner consistent with the allocation of the Common Interest in existence immediately preceding such casualty or taking and (y) prepare and record in the City Register's Office an amendment to the Declaration confirming such reallocation. If the

parties shall not agree on any of the matters referred to in the foregoing clauses (x) and (y) within ninety (90) days following completion of the reconstruction, they shall submit such issue to Arbitration.

9.12 **Net Awards to Depositary**. In connection with any Taking, the Depositary shall hold all Net Awards and shall be the disbursement agent for all Net Awards, which pertain to such Taking.

ARTICLE 10
RECORDS AND AUDITS

10.1 **Records**. Each Board or the Managing Agent for that Board, if any, 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 for whom the Board serves 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 Residential Committee shall keep a separate account for each Residential Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Residential Committee 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 and certified by an independent certified public accountant shall be submitted by (a) the Residential Committee to all Residential Unit Owners, and (b) the Condominium Board to the Residential Committee and the Non-Residential Unit Owners, and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report submitted by (1) the Residential Committee shall be paid by the Residential Unit Owners as a Residential Common Expense, and (2) the Condominium Board shall be paid by all Unit Owners as a General 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 Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

10.4 **Confidential Information**. Notwithstanding anything contained herein to the contrary, in order to maintain the privacy of the Unit Owners, in the event a Unit Owner provides the Managing Agent with the Unit Owner's email address, telephone number or an address other than the Building, neither the Condominium Board, the Residential Committee, nor the Managing Agent shall disclose it without the prior written consent of the Unit Owner.

ARTICLE 11
ARBITRATION

11.1 **Arbitration**. All disputes under the Declaration and By-Laws between Unit Owners and the Board shall be settled by binding arbitration by JAMS. Within five (5) days of filing an arbitration proceeding, JAMS shall send the Parties a list of three (3) arbitrator candidates. Each such arbitrator candidate shall have at least ten (10) years New York real estate law experience. Within seven (7) days of service by the parties of the list of names, each Party

may strike one (1) name and shall rank the remaining arbitrator candidates in order of preference. The remaining arbitrator candidate with the highest composite ranking shall be appointed the arbitrator. In the event that no arbitrator has the highest composite ranking, the Arbitrator shall be determined by JAMS. The Arbitrator shall be neutral and independent of Sponsor, all of its principals and Purchaser.

11.1.1 The Parties shall bear the costs of their own expenses and witness preparation. The Parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. The Arbitrator shall award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing Party shall be reimbursed for their share of the JAMS administrative expenses.

11.1.2 The Parties shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by Law or judicial decision.

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 11.1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 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 nor 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, unless the context otherwise requires.

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 **Depositary**. The Depositary shall be a New York City bank or trust company, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. The Construction Lender shall be the Depositary or shall have the right to choose the Depositary, until such times as the Construction Lender has released all of its Units from the lien of its mortgage and/or the security interest held by the Construction Lender has been terminated. After the Construction Lender has released all of its Units or the Construction Lender no longer holds a security interest in the direct or indirect ownership interests of Declarant, in the event the Depositary resigns or the Condominium Board wishes to replace such Depositary, the Condominium Board shall promptly appoint a new Depositary. The Condominium Board shall pay the fees and disbursements of any Depositary and such fees and disbursements shall constitute a General Common Expense.

12.6 **Successors and Assigns**. Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all then Unsold Residential Units then owned by Declarant or its designee, as the case may be. The rights and/or obligations of the Non-Residential Unit Owners as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Non-Residential Unit Owners. Subject to the foregoing, Declarant, its designee, and/or the Non-Residential Unit Owners, as the case may be, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

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, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or

party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Board representing such Unit Owners, stating the reasons why such Unit Owner, Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Board which represents such Unit Owner, Board or other party is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

12.7.3 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Board representing such Unit Owners stating the reasons why such Unit Owner, Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

12.8 **CPI Adjustments**. Unless otherwise expressly provided hereunder, any dollar amount described in this document as "adjusted for inflation" or "subject to adjustment for inflation" (or words of similar import) shall be adjusted by multiplying such amount by a fraction, the numerator of which shall be the Consumer Price Index for the full calendar month immediately preceding the date of such adjustment, and the denominator of which shall be the Consumer Price Index for the calendar month December, 2018. The "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor for New York, New York (or the smallest measured area including New York, New York), All Items (1982-84 = 100), or any successor index thereto, appropriately adjusted. If the Consumer Price Index ceases to be published, and there is no successor thereto, such other reasonably similar index as is designated by the Condominium Board shall be substituted for the Consumer Price Index. If the Consumer Price Index is not immediately available, payments to be calculated in accordance with such Index shall be made based on a reasonable estimate of such Index, and any deficiency shall be paid, and any overpayment credited, against the next installment of funds due, immediately after such Index is available.

12.9 **Indemnity**. In the event Unit Owner requests that the Board's employees perform services for Unit Owner, which are not the Board's obligation to perform, including but not limited to, repairs and alterations to the Unit Owner's Unit, Unit Owner shall indemnify the Board and save the Board harmless from any liability, loss, damage and expense arising from injury to any person (including the employee) or property when occurring while the employee is performing such work.

12.10 **Mold**. The prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he, she or they have taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. The Board will not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of the Board.

ARTICLE 13
AMENDMENTS

13.1 **Amendments by Unit Owners**. Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee or any Unsold Residential Units or any Non-Residential Unit Owner, (a) any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these By-Laws, and (b) any provision of these By-Laws benefiting, protecting or otherwise affecting only the Residential Section or the Residential Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners taken in accordance with the provisions of these By-Laws. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees, any Unsold Residential Units, the Non-Residential Units, any such amendment, modification, addition or deletion shall be executed by (1) the Residential Committee, as attorney-in-fact for the Residential Unit Owners, coupled with an interest, which Residential Committee is hereby authorized by such Residential Unit Owners so to act as their attorney-in-fact or (2) the Condominium Board, as attorney-in-fact for all Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its designee, any Unsold Residential Units or the Non-Residential Units, (i) no amendment, modification, addition or deletion pursuant to the provisions of clause (a) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential and Non-Residential Mortgage Representatives, if any, (ii) no amendment, modification, addition or deletion pursuant to the provisions of clause (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the respective Residential Mortgage Representatives, if any, (iii) no amendment, modification, addition or deletion pursuant to the provisions of clause (c) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Non-Residential Mortgage Representatives, if any, and (iv) the provisions of this Section 13.1 may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Residential and/or Non-Residential Mortgage Representatives, as the case may be), eighty percent (80%) 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. The Non-Residential Unit Owners can amend any portion of the By-Laws only affecting the Non-Residential Units.

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

13.3 **Amendments Affecting Permitted Mortgagees**. Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 26.3 of the Declaration or Article 7 or 6.1, 6.2, 6.4.2, 6.4.3, 8.7(d) or (e), 8.10, or 12.5 shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

13.4 **Scrivener Errors.** Notwithstanding anything to the contrary contained herein or in the Declaration, either the Condominium Board or the Residential Committee may amend these By-Laws without the consent of any Unit Owner or Permitted Mortgagee, but upon at least ten (10) days written notice to the Unit Owner and Permitted Mortgagee, to correct or supplement any patent mistakes, inconsistencies or scrivener errors.

13.5 **Deemed Approval Provision**. Notwithstanding anything to the contrary contained herein, if any Unit Owner is notified in writing that its consent to a proposed amendment or modification to the Declaration, these By-Laws or the Rules and Regulations is requested, then, provided that such notice contains a copy of the proposed amendment or modification (and a statement in bold capital letters to the effect that if such Unit Owner does not notify the sending party in writing within ten (10) business days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification), if such Unit Owner does not notify the sending party in writing within ten (10) business days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have

approved such amendment or modification. The provisions of this Section 13.5 shall not apply to notices given to Sponsor or any other holder of Unsold Units requesting the Sponsor's or such holder's consent to a proposed amendment or modification.

ARTICLE 14
AMENDMENTS CONCERNING NON-RESIDENTIAL UNITS

Amendments, modifications, additions or deletions of or to the Declaration, these By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Non-Residential Section or the subdivision of any Non-Residential Unit into separate Non-Residential Units and/or the offering for sale or lease of all or any portion of the Non-Residential Section and it is contemplated that in connection therewith the Non-Residential Unit Owners will cause the Declaration, these By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provisions thereof may be similar or dissimilar to those affecting the Residential Section and Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the Residential Section, or any Residential Unit Owners, the Non-Residential Unit Owners shall be the attorneys-in-fact for the Residential Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion.

ARTICLE 15
CERTAIN DAMAGES

15.1 **Self Help**. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his or her Unit or its appurtenant Residential Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within five (5) days after receipt of written notice of the same from the Condominium Board, the Residential Committee, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five (5) day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board and/or the Residential Committee, shall have the right to enter such Unit Owner's Unit and/or its appurtenant Residential Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board and/or the Residential Committee shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board and/or the Residential Committee, may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

15.2 **Abatement and Enjoinment.**

(A) In the event that any Unit Owner shall violate or breach any of the

provisions of the Condominium Documents on his part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges

(B) The violation or breach of any of the terms of the By-Laws with respect to any rights, easements, privileges, or licenses granted to Declarant or the Non-Residential Unit Owners shall give to Declarant and the Non-Residential Unit Owners the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

15.3 **Remedies Cumulative**. The remedies specifically granted to the Condominium Board or to Declarant or to the Non-Residential Unit Owners in this Article 15 or elsewhere in the By-Laws shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Declarant or the Non-Residential Unit Owners as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

15.4 **Costs and Expenses**. All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board and/or the Residential Committee in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 15.1 or paragraph (A) of Section 15.2 hereof or (ii) Declarant or the Non-Residential Unit Owners in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 15.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owners to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board and/or the Residential Committee or the Unit Owner(s)) to Declarant or the Non-Residential Unit Owners, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board and/or the Residential Committee pursuant to the terms of this Section 15.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

15.5 **Liability for Litigation Costs**. If any Unit Owner, tenant, purchaser or an applicant to purchase or lease a Unit, institutes any action or proceeding against the Condominium, its officers, Board Members, agents or employees, relating to the Declaration,

By-Laws, the Rules and Regulations or the affairs of the Condominium and if there is an adverse determination by the court against the Unit Owner, tenant, purchaser or applicant or the action or proceeding is dismissed, then on a determination by the court that such action or proceeding was not brought in good faith, (a) such Unit Owner, tenant, purchaser or applicant shall reimburse the Condominium for the attorneys' fees and disbursements incurred by the Condominium in such action or proceeding or in the enforcement of this provision, and (b) the Condominium shall have the right to collect the same as an assessment against the Unit Owner or rent against the subtenant. By applying to purchase or lease a Unit, an applicant to purchase or lease a Unit agrees to be bound by this provision.

ARTICLE 16

SIGNS AND SCAFFOLDING

16.1 **Exterior Signs**. The term "Sign" or "Signage" includes all signs, designs, monuments, logos, banners, projected images, awnings, canopies, pennants, decals, advertisements, pictures, notices, lettering, numerals, graphics, and decorations. Each Non-Residential Unit Owner or any occupant shall, at its own expense, obtain all required licenses and permits for any Signs installed by such Non-Residential Unit Owner or occupant and renew the same as required by applicable laws. All Signs shall be installed and removed in a good and workerlike manner, without damaging the Building, and in compliance with all applicable laws and requirements of any governmental agency (or similar body). All Signs must comply with all applicable laws, including requirements of the New York City Zoning and Buildings Department. In addition, any signs installed on West 21st Street must be consistent with retail and garage space in other luxury condominium buildings. Each Unit Owner shall maintain any permitted Signs in good, clean, neat and safe condition and in accordance with the terms and provisions of the Condominium Documents. Each Non-Residential Unit Owner shall be responsible for any violations arising as a result of the failure of any of its tenants to comply with applicable laws.

16.2 **Removal of Signs**. The Condominium Board may, from time to time, temporarily remove any Sign in connection with any repairs, improvements, alterations, additions or replacements being made to the Building. In addition, the Board shall have the right to remove any Signs, including any Signs which belong to a Non-Residential Unit Owner, or an occupant thereof, if the removal of such Sign is required to complete repairs required by applicable laws and code ("Required Repairs"). In the event that to facilitate any Required Repairs it becomes necessary to remove any Signs, the Board will send not less than thirty (30) days prior notice of such removal, except in the event of an Emergency, and the expected duration of the same, to the affected Non-Residential Unit Owner. If a Required Repair is needed, the Board will endeavor to coordinate the removal of a Sign with the affected Non-Residential Unit Owner to minimize interference with the use of the affected Unit for the permitted purposes thereof. In the event that a Sign which belongs to the affected Non-Residential Unit Owner (or its tenant) is to be removed for more than one (1) Business Day, provide a location to the affected Non-Residential Unit Owner to place a temporary Sign comparable in size to the then existing Signs belonging to the affected Non-Residential Unit Owner and in compliance with all applicable laws, with such "sight-line" visibility as is commercially practicable, (but subject to the rights of the other Unit Owners or the Condominium Board to have Signs on the Building), such temporary Sign to be removed upon the reinstallation of the prior existing Sign. Both the installation and removal of

the temporary Sign shall be performed at the sole expense of the Condominium Board and the cost therefor shall be included in Common Charges. In the event that any Unit Owner interferes with the ability of the Board to perform any Required Repairs, the Board may commence an action to obtain declaratory relief and, in the event that the Board prevails, any legal fees incurred by the Board in connection with such action shall be paid by such Unit Owner.

16.3 **Use of Scaffolding and Sidewalk Sheds**. The Board may install and maintain scaffolding or a sidewalk bridge outside the Property if required by applicable laws or needed for repair of the building structure or roof or a Building System. If scaffolding is not required pursuant to any applicable Law, order or regulation, or Insurance Requirements, the Board may not install scaffolding outside of the Non-Residential Units without prior written consent of the Non-Residential Unit Owners which may be withheld in the sole reasonable discretion of the Non-Residential Unit Owners.

16.4 **Scaffolding Requirements**. The scaffolding shall (a) be erected in a manner which shall not unreasonably interfere with access to any entrances to the Non-Residential Units, (b) shall be "double height" and shall clear and not obstruct windows and doors, (c) to the extent practicable, not minimize the visibility of any windows and signs of the Non-Residential Units except on a temporary basis, and such owners/tenants are given prior notice, (d) if reasonably possible, be of sufficient height so as to clear any then existing marquis, if any and any building sign band appurtenant to the Non-Residential Units, (e) have all exposed bolts protected to prevent pedestrian accidents, (f) have lighting below the scaffolding as required by applicable Law, and (g) if reasonably possible, not affect or interfere with exhaust ducts or vents. The Board shall use commercially reasonable efforts to have the scaffolding removed as soon as practicable, and the Board shall repair any damage to the sidewalk or Building caused by the installation or removal of the scaffolding. If the visibility of any of the exterior signs installed by the Non-Residential Unit Owners is impaired by the scaffolding, or such signage must be removed for more than one (1) Business Day, such Unit Owner (or its tenant) may install and maintain on the scaffolding, for so long as such scaffolding remains, a Sign identifying such Unit Owner or its tenant to provide the Non-Residential Unit Owners (or its tenant) with the same or better "sight-line" visibility but only if such signs are permitted by applicable laws (but subject to the rights of the other Unit Owners to have signage on scaffolding). Such Signs shall be installed at the expense of such Unit Owner (or its tenant), at the sole cost and expense of the Non-Residential Unit Owners, provided, however, if such scaffolding is erected in an Emergency, the Condominium Board shall endeavor to obtain and install such Signs for the Non-Residential Units as soon as reasonably practicable. Except in the event of Emergencies or Required Repairs, the Board shall deliver written notice to the Non-Residential Unit Owners no less than three (3) weeks advance notice before placing scaffolding outside the Building, the extent and location of the scaffolding and the expected duration of the scaffolding being located outside of the Building. The Non-Residential Unit Owners shall in all events have the right to approve, in advance, the placement and location of all scaffolding hoists, which consent shall not be unreasonably withheld, conditioned or delayed. Any temporary Signs shall be promptly removed upon dismantling of scaffolding.

RULES AND REGULATIONS OF THE RESIDENTIAL SECTION

(1) The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Residential Section shall not be obstructed or used for any other purpose than ingress to and egress from the Residential Units.

(2) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Residential Section, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Residential Section.

(3) Neither occupants nor their guests shall play in the entrances, passages, public hails, elevators, vestibules, corridors, stairways or fire towers of the Residential Section.

(4) No public hall or public elevator vestibule of the Residential Section shall be decorated or furnished by any Residential Unit Owner in any manner.

(5) Each Residential Unit Owner shall keep his or her Unit and any Limited Common Elements appurtenant thereto in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

(6) No window guards or window decorations shall be used in or about any Residential Unit, unless otherwise required by Law, except such as shall have been approved in writing by the Residential Committee or the managing agent of the Residential Section, which approval shall not be unreasonably withheld or delayed. The Unit Owners must use the shades designed by the Building's architect for all windows visible from the exterior of the Building.

(7) No radio, television aerial, satellite or similar device shall be attached to or hung from the exterior of the Residential Section and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Residential Section except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Residential Committee or the managing agent of the Residential Section, nor shall anything be projected from any door or window of the Residential Section without similar approval.

(8) No awning, ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Residential Committee, which approval may be granted or refused in the sole discretion of the Residential Committee.

(9) All radio, television or other electrical equipment of any kind or nature installed or used in each Residential Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction and the Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Residential Unit Owner's Unit.

(10) No bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Residential Committee or the managing agent of the Residential Section for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other

public areas of the Residential Section.

(11) No Residential Unit Owner shall make or permit any disturbing noises or activity in the Residential Section, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Non-Residential Units. No Residential Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph or radio or television set or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Residential Committee. No construction or repair work or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an Emergency or unless such work is performed by Declarant.

(12) No more than (2) domestic animals shall be permitted, kept or harbored in a Residential Unit without the same in each instance having been expressly permitted in writing by the Residential Committee or the managing agent of the Residential Section and such consent, if given, shall be revocable by the Residential Committee or such managing agent in their sole discretion, at any time. Dogs may not be walked on the Property and all Residential Unit Owners must clean-up after their pets. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Residential Section, other than the elevators designated by the Residential Committee or the managing agent of the Residential Section for that purpose, or in any of the public portions of the Residential Section, unless carried or on a leash. No pet shall weigh more than thirty five (35) pounds or be generally considered dangerous to humans. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Residential Section or on the sidewalk or street adjacent to the Building. Each Residential Unit Owner who keeps any type of pet in his Residential Unit shall be required to indemnify and hold harmless the Condominium, the Declarant and its designees, the Residential Committee all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet.

(13) Messengers and tradespeople visiting in the Residential Section shall use the elevators designated by the Residential Committee or the managing agent of the Residential Section for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses, caregivers, babysitters and cleaning personnel in the employ of Residential Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Residential Unit Owner may use any of the elevators freely, if authorized by such Unit Owner.

(14) All service and delivery persons will be required to use the service entrance. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick-up by Residential Unit Owners. Deliveries, if made, will be made from the package room to individual Residential Units only by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Residential Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to

individual Residential Units after such service or delivery persons have received approval for such delivery from the Residential Unit Owner.

(15) Trunks and heavy baggage shall be taken in or out of the Residential Section by the elevators designated by the Residential Committee or the Managing Agent of the Residential Section for that purpose, and through a designated entrance only.

(16) No refuse from the Residential Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Residential Committee or the Managing Agent of the Residential Section may direct.

(17) Water-closets and other water apparatus in the Residential Section and in any Common Area shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the Owner of such Unit.

(18) No occupant of the Residential Section shall send any employee of the Residential Section or of the managing agent thereof out of the Building on any private business.

(19) The agents of the Residential Committee or the Managing Agent, and any contractor or worker authorized by the Residential Committee or the Managing Agent of the Residential Section, may enter any room or Residential Unit at any reasonable hour of the day, on at least one (1) day's prior written notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

(20) Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(21) The Residential Committee or the Managing Agent of the Residential Section may retain a passkey to each Residential Unit that has locks. If any lock is altered or a new lock is installed, the Residential Committee or the Managing Agent of the Residential Section shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to the Board or such Managing Agent, then the Residential Committee or such Managing Agent or their agents (but, except in an Emergency, only when specifically authorized by an officer of the Board or an officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

(22) No vehicle belonging to a Residential Unit Owner or to a member of the family or guest, tenant or employee of a Residential Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

(23) Complaints regarding the services of the Residential Section shall be made in writing to the Residential Committee or to the managing agent of the Residential Section.

(24) Any consent or approval given under these Residential Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Residential Committee, at any time by resolution of the Residential Committee. Further, any such consent or approval may, in the discretion of the Residential Committee, be conditional in nature.

(25) Residential Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive nature therein.

(26) Except as permitted under the Declaration and By-Laws, Residential Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

(27) Residential Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

(28) No Residential Unit Owner or any of his agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

(29) If any key or keys are entrusted by a Residential Unit Owner or by any member of his family or by his agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Residential Committee or the managing agent of the Residential Section, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Residential Committee nor the managing agent of the Residential Section shall (except as provided in paragraph 21 above) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(30) Nothing shall be done or kept in any Residential Unit or in the General or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Residential Unit Owner shall permit anything to be done or kept in his Unit or in the General or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the General or Limited Common Elements.

(31) Subject to the Condominium Documents, the Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

(32) No group tour or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the prior consent of the Residential Committee or the managing agent of the Residential Section.

(33) In the event that any Residential Unit is used for home occupation purposes which are permitted by Law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

(34) Unless expressly authorized by the Residential Committee in each case, at least 80% of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms and closets) must be covered with rugs, carpeting or equally effective noise-reducing material.

(35) There will be no barbecuing in the Residential Units, in their Limited Common Elements, or in the General Common Elements, except for those areas (if any) specifically designated for barbecuing by the Residential Committee.

(36) No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Terraces other than furniture of the kind usually maintained in outdoor areas. All personal property, furnishings, equipment and furniture left on the Terraces, or the Roof of the Building shall be anchored. No plantings, structures or installations may be placed on the Terraces without the prior written approval of the Condominium Board.

(37) The Residential Committee reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Residential Section when, in the reasonable judgment of the Residential Committee, the Residential Committee deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Residential Section, or the preservation of good order therein, or the operation or maintenance of the Residential Section, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Residential Section. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Residential Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Residential Unit Owner or other occupant.

(38) No children may be left unattended in any Common Element of the Building, including but not limited to the hallways and lobby. Any children under the age of fourteen (14) must be accompanied by an adult in the gym and other residential amenities.

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

EXHIBIT "10"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS

July 12, 2018

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street, 21st Floor
New York, NY 10005

Re: 540 West 21st Street Condominium
540 West 21st Street, New York, New York 10011

The undersigned hereby certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of article 23-A of the General Business Law, the regulations promulgated by the Department of Law in 13 NYCRR 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 I/we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

540 WEST 21ST STREET HOLDINGS LLC

By: _____
Name:
Title:

SPONSOR'S PRINCIPALS

_____
Uri Chaitchik

_____
Noam Teltch

SPONSOR:

540 WEST 21ST STREET HOLDINGS LLC

By: _____
Name:
Title:

SPONSOR'S PRINCIPALS

_____
Uri Chaitchik

_____
Noam Teltch

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ___ day in _____ the year 2018 before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ___ day in _____ the year 2018 before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 12 day in July the year 2018 before me personally appeared Noam Teitelbaum, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

_____
Notary Public

PENELOPE HENRIQUEZ
Notary Public - State of New York
NO. 01HE6309733
Qualified in Queens County
My Commission Expires Aug 18, 2018

EXHIBIT "11"

CERTIFICATION OF SPONSOR'S ARCHITECT

CERTIFICATION BY ARCHITECT

February 13, 2019

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street, 21st Floor
New York, NY 10005

Re: 540 West 21st Street Condominium
540 West 21st Street, New York, New York

Gentlemen:

The sponsor of the condominium offering plan retained our firm to prepare a report describing the construction of the property (the "Report"). We have reviewed the building plans and specifications that were prepared by our firm and dated October 19, 2018, and prepared the Report dated February 13, 2019, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

We are a registered architect 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 they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond the reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representations or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Very truly yours,

By: _____
Name: Nickolas Zigomanis
Title: Principal

Sworn to before me this 14th
day of February, 2019

Notary Public

Brianne Dempsey
Notary Public, State of New York
No. 01DE6354113
Qualified in Kings County
Commission Expires February 6, 2021

EXHIBIT "12"

CERTIFICATION OF SPONSOR'S BUDGET EXPERT

FirstService
RESIDENTIAL

CERTIFICATION BY EXPERT AS TO ADEQUACY OF CONDOMINIUM BUDGET

July 16, 2018

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

Re: Condominium Offering Plan
540 West 21st Street Condominium
540 West 21st Street
New York, New York 10011

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B ("Schedule") containing projections of income and expenses for the first year of condominium operation. The firm has been engaged in the management of over 250 condominium, cooperative and residential rental properties over the course of the past twenty-five (25) years.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedules.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) do not omit any material fact;

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(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income or expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

FIRSTSERVICE RESIDENTIAL NEW YORK, INC.

By: _____

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

Sworn to before me this
1st day of July, 2018

_____
Notary Public

DAREN L. CRENSHAW
NOTARY PUBLIC-STATE OF NEW YORK
No. 01CR6079515
Qualified in New York County
My Commission Expires August 26, 2018

FirstService
RESIDENTIAL

EXHIBIT "13"

CERTIFICATION OF SPONSOR'S EXPERT

CONCERNING ADEQUACY OF NON-RESIDENTIAL COMMON CHARGES

FirstService
RESIDENTIAL

PART 23: CERTIFICATION BY EXPERT CONCERNING ADEQUACY OF
COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS

July 16, 2018

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

Re: Condominium Offering Plan
540 West 21st Street Condominium
540 West 21st Street
New York, New York 10011

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B which includes projections of common charges payable by the owners of the commercial units. Our experience in this field includes the management of over 250 cooperatives, condominiums and residential rental properties over the course of 25 years, many of which contain commercial properties.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 23 insofar as they are applicable to the commercial units listed in Schedule B.

We have reviewed Schedule B as it impacts upon the commercial units and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B for the common charges payable by the owners of the commercial units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial units also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owners of the commercial units:

(i) sets forth in detail the projected common charges for the commercial units for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial units;

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(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial units for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

FirstService Residential New York, Inc.

By: _____

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

Sworn to before me this
16th day of July, 2018

_____
Notary Public

DAREN L. CRENSHAW
NOTARY PUBLIC-STATE OF NEW YORK
No. 01CR6079515
Qualified in New York County
My Commission Expires August 26, 2018

FirstService
RESIDENTIAL

EXHIBIT "14"

STORAGE BIN LICENSE PURCHASE AGREEMENT

STORAGE BIN LICENSE
PURCHASE AGREEMENT

This Storage Bin Purchase Agreement (this "Agreement") is made as of _____, 20___, between Sponsor and Purchaser.

Re: Unit No. ___("Unit")
540 West 21st Street Condominium (the "Condominium")
540 West 21st Street
New York, NY 10016

1. (a) Sponsor agrees to sell and grant, and Purchaser agrees to purchase the right to use a storage bin for a Purchase Price of $_____. At Closing, Sponsor shall designate, in its sole discretion, the storage bin which will be subject to such License(s). The License to use the storage bin shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan.

Choose (b) or (c) (*delete whichever is inapplicable*)

(b) Upon execution of this Agreement, Purchaser has delivered a check to Sponsor (subject to collection) in an amount $_____ (an amount that equals at least 15% of the purchase price) representing the initial deposit due in connection with the purchase of the Storage Bin License and an additional deposit in the amount of $_____ (an amount that equals 10% of the purchase price) shall be due concurrently with the payment of the Additional Option Payment pursuant to the Purchase Agreement for the Unit.

-or-

(c) Within 15 days of receipt of notice that Sponsor has met the threshold percentages set forth in the Plan or upon closing of the Unit, whichever is earlier, Purchaser shall deliver to Sponsor a check (subject to collection) in the amount of $_____ representing the Deposit due in connection with the purchase of the Storage Bin License.

2. If there is a fire or other casualty to the area in which the Storage Bin is located and Sponsor does not elect to repair or restore such area(s) following such fire or casualty, then this Agreement shall be deemed modified to provide for the closing of title with respect to the Unit and any other unaffected License(s) only.

3. A default by Purchaser under this Agreement shall constitute a default under the Purchase Agreement for the Unit and any other default by Purchaser under the Purchase Agreement for the Unit shall constitute a default under this Agreement entitling Sponsor to those remedies as more fully described in the Purchase Agreement and the Plan. Notwithstanding an earlier closing of title with respect to the Unit, the provisions of the Purchase Agreement with respect to the delivery of the License shall survive.

4. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Agreement is annexed or in the Plan.

5. In the event of any inconsistency between the provisions of this Agreement and those contained in the Purchase Agreement to which this Agreement is annexed, the provisions of this Agreement shall govern and be binding.

6. Except as set forth in this Agreement, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written hereinbelow.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

540 WEST 21ST STREET HOLDINGS LLC

By: _____
Name: _____
Title: _____

EXHIBIT "15"

STORAGE BIN LICENSE AGREEMENT

STORAGE BIN LICENSE AGREEMENT

AGREEMENT made this ____ day of _____, 20___ (this "Agreement") by and between 540 WEST 21ST STREET HOLDINGS LLC ("Sponsor"), having an address at c/o Casco Real Estate Development, 534 West 21st Street, New York, New York 10011, and the Board of Managers of 540 West 21st Street Condominium ("Board", and collectively with Sponsor, "Licensor") and _____ having an address at _____ ("Licensee");

WHEREAS, the 540 West 21st Street Condominium, located at 540 West 21st Street, New York, New York ("Condominium"), is governed by a certain Declaration of Condominium dated _____, 20___, recorded in the New York County Office of the Register of the City of New York on _____, 20___ in Reel ___, as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the "Declaration", the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents); and

WHEREAS, in the Condominium there are certain areas designated as the Storage Areas (collectively "Licensed Areas"); and

WHEREAS, in these Licensed Areas, storage bins have been installed for use by permitted Unit Owners; and

WHEREAS, Licensee, owns or simultaneously herewith is acquiring a Unit in the Condominium; and

WHEREAS, Licensee desires the right to the exclusive use of the storage bin designated as _____ (the "Storage Bin") for so long as Licensee owns a Unit in the Condominium;

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, a license for the exclusive use of the Storage Bin ("License") at a monthly License Fee of $1.50 per square foot in the Storage Bin adjusted by increases in the Consumer Price Index since 2018 and reasonable, discretionary increases by the Board, and Licensee hereby accepts such License from the Sponsor for a term commencing on the date hereof.

2. The Storage Bin may only be used for storage purposes, in compliance with law. No articles or material which pose a threat to the health or safety of the Units Owners or the Building, or that cause noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in the Storage Bin. The Storage Bin cannot be owned independently of a Unit.

3. Licensee shall not (a) store any property outside of the Storage Bin or (b) allow any other person to use the License except in accordance with the terms hereof.

4. The License may be assigned by Licensee at any time provided that no outstanding money is owed to the Board and provided that the assignee: (i) is a Unit Owner at the Condominium, (ii) assumes the obligations hereunder in the form annexed hereto, and (iii) delivers notice of the assignment, in writing to the Residential Committee and Board in compliance with their requirements. The License shall automatically terminate at such time as the Licensee no longer owns a Unit in the Condominium unless this License is assigned to and assumed by another Unit Owner. In the event this License terminates without being assigned by the Licensee, the Residential Committee shall have the right to designate the successor licensee and retain any payment made for the License.

5. Licensee represents that it accepts the Storage Bin in its condition "as is" as of the date of this Agreement. Licensee shall throughout the term of this Agreement, take good care of and maintain the Storage Bin. All repairs and replacements to the Storage Bin shall be performed by the Board and the cost and expense thereof shall be borne by the Licensee as a special assessment pursuant to the Condominium Documents.

6. Neither Sponsor nor the Condominium nor the Residential Committee nor their respective agents or employees shall be liable for any theft or damage to any property stored in the Storage Bin.

7. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

8. If Licensee defaults in its obligations hereunder or under the Condominium Documents, Condominium may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of Storage Bin until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee.

9. Licensor or its agents shall have the right (but not the obligation) to open the Storage Bin in an emergency at any time, and, at the other reasonable times upon prior notice to Licensee, to inspect and examine the Storage Bin and to make such repairs, replacements and improvements as the Condominium shall deem necessary.

10. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of the Storage Bin or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Condominium or the Licensor and the Licensee with respect to this Agreement.

11. Licensee shall indemnify and hold the Condominium, the Sponsor of the Condominium, the Board and their officers, agents and employees, harmless from and against any and all liabilities, claims, penalties, and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in

connection with any act, omission, or negligence of Licensee or Licensee's family, servants, employees, agents, guests and invitees in connection with the License.

12. Licensee shall be obligated to reimburse the Condominium and the Licensor for any legal fees and disbursements incurred by the Condominium or the Licensor in defending the rights of the Condominium or Licensor under this Agreement, or, in the event Licensee defaults under this Agreement beyond any applicable grace period, enforcing Licensee's obligations hereunder.

13. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

14. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

15. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

16. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to conform or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

17. Any failure by the Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and the Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

SPONSOR:
540 WEST 21ST STREET HOLDINGS LLC

By:_____
Name:_____
Title:_____

LICENSEE:

By:_____

CONDOMINIUM BOARD:

By: _____
Name:_____
Title:_____

EXHIBIT "16"

PARKING SPACE LICENSE PURCHASE AGREEMENT

PARKING SPACE LICENSE
PURCHASE AGREEMENT

This Parking Space License Purchase Agreement (this "Agreement") is made as of _____, 20___, between Sponsor and Purchaser.

Re: Unit No. ___("Unit")
540 West 21st Street Condominium
540 West 21st Street
New York, NY 10011

Garage at 551 West 21st Street
551 West 21st Street
New York, NY 10011

1. (a) Sponsor agrees to sell and grant, and Purchaser agrees to purchase the right to use the garage at 551 West 21st Street for the parking of one (1) vehicle for a Purchase Price of $_____. At Closing, Purchaser will execute an Assignment and Assumption of Parking Space License (the "Parking License") to use the garage. The garage will not be a self-park garage and the Parking License is not attributable to any particular parking. The Parking License shall be substantially in the form set forth in Part II of the Plan.

Choose (b) or (c) (*delete whichever is inapplicable*)

(b) Upon execution of this Agreement, Purchaser has delivered a check to Sponsor (subject to collection) in an amount $_____ (an amount that equals at least 15% of the purchase price) representing the initial deposit due in connection with the purchase of the Parking License and an additional deposit in the amount of $_____ (an amount that equals 10% of the purchase price) concurrently with the payment of the Additional Option Payment due under the Purchase Agreement for the Unit.

-or-

(c) Within 15 days of receipt of notice that Sponsor has met the threshold percentages set forth in the Plan or upon closing of the Unit, whichever is earlier, Purchaser shall deliver to Sponsor a check (subject to collection) in the amount of $_____ representing the Deposit due in connection with the purchase of the Parking License.

2. An adjustment shall be made as of midnight of the day preceding the Closing Date with respect to the monthly license fee and assessments for the month in which the Parking License is issued.

3. If there is a fire or other casualty in the garage at 551 West 21st Street and the sponsor of the offering plan for 551 West 21st Street Condominium does not elect to repair or restore such area(s) following such fire or casualty, then this Agreement shall be deemed

modified to provide for the closing of title with respect to the Unit and any other unaffected License(s) only.

4. A default by Purchaser under this Agreement shall constitute a default under the Purchase Agreement for the Unit and any other default by Purchaser under the Purchase Agreement for the Unit shall constitute a default under this Agreement entitling Sponsor to those remedies as more fully described in the Purchase Agreement and the Plan. Notwithstanding an earlier closing of title with respect to the Unit, the provisions of the Purchase Agreement with respect to the delivery of the License shall survive.

5. Purchaser acknowledges and agrees that the License is being sold as is and where is. Sponsor makes no representation or warranty with regard to the License or the garage at 551 West 21st Street Condominium.

6. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Agreement is annexed or in the Plan.

7. In the event of any inconsistency between the provisions of this Agreement and those contained in the Purchase Agreement to which this Agreement is annexed, the provisions of this Agreement shall govern and be binding.

8. Except as set forth in this Agreement, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written herein below.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

540 WEST 21ST STREET HOLDINGS LLC

By: _____
Name:
Title:

EXHIBIT "17"

ASSIGNMENT AND ASSUMPTION OF PARKING SPACE LICENSE

ASSIGNMENT AND ASSUMPTION OF PARKING SPACE LICENSE

THIS ASSIGNMENT AND ASSUMPTION OF PARKING SPACE LICENSE ("Assignment") made as of the _____ day of _____ ("Effective Date") by and between 540 West 21st Street Holdings, LLC ("Assignor"), having an address at c/o Casco Real Estate Development, 534 West 21st Street, New York, New York 10011 and _____ ("Assignee"), having an address at _____.

WITNESSETH:

WHEREAS, Assignor executed a certain Parking Space License dated July 18, 2017 ("Parking Space License"), in which 551 West 21st Street Owner, LLC ("Sponsor") and the Condominium Board of 551 West 21st Street Condominium (together with Sponsor, the "Licensor") granted to Assignor an irrevocable license for the use of one (1) parking space in the parking garage located in the building known as the 551 West 21st Street Condominium ("Building") located at 551 West 21st Street, New York, NY, in accordance with the terms of the Condominium Offering Plan for the Building, as amended ("Plan"); and

WHEREAS, Assignor desires to assign to Assignee all of Assignor's right, title and interest in and to the Parking Space License; and

WHEREAS, Assignee desires to assume all of the obligations and responsibilities of Assignor in and to the Parking Space License; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment and Assumption of this Parking Space License.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the parties hereto agree as follows:

18. ASSIGNMENT: Assignor hereby assigns to Assignee, from and after the date hereof, all of Assignor's right, title and interest in and to the Parking Space License, a copy of which is attached as Exhibit A hereto and made a part hereof.

19. ASSUMPTION: Assignee hereby assumes all of the obligations, promises, covenants and responsibilities of Assignor in and to the Parking Space License arising on or after the Effective Date.

20. INDEMNITY: Assignor hereby agrees to indemnify and hold Licensor harmless from and against any and all claims made in connection with the Parking Space License applicable to the period of time prior to the Effective Date.

21. AUTHORIZATION AND DIRECTION: Assignor and Assignee hereby authorize and direct the Condominium to have the books and records of the Condominium reflect that Assignee is the owner of the Parking Space License.

22. EFFECTIVE DATE: This Assignment shall not be deemed effective unless and until signed by each of the parties hereto and provided the parties have complied with the terms of Paragraph 7 of the Parking Space License.

23. DEFINED TERMS: All terms not defined herein shall have the meanings ascribed to them in the Plan.

24. GOVERNING LAW: This Assignment and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of New York.

25. COUNTERPARTS: This Assignment may be executed in two or more counterpart copies, all of which counterparts shall have the same force and effect as if all parties hereto had executed a single copy of this Assignment.

26. HEADINGS: The captions and headings herein are for convenience and reference only and in no way define or limit the scope or content of this Assignment or in any way affect its provisions.

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment and Assumption of Parking Space License on the day and year first above written.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURE PAGE TO ASSIGNMENT AND ASSUMPTION]

540 WEST 21ST STREET HOLDINGS, LLC:

_____
(signature)

ASSIGNEE:

_____
(signature)

Exhibit A

PARKING SPACE LICENSE

AGREEMENT made as of JUL 18 2017 ("Agreement") by and among 551 West 21st Street Owner, LLC, having an office at 375 Park Avenue, Suite 1504, New York, New York 10022 ("Sponsor"), and the Condominium Board of the 551 West 21st Street Condominium on behalf of all Unit Owners, having an address at 551 West 21st Street, New York, New York 10011 ("Condominium Board") (Sponsor and the Condominium Board are sometimes collectively referred to as "Licensor") and 540 West 21st Street Holdings LLC, having an address at c/o Bryan Cave LLP, 1290 Avenue of the Americas, New York, New York 10104 ("Licensee").

W I T N E S S E T H :

WHEREAS, the 551 West 21st Street Condominium ("Condominium") is governed by a certain Declaration of Condominium recorded in the Office of the Register of the City of New York, County of New York, as the same has been or may be amended from time to time ("Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time ("By-Laws") and the Rules and Regulations of the Condominium, as the same has been or may be amended from time to time ("Rules and Regulations") (the Declaration, By-Laws and the Rules and Regulations are collectively referred to as the "Condominium Documents"); and

WHEREAS, the Condominium covers that certain real property located at 551 West 21st Street, New York, New York 10011 ("Property"); and

WHEREAS, parking spaces ("Parking Spaces") are located in the Garage Unit (as defined in the Declaration) located on cellar and first floors of the building located at the Property with an entrance on 21st Street ("Parking Garage"); and

WHEREAS, the Condominium owns the Garage Unit and the Condominium Board granted Sponsor the exclusive right to sell, without charge, licenses to use the Parking Spaces, and the Condominium will not be entitled to any of the proceeds from such sale; and

WHEREAS, Licensee desires to obtain the right to use the Parking Garage for the parking of one (1) vehicle pursuant to this Agreement.

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, an irrevocable license in perpetuity for the use of a Parking Space in the Parking Garage ("Parking Space License") and Licensee hereby accepts such Parking Space License from Licensor for a term commencing on the date hereof and continuing in perpetuity unless otherwise terminated pursuant to the terms herein. The Parking Garage will not be a self-park garage and vehicles will be parked by the staff of the company engaged by the Condominium to operate the Parking Garage. Therefore, this Parking Space License is not attributable to any particular Parking Space but rather entitles Licensee the right to use the Parking Garage for the parking of one (1) vehicle. No representation or guaranty of the availability of any particular parking space is made.

2. Licensee shall pay its pro-rata share (i.e., 1/53rd) of the projected costs incurred by the Condominium attributable to the operation of the Parking Garage (e.g., real estate taxes, labor, electricity, insurance, management fee, cleaning, maintenance and other associated costs, collectively the "Parking

Garage Operating Costs"). Such pro-rata share shall be billed to the Licensee by the Condominium. Failure to pay such Parking Garage Operating Costs shall be deemed a default under this License Agreement. As of the date hereof, the monthly Parking Garage Operating Costs for all Parking Spaces is $6,504.20 in the aggregate, and all Parking Garage Operating Costs have been paid to date and there are no such amounts outstanding.

3. The Parking Spaces may be used for the parking of passenger automobiles and motorcycles only. The Parking Spaces and the Parking Garage will not be serviced by an emergency generator. Neither Sponsor nor the Condominium Board shall be responsible for any damage caused by power outages, temperature fluctuations, or other causes (whether by mechanical or as a consequence of natural causes). Any damage and/or inability to access the Parking Garage will be at the sole cost and risk of Licensee.

4. Licensee acknowledges that any person or entity may own a Parking Space License without also owning a Residential Unit (as defined in the Declaration).

5. The right to use a Parking Space may be sub-licensed by Licensee; provided, however Licensee acknowledges that except for Sponsor, Parking Spaces may not be licensed on an hourly, daily or similar short term or transient basis for a term of not less than thirty (30) days; provided, further, that Licensee may sub-license the Parking Space for a term of less than thirty (30) days in connection with any Sponsor-controlled short-term rental program.

6. Licensee shall not allow any other Person to use the Parking Space except in accordance with the terms hereof and pursuant to any Sponsor-controlled short-term rental program.

7. This Agreement may be assigned by Licensee at any time provided the assignee (i) assumes the obligations hereunder in the form annexed hereto, (ii) notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements as the same may be modified from time to time, and (iiii) no outstanding monies are owed to the Condominium by Licensee and/or assignee.

8. Neither Licensor nor Licensor's agents or employees shall be liable for any theft or damage to any property stored in Licensee's vehicle.

9. Licensor hereby covenants and agrees that it shall not issue or cause to be issued Parking Space Licenses in a number greater than the number of vehicles permitted by law to be parked in the Parking Garage.

10. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

11. If Licensee defaults in its obligations hereunder or under the Condominium Documents, the Condominium Board shall provide written notice to Licensee of such default, and Licensee shall have 30 days to cure such default after receipt of written notice TIME BEING OF THE ESSENCE. If Licensee fails to cure such default within 30 days after written notice, the Condominium Board may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of the Parking Space until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee. Upon termination, the Condominium Board shall have the right to sell a new license for such Parking Space as though this Agreement had never been made, and without any obligation to account to the Licensee for any of the proceeds of such sale or rental.

12. This Agreement shall constitute a license only and shall not be construed under any circumstances to be a sale of the Parking Space or conveyance of title thereto. In no event shall a

landlord/tenant relationship exist between Licensor and Licensee with respect to the Parking Space License or this Agreement.

13. Licensee shall indemnify and hold Licensor and their respective officers, directors, shareholders, unit owners, members, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including legal fees and expenses, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family members, servants, employees, agents, guests and invitees in connection with this Agreement.

14. To the extent any liability, claim, penalty or judgment is not covered by insurance, Licensee acknowledges that all Parking Space Licensees shall jointly and severally, to the extent of their respective interests in the Parking Garage hold Licensor and their respective officers, directors, shareholders, unit owners, members, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including legal fees and expenses, asserted against or sustained by any of them in connection with the operation of the Parking Garage.

15. Licensee shall be obligated at its sole cost and expense to obtain and maintain insurance covering Licensee's vehicle and the property stored in Licensee's vehicle.

16. In the event of any litigation or adversarial proceeding arising from or related to this Agreement, whether arising between Licensor and Licensee, the party prevailing on at least one or more claims shall be entitled to recover from the non-prevailing party all reasonable costs incurred in prosecuting or defending those claims, including court costs and disbursements, attorneys' fees, and all other related expenses incurred in such litigation or proceeding. In the event of a non-adjudicative settlement of litigation between the parties or a resolution of a dispute by arbitration or mediation, the term "prevailing party" shall be determined by that process.

17. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

18. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

19. Upon written request by Licensee, Licensor shall promptly provide to Licensee a statement of the then-current monthly Parking Garage Operating Costs and any unpaid amounts due to Licensor for the Parking Space License in accordance with Section 6.3 of the By-Laws.

20. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

21. 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.

22. Any failure by Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

23. The Condominium Board has the authority to promulgate additional rules regarding the use of, insurance coverage for, and access to, the Parking Spaces and the Parking Garage. A Licensee may transfer or surrender the Parking Space License to the Condominium Board which shall be authorized to reissue such Parking Space License to another licensee for such consideration as the Condominium Board shall deem appropriate.

24. Upon request by Licensee or any of its successors or assigns, Licensor shall execute and deliver a new Parking Space License in the same form as, and on the same terms set forth in this Agreement, reflecting the name of the then current Licensee except with respect to Licensee's right to sublicense the Parking Space for a term of less than thirty (30) days in connection with any Sponsor-controlled short-term rental program as set forth in Paragraph 5.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURES PAGE TO LICENSE AGREEMENT]

IN WITNESS WHEREOF, the undersigned have executed this Parking Space License as of the day and year first above written.

Agreed to and Acknowledged by:

LICENSOR:

551 WEST 21ST STREET CONDOMINIUM

By: Jacqueline Dechongkit
Name: Jacqueline Dechongkit
Title: Vice President

LICENSEE:

540 WEST 21st STREET HOLDINGS LLC

By: _____
Name:
Title:

SPONSOR:

551 WEST 21ST STREET OWNER LLC

By _____
Name: Scott N. Resnick
Title: Authorized Signatory

[SIGNATURES PAGE TO LICENSE AGREEMENT]

IN WITNESS WHEREOF, the undersigned have executed this Parking Space License as of the day and year first above written.

Agreed to and Acknowledged by:

LICENSOR:

551 WEST 21ST STREET CONDOMINIUM

By: _____
Name:
Title:

LICENSEE:

540 WEST 21st STREET HOLDINGS LLC

By: _____
Name: Noam Teitch
Title: Authorized Signatory

SPONSOR:

551 WEST 21ST STREET OWNER LLC

By _____
Name: Scott N. Resnick
Title: Authorized Signatory