

**CONDOMINIUM OFFERING PLAN
FOR SALE OF RESIDENTIAL UNITS**

IN

“99 MORNINGSIDE”

A Condominium Located at

**375 West 123rd Street (a/k/a 101-103 Morningside Avenue)
New York, New York 10027
New York County**

23 Residential Units*	\$ 44,009,000.00
Total Purchase Price of Offering.....	\$ 44,009,000.00
Reserve Fund/Working Capital Fund**	\$ 0.00

* The Condominium includes 1 Community Facility Unit which shall be transferred to St. Lukes Baptist Church as discussed in greater detail in the Offering Plan. The Community Facility Unit includes one (1) Class A apartment located on the 2nd Floor of the Building.

** See the section of the Plan titled, “Working Capital Fund and Reserve Fund.”

Name and Address of Sponsor:

**99 MORNINGSIDE LLC
40 Fulton Street, 12th Floor
New York, New York 10038**

Name and Address of Selling Agent:

**Halstead Property Development LLC
831 Broadway
New York, New York 10003**

Date of Acceptance for Filing: _____, 20__. This Offering Plan May Not Be Used After _____, 20__ Unless Extended By An Amendment to the Offering 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.

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

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

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SPECIAL RISKS

1. It is noted that although all Residential Units are being offered pursuant to the Offering Plan, Sponsor has reserved the right to lease Residential Units to tenants after Consummation of the Plan. In such an event, Sponsor shall amend the Plan, accordingly, if such Units are offered subject to such tenancies.

Although Sponsor shall make a good faith effort to sell the Residential Units to purchasers who will occupy their Units as their personal residences ("owner-occupants"), prospective purchasers should be aware that the decision to sell or rent any Unit shall be made by the Sponsor based upon its evaluation of market conditions and its own financial considerations and shall be in the sole discretion of the Sponsor. In the event that Unsold Units are not offered for sale, after Consummation of the Plan, they may be rented at such rents as the Sponsor determines and market conditions allow. Prospective purchasers should also be aware that if the Unsold Units are subsequently rented, such decision by Sponsor may have an impact on the types of financing available to purchasers, the cost of such financing, and even, perhaps, on the availability of financing. The policy of banks may vary and may involve restrictions in the types and varieties of loan terms available (such as the percentage of financing offered; fixed/variable; term of loan; verification requirements; etc.) to possible unwillingness to provide any financing. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold shares still owns a substantial ownership interest, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor 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. Prospective purchasers are advised to consult with their intended lenders/mortgage brokers with regard to the percentage of units which may be held as Unsold Units, and the lender's policies with regard to same, prior to entering into a contract to purchase a Unit. The decision of Sponsor to sell or rent Units may continue to apply indefinitely and may have an adverse impact on the ability of a Unit Owner to resell their Unit and/or the price which they are able to obtain for the Unit.

Additionally, because the Sponsor is not limiting the conditions under which it will rent rather than sell Units after Consummation of the Plan, there is no commitment on the Sponsor's part to sell more Units than four (4) Residential Units, which represents a minimum of at least fifteen percent (15%) of the Units necessary to declare the Offering Plan effective and as a result purchaser's for their own occupancy may never gain effective control of the Condominium. Owner-occupants and non-resident owners, such as Sponsor, may have inherent conflicts on the management of the Condominium because of their different reasons for owning a Unit i.e., purchase as a home as opposed to an investment. Further, pursuant to the terms of the Offering Plan and By-Laws of the Condominium, the Board of Managers has no right to approve or reject

the sale of a Unit to a prospective purchaser and therefore there is no limit as to the number of “investor” or “non-occupant owners” of Units in the Building. However, as set forth in Article III, Section 1(c) of the By-Laws of the Condominium which are set forth in Part II of the Offering Plan, subsequent to the date that the Sponsor, including any designee thereof, relinquishes control of the Board of Managers, all Board members, other than those members which the Sponsor or its designee have the right to appoint thereunder, must be owner-occupants of the Condominium who are not related to Sponsor or the principals of Sponsor. In the event that the number of owner-occupants of the Condominium is insufficient to establish a majority of the Board Members, then, in such event, pursuant to the By-Laws any owner-occupant shall be entitled to one (1) seat on the Board of Managers.

See the section of the Offering Plan titled “Introduction,” located in Part I of the Offering Plan for further details.

2. The project is being financed from Sponsor’s own funds and construction loan financing being provided by Bank Hapoalim B.M., (hereinafter the “Construction Lender”), having an office at 1120 Avenue of the Americas, New York, New York 10036. Pursuant to the terms of the Sponsor’s construction loan financing, provided Sponsor is not in default of any loan provision, the Sponsor shall have the right to sell the Units at offering prices that are not less than a minimum sales price determined by the loan documents. Sponsor represents that all of the offering prices as set forth in Schedule A set forth in Part I of the Offering Plan will be at or above the minimum sales prices required by the loan documents. Upon the payment by Sponsor of a release price for each Unit which shall be generated by the proceeds from each Unit closing until the loan is paid in full, the Construction Lender will agree to partially release the Unit closed from the lien of its construction loan. Additionally, pursuant to the loan documents, the Sponsor will not lease any portion of the Property without the consent of the Construction Lender. The Construction Loan is scheduled to mature on December 31, 2019. Sponsor is in the process of working out an extension of the construction loan with the Construction Lender. In the event that the Sponsor is unable to extend the construction loan, the Sponsor shall either repay or refinance the construction loan.

See the section of the Offering Plan titled “Introduction,” set forth in Part I, for further details.

3. Upon the earlier of (i) one hundred twenty (120) days after the closing of title to Units whose aggregate Common Interest exceeds ninety percent (90%) of the Common Interest allocated to all the Units; or (ii) five (5) years from the First Unit Closing, Sponsor, including any designee thereof, will relinquish control of the Board of Managers if it has such control (thus ending “Sponsor’s Initial Control Period”) and will not elect a majority of its nominees for positions on the Board of Managers, even though its total percentage of Common Interest may otherwise enable it to do so. Accordingly, it is possible that Sponsor and/or its designee(s) may control the Board of Managers for as long as five (5) years from the date of the First Unit Closing. See the section of the Offering Plan titled “Control By Sponsor,” set forth in Part I, for further details.

4. As long as the Sponsor or any Sponsor-designee shall continue to own twenty-five percent (25%) of the Common Interest allocated to the Units, but in no event for a period in excess of five

(5) years from the date of the First Unit Closing, the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B of the Offering Plan for the Property to the extent that the aggregate amount of such fund does not exceed four percent (4.00%) of the budgeted expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient) or (iv) increase the number or change the type of employees from that described in Schedule B of the Offering Plan or (v) provide for new or additional services from those indicated in Schedule B of the Offering Plan, unless the annual cost of all other services being provided is no greater than the total cost of those provided for in Schedule B. However, notwithstanding these restrictions, the Sponsor or Sponsor-designee shall not exercise veto power over the making of capital repairs to the Common Elements or assessment of any Common Charge for expenses required to comply with applicable law or regulation, to remedy any notice of violation or to remedy any work ordered by an insurer, or have any veto power over expenses described in Schedule B. See the section of the Offering Plan titled, "Control By Sponsor," set forth in Part I, for further details.

5. Purchasers will be required to make a downpayment upon execution of a Purchase Agreement in an amount equal to 10% of the purchase price, and within 120 days after receipt of the executed Purchase Agreement from Sponsor or upon the Plan being declared effective, whichever is earlier, an additional downpayment equal to 5% of the purchase price. It is a special risk of this Offering Plan that Purchasers are required to deposit in escrow with Sponsor's attorneys, an aggregate downpayment of 15% of the purchase price. Notwithstanding the foregoing, if a 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), such Purchaser will be required to make an initial Down Payment equal to fifty percent (50%) of the applicable purchase price, and will not be required to make an Additional Down Payment. The requirement of this fifty percent (50%) Down Payment is also a special risk of the Offering Plan.

If Purchaser defaults under the Purchase Agreement, Sponsor shall notify Purchaser in writing of such default and advise Purchaser that he has thirty (30) days from the mailing date or thirty (30) days after personal delivery of such notice within which to cure such default. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE APPLICABLE PERIOD. "Time is of the essence" means that if such default is not cured within thirty (30) days from the mailing date or thirty (30) days after personal delivery of such written notice, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement. If Sponsor elects to cancel the Purchase Agreement, Sponsor shall notify Purchaser in writing of said cancellation and the monies held by the Escrow Agent, but not more than fifteen percent (15%), or if applicable fifty percent (50%) of the Purchase Price, and any other amounts paid by the Purchaser for any special or custom work actually expended, plus any interest earned thereon, shall be paid over to the Sponsor as and for liquidated damages and thereafter the

Purchase Agreement shall become null and void. Notwithstanding the above, Sponsor may receive the actual costs incurred for any special custom work ordered by Purchaser as a part of its liquidated damages even though the total amount of liquidated damages thereby exceeds fifteen percent (15%), or if applicable fifty percent (50%) of the Purchase Price. Sponsor hereby waives any right to seek specific performance in the event of a default by Purchaser.

If, through no fault of Sponsor, Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date and Sponsor does not have the right to, or elects not to, cancel this Agreement as a result of the same, (a) the adjustment for real estate taxes and Common Charges 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.

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in successfully defending Sponsor's rights under the Purchase Agreement, or in the event Purchaser defaults under the Purchase Agreement beyond any applicable grace period, in canceling the Purchase Agreement or otherwise successfully enforcing either Seller's rights or Purchaser's obligations thereunder. See the section of the Offering Plan titled, "Procedure to Purchase," set forth in Part I, for further details.

6. Pursuant to the Offering Plan, one of Purchaser's costs of closing title to his or her Unit shall be the payment of the cost of fee title insurance which, if requested by Purchaser, Sponsor shall order on Purchaser's behalf from First American Title Insurance Company, provided Purchaser elects to obtain title insurance. However, notwithstanding anything herein to the contrary, Purchaser may elect to obtain title insurance and/or a title report from any other reputable title insurance company and/or abstract company authorized to do business in the State of New York without incurring any additional costs or penalties from Sponsor. See the section of the Offering Plan titled, "Unit Closing Costs and Adjustments," set forth in Part I, for further details.

Purchasers are required to accept such title as a reputable title or abstract company authorized to do business in the State of New York will provide, approve and insure at its regular rates and without additional premium, provided that the only liens, encumbrances and conditions affecting title shall be Permitted Encumbrances, as described in the "Terms of Sale" section of this Plan. Therefore, Sponsor is not obligated to cause the title company that Purchaser chooses to omit any exception to title if another reputable title or abstract company that is authorized to do business in the State of New York is willing to insure Purchaser's title without any such exception, at its regular rates and without additional premium, by either (i) omitting same from Purchaser's title

insurance policy or (ii) insuring against collection from the Unit. See the section of the Offering Plan titled, "Unit Closing Costs and Adjustments," set forth in Part I, for further details.

7. No bond or other security has been furnished to secure the performance of the Sponsor's obligations. Although at the time the Offering Plan is accepted for filing the Sponsor will be financially capable of performing Sponsor's obligations, the subsequent ability of the Sponsor to perform its obligations will depend upon Sponsor's financial condition at that time. In the event that Sponsor is unable to perform its obligations pursuant to the Offering Plan, Sponsor shall cease all sales activity and amend the Offering Plan to disclose its current financial condition. The amendment will also provide that Purchasers, who are not then in default, will be given, for a period of fifteen (15) days after the presentation of the amendment, a right to rescind their Purchase Agreement by written notice to Sponsor and be refunded, except as provided for in the Plan, all monies paid thereunder, with any interest earned thereon. However, such rescission, as to a Purchaser who first became an occupant of the Building pursuant to a Purchase Agreement, will be conditioned on the cancellation of any interim use and occupancy agreement and surrender of possession of his Residential Unit within fifteen (15) days thereafter. For a further discussion please consult the section of the Offering Plan located in Part I, titled "Rights and Obligations of Sponsor".

8. As set forth in the section of the Offering Plan titled "Procedure to Purchase," although a Purchaser may obtain financing from a lending institution or any other source, his or her obligation to purchase a Unit pursuant to the Purchase Agreement shall not be contingent on obtaining financing for such purchase. Neither the Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to finalize their financing arrangements before signing a Purchase 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 of title to the Unit. The failure of a Purchaser to obtain financing will not relieve a Purchaser from his or her obligations under the Purchase Agreement to pay the balance of the Purchase Price when due and, furthermore, if payment is not made when due, including the applicable grace period, the Down Payment may be forfeited.

In general, see the section of the Offering Plan located in Part I, titled "Procedure to Purchase," for further details.

9. Once issued, the Certificate of Occupancy for the Building shall provide that the Community Facility Unit located on portions of the cellar, first, second and third floor levels of the Building shall be used as a Church and meeting rooms, chapels, classrooms and a residential apartment located on the second floor of the Building used in connection therewith, or for any lawful purpose under the Zoning Resolution of the City of New York, as amended ("Zoning Resolution").

Upon the recordation of Condominium Declaration and the First Unit Closing, the Community Facility Unit shall be conveyed to St. Lukes Baptist Church pursuant to the purchase and sale agreement which was assigned and assumed by Sponsor.

The Community Facility Unit may be used for Community Facility purposes, including, but not limited to, as a house of worship and related facilities, and residential use with respect to the portion of the Community Facility Unit comprised of a class A residential apartment located on the second floor of the Building, or for any other lawful purpose. The Board of Managers does not have the right to approve or change the use of the Community Facility Unit, or any part thereof, or to apply for or cause any amendment to the Building's Certificate of Occupancy to authorize a different use, except at the request or direction of, or the Community Facility Unit Owner, as applicable. Notwithstanding anything herein to the contrary, the non-residential portion of Community Facility Unit may not be converted to residential use without the prior approval of the Board of Managers. The predominant use of this Building is residential and such use will be located on portions of the first, second, and third floors and from the fourth floor and above.

The Community Facility Unit may be physically altered and/or subdivided by the Community Facility Unit Owner to accommodate more than one (1) rental tenant and, as stated above may be used for any permitted use under the Zoning Resolution. However, although the Community Facility Unit Owner has the right to change the use of the Community Facility Unit, any other permitted use of the Community Facility Unit must comply with the certificate of occupancy for the Building as it currently exists or as amended by Sponsor or Sponsor's designee or the Community Facility Unit Owner, and the Declaration and By-Laws of the Condominium. However, the right of the Community Facility Unit Owner to change the use of the Community Facility Unit may result in a greater number of people entering and leaving the ground floor level of the Building, a higher volume of noise and/or hours of usage and other possible adverse effects on the Building resulting from the use of the Community Facility Unit. Accordingly, it is possible that a change of usage could have an adverse impact on other Condominium Unit Owners. Any installation, subdivision or other change to the Community Facility Unit performed by Sponsor, Sponsor's designee, its affiliate or a Successor Sponsor shall be disclosed in a duly filed amendment to the Offering Plan. Any subdivision of the Community Facility Unit which creates additional tax lots shall not change the percentage common interest of any other Unit nor will the aggregate percentage Common Interest for the new Units be greater than the percentage Common Interest for the original Community Facility Unit.

As noted above, the Community Facility Unit will be conveyed to the St. Lukes Baptist Church and is intended to be owned by and operated as a church and related facilities. Sponsor notes that due to the Community Facility Unit being utilized as a church and related facilities an excessive amount of noise may emanate from the Community Facility Unit, especially during church services. Further, Sponsor notes that the usage of the Community Facility Unit as a church may result in a large number of people entering and exiting the Community Facility Unit, however, Sponsor notes that the entrances to the Community Facility Unit are located on Morningside Avenue while the main entrances to the residential section of the Building is located on West 123rd Street.

The development of the mixed-use Building to be located on the Property is permitted pursuant to various sections of the Zoning Resolution, including but not limited to, Sections 23-32; 23-952; 23-45; 23-462; 23-47; 24-11; 35-11; 25-23; 25-241; 25-242; 25-811 and 25-83. Copies of these Sections are set forth in Part II of the Plan. The New York City Zoning Resolution can be accessed at the following: <https://www.nyc.gov/site/planning/zoning/access-text.page>.

See the section of the Offering Plan entitled “The Community Facility Unit,” set forth in Part I, for further details.

10. Pursuant to the terms of the Offering Plan and the Purchase Agreement contained in Part II, the Purchaser is required to pay as a closing cost the New York State Real Property Transfer Tax (“deed stamps”) and the New York City Real Property Transfer Tax (“NYCRPT”). In condominium transactions, either seller or the purchaser can pay these transfer taxes. The obligation is assumed by the purchaser if such obligation is imposed on the purchaser by the terms of the sale. New York State Real Estate Transfer Taxes (deed stamps) are currently at the rate of \$2.00 per each \$500.00 of consideration or part thereof, where such consideration is under \$3,000,000.00, and at the rate of \$3.25 per each \$500.00 where such consideration is \$3,000,000.00 or more. New York City Real Property Transfer Tax are currently equal to one percent (1%) of the purchase price with respect to the Residential Units which are sold for less than \$500,000.00 and 1.425% where the consideration is equal to or greater than \$500,000.00. For purposes of paying this tax with respect to this project, consideration also includes the amount of deed stamps and NYCRPT to be paid for the Unit. See the section of the Offering Plan located in Part I, titled “Unit Closing Costs and Adjustments,” for further details.

In the event that the taxing authority of the City of New York determines that the conveyance of more than one (1) condominium unit to the same Purchaser, is taxable at the “commercial transfer tax rates,” then, in such event, the transfer tax to be paid by Purchaser shall be 1.425% of the aggregate consideration, as discussed above, where the consideration is \$500,000.00 or less, and 2.625% of the aggregate consideration when the consideration is greater than \$500,000.00. In the event that the City of New York determines additional transfer taxes are due following an audit of any closed transactions, it shall be the Purchaser’s sole obligation, which shall survive the closing, to respond to and defend such audit and pay any additional tax imposed.

Under the State Tax law, Section 1402-a, a tax is payable by the grantee (Purchaser) on each conveyance of residential real property, including condominium units, which tax is equal to one percent (1%) of consideration (or part thereof attributable to the real property being conveyed) where the consideration for the entire conveyance is \$1,000,000.00-\$1,999,999.00; one and a quarter percent (1.25%) where the consideration for the entire conveyance is \$2,000,000.00-\$2,999,999.00; one and a half percent (1.50%) where the consideration for the entire conveyance is \$3,000,000.00-\$4,999,999.00; two and a quarter percent (2.25%) where the consideration for the entire conveyance is \$5,000,000.00-\$9,999,999.00; three and a quarter percent (3.25%) where the consideration for the entire conveyance is \$10,000,000.00-\$14,999,999.00; three and a half percent (3.50%) where the consideration for the entire conveyance is \$15,000,000.00-\$19,999,999.00; three and a three-quarters percent (3.75%) where the consideration for the entire conveyance is \$20,000,000.00-\$24,999,999.00; and three and a nine-tenths percent (3.90%) where the consideration for the entire conveyance is \$25,000,000.00 or more (the “Mansion Tax”). Residential real property includes a one (1) to three (3) family house, an individual condominium unit and a cooperative unit that is or may be used, in whole or in part, as a personal residence. The Mansion Tax, in its current form, applies to conveyances occurring on or after July 1, 2019 other than conveyances pursuant to binding written contracts entered into on or before April 1, 2019. If

applicable, a Purchaser under the terms of the Offering Plan shall be liable for payment of the Mansion Tax at the closing of title of the Unit being purchased. For purposes of paying this tax with respect to this project, consideration also includes the amount of New York City Transfer Tax and deed stamps to be paid for the Unit by Purchaser, as well as, Purchaser's payment of Sponsor's legal fees. See the section of the Offering Plan located in Part I, titled "Unit Closing Costs and Adjustments," for further details.

11. It is a special risk of this Offering Plan that 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 to Section 339-3ee(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), including, but not limited to Sponsor construction mortgage(s). Alternatively, in the event the mortgage recording tax credit pursuant to Section 339-ee (2) of the New York Condominium Act is unavailable, Sponsor, at its option, may arrange, in lieu of the mortgage recording tax credit, to have its current or future lenders, as the holders of the loans encumbering the Property (hereinafter "Sponsor's Mortgages"), assign to a Purchaser's lender, a portion of Sponsor's Mortgages, in an amount equal to the mortgage loan obtained by Purchaser (the "Mortgage Assignment"). If Sponsor chooses to have its lenders deliver a Mortgage Assignment to Purchaser's lender and Purchaser's lender is willing to accept such Mortgage Assignment then the Sponsor will pay the costs and fees charged by Purchaser's lender, and Purchaser's lender's attorneys, as well as all applicable recording charges to effect the contemplated assignment ("Mortgage Assignment Expenses"). If, at Sponsor's option, the Mortgage Assignment is effected, Purchaser shall, in lieu of paying mortgage recording tax to the State of New York, pay Sponsor, at Closing, an amount equal to the mortgage recording tax which would otherwise have been due by Purchaser ("Mortgage Recording Tax Reimbursement"). Sponsor also reserves the right to direct Purchaser to pay, from the Mortgage Recording Tax Reimbursement, the Mortgage Assignment Expenses. The Mortgage Assignment may require additional coordination between Sponsor's Lender, Purchaser's Lender, Sponsor and Purchaser and it may potentially delay the closing. In the event that the Closing is delayed as a result of the coordination of the Mortgage Assignment, the Purchaser shall not be liable for any adjournment fees. It is intended that Purchaser shall not be obligated to pay or incur any expense or sum of money that it would not have paid in the event the mortgage recording tax credit was available. See the section of the Offering Plan titled "Unit Closing Costs and Adjustments" for further details.

12. Pursuant to the terms of the Offering Plan, Sponsor may declare the Plan effective when a Purchase Agreement has been executed and accepted by Sponsor for the sale of four (4) Residential Units, which represents a minimum of at least fifteen percent (15%) of the Residential Units offered under the Plan. However, if after the Sponsor declares the Offering Plan effective, all Purchase Agreements are rescinded and/or terminated prior to the date of the First Unit Closing, the Sponsor shall re-declare the Offering Plan effective prior to closing on any Units.

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 Residential Units in a building or group of buildings be sold before a lender

will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulty obtaining a loan in a building or group of buildings where the Sponsor has not sold a substantial percentage of the Residential Units in the building or group of buildings, which in some cases may be as high as seventy percent (70%). Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original Sponsor has an ownership interest of ten percent (10%) or more. It also may be difficult for a Purchaser to resell a Residential Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions. See the sections of the Offering Plan titled, "Effective Date of Plan," and "Rights and Obligations of Sponsor," set forth in Part I, for further details.

13. Pursuant to the terms of the Offering Plan, the fifteen percent (15%) or fifty percent (50%) downpayment made by Purchaser upon execution of a Purchase Agreement may be increased by the cost of special custom work requested by the Purchaser which is agreed to by Sponsor in its sole discretion, and itemized in the Purchase Agreement. All funds received by Sponsor for such custom work will initially be placed in an escrow account. However, subsequent to Sponsor declaring the Plan effective, the escrowed funds for custom work may be released from the escrow account to Sponsor as long as Sponsor uses the additional escrowed funds for custom work actually performed. As a result, in the event a Purchaser is entitled to rescind his Purchase Agreement subsequent to the release of the additional escrowed funds, the Purchaser will not receive a refund of any such funds required for the actual costs incurred or due for any special custom work ordered by Purchaser. Notwithstanding anything herein to the contrary, if the Offering Plan is not consummated for any reason, Purchaser shall not lose any of the Down Payments, including any funds received by Sponsor for upgrades, extras and custom work.

If Sponsor elects to cancel the Purchase Agreement, Sponsor shall notify Purchaser in writing of said cancellation and the monies held by the Escrow Agent, but not more than fifteen percent (15%) or, if applicable, fifty percent (50%) of the total purchase price plus any interest earned thereon, shall be paid over to the Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void. Notwithstanding the above, Sponsor may receive the actual costs incurred for any special custom work ordered by Purchaser as a part of its liquidated damages even though the total amount of liquidated damages thereby exceeds fifteen percent (15%) or, if applicable, fifty percent (50%) of the total purchase price.

See the section of the Offering Plan located in Part I, titled "Procedure to Purchase," for further details.

14. In accordance with section 71-a(3) of the Lien Law the Sponsor has appointed the law firm of D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, 345 Seventh Avenue, 23rd Floor, New York, New York 10001, telephone number (212) 564-9800, to serve as the escrow agent ("Escrow Agent") for Sponsor and Purchaser to hold all deposits, down payments or advances, other than the deposit for a copy of the Offering Plan, received by it from Purchaser, either directly or through its agents or employees in trust, whether received before or after the date of Consummation of the Plan (the "Deposit" or "Deposits").

The Escrow Agent shall established the escrow account at Bank Hapoalim, B.M. located at 1120 Avenue of the Americas, New York, New York, NY 10036 (the "Escrow Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP Escrow Account for 99 Morningside Condominium" or a similar name (the "Escrow Account"). Within five (5) business days after the Purchaser Agreement has been executed by all necessary parties and tendered, along with the Deposit, to the Escrow Agent, Escrow Agent shall place the Deposit in the Escrow Account. Purchasers are further advised that a Purchaser's funds are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000.00 in the aggregate per account type per insured bank. If a Purchaser makes a Down Payment in excess of \$250,000.00 for the purchase of a Unit, such Down Payment will not be federally insured in excess of \$250,000.00. Additionally, if Purchaser has an additional account at the Escrow Bank, the aggregate of Purchaser's funds at the Escrow Bank, including funds in the additional account and the Down Payment, may not be insured in excess of \$250,000.00. Therefore, if a Purchaser has an additional account at the Escrow Bank, that a Purchaser's Down Payment, including a Down Payment that is less than \$250,000.00, may not be insured in part or in its entirety. Furthermore, while the Down Payment is in the non-interest bearing check portion of the Master Escrow Account, the Down Payment may not be fully federally insured, even if the Down Payment does not exceed \$250,000.00. Purchaser should consult with the FDIC website and with their attorneys to determine which part, if any, of their funds are insured by the FDIC. Sponsor and Escrow Agent make no guarantee of the solvency of the Bank. If the limits of federal bank deposit insurance change in any manner in the future, Escrow Agent will have no obligation to make any changes to the Escrow Account. See the section of the Offering Plan titled "Procedure to Purchase," set forth in Part I, for further details.

15. The Sponsor's Attorneys have not opined whether the Condominium will or will not qualify as a "Condominium Management Association" under Section 528 of the Internal Revenue Code of 1986, as amended, and for the purposes of the Plan have assumed that it will not qualify. Therefore, the possible income tax consequences to the Condominium of not qualifying as a "Condominium Management Association" is a special risk of the offering of the Units hereunder. An estimate of the possible income tax due from the Condominium is not included as a projected expense in Schedule B of the Plan. Regarding Section 528, see the Section titled "Counsel's Income Tax Opinion," set forth in Part I, for further details. Notwithstanding the foregoing, in the event of a possible income tax payment due from the Condominium, such payment shall be drawn from the contingency line item included as a projected expense in Schedule B of the Plan.

16. The risk of loss from fire or other casualty with respect to the Unit shall remain with the Sponsor until the closing of title for the Unit. The Sponsor, at its sole discretion, reserves the right to either repair or restore such Unit, whereupon Purchaser shall be obligated to close without an abatement in the purchase price, or not repair or restore and grant Purchaser the right to rescind the Purchase Agreement. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to the Unit, which is not otherwise covered by either the Condominium's insurance or the Sponsor's insurance. Additionally, Purchaser shall be solely responsible for any uninsured damage to, or uninsured loss

or other condition in, the Unit and Sponsor shall not be obligated to repair any damages to the Unit and/or, including but not limited to its appliances, fixtures and equipment. For further details, see the section of the Plan titled "Procedure to Purchase," located in Part I of the Offering Plan.

17. The Sponsor will correct any patent defects in the construction of the Building and the Units therein, or in the installation or operation of any mechanical equipment therein, due to materially improper workmanship or materials materially at variance with the architectural plans and specifications, provided Sponsor is notified of such patent defects in writing by the Unit Owner as to the Unit, or, if a Residential Unit, any Residential Limited Common Elements appurtenant to such Unit, affected within six (6) months from the date of closing of title to such Unit or, with respect to General Common Elements, Residential Common Elements, and/or Community Facility Common Elements, that Sponsor is notified by the Board of Managers within six (6) months from the First Unit Closing. Sponsor will also correct any latent defects in the construction of the Building and the Units therein or in the installation or operation of any mechanical equipment therein due to materially improper workmanship or materials materially at variance with the architectural plans and specifications, provided it is notified of such latent defects in writing by the Unit Owner as to such Unit, or, if a Residential Unit, any Residential Limited Common Elements appurtenant to such Unit, within one (1) year from the closing of title to such Unit or is notified by the Board of Managers with respect to General Common Elements, Residential Common Elements, and/or Community Facility Common Elements, within one (1) year after the completion of such General Common Element, Residential Common Element, and/or Community Facility Common Element.

Notwithstanding anything contained in the Offering Plan to the contrary, Sponsor shall be obligated to construct the Premises in accordance with all applicable codes, filed plans and specifications. If there are any inconsistencies between the disclaimers contained in the Offering Plan and Sponsor's obligation to construct the Premises in accordance with all applicable codes, filed plans and specifications, the latter shall control. See the section of the Offering Plan titled "Rights and Obligations of Sponsor," set forth in Part I, for further details. Housing Merchant Implied Warranty does not apply to the Residential Units contained in this Building as the Building has more than five (5) stories.

18. The projections of real estate taxes due for each of the Units set forth in Schedule A, set forth in Part I of the Plan, as amended for the anticipated First Year of Condominium operation with and without 421-a Benefits, (which coincides with the estimated assessment of the Property upon one hundred percent (100%) completion of Sponsor's construction to the Building) is an estimate. This estimate may vary due to future changes in the assessment guidelines and procedures of the Department of Finance of the City of New York and future increases in the tax rates for the City of New York. In the event such projections for real estate taxes increase due to future changes in the assessment guidelines and procedures of the Department of Finance of the City of New York and future increases in the tax rates for the City of New York, Sponsor shall amend the Plan to set forth the revised estimates. HOWEVER, SAID AMENDMENT SHALL NOT AFFORD ANY PURCHASER THE RIGHT TO RESCIND HIS, HER OR ITS PURCHASE AGREEMENT. It should be noted that the Property's real estate tax burden for the First Year of

Condominium Operation may not be based on a fully complete Building but instead on a partially completed Building. It is assumed for projection purposes that the Property will be fully assessed for the tax year. Upon 100% completion of the construction which is assumed to be prior to January 5, 2019 for assessment purposes; and the implementation of the post-construction Actual total assessment of the Property as projected by Tuchman, Korngold, Weiss, Liebman & Lindemann, LLP ("Sponsor's Special Tax Consultants"), the estimated annual/monthly real estate taxes without 421-a for the First Year period (July 1, 2020 through June 30, 2021) for each of the Units is set forth in column numbered 8 of Schedule A, located in Part I of the Plan.

FURTHER, PLEASE NOTE THAT BASED UPON THE PROJECTED AGGREGATE POST-CONSTRUCTION ASSESSMENT FOR ALL THE RESIDENTIAL UNITS OF \$3,400,000.00 AND A PROJECTED TAX RATE OF 12.8% FOR THE RESIDENTIAL UNITS, THE REAL ESTATE TAXES DUE FOR THE ENTIRE 2020/2021 TAX YEAR WITHOUT 421-A TAX YEAR WOULD BE APPROXIMATELY \$435,200.00 FOR THE RESIDENTIAL UNITS.

The Property is presently classified in Tax Class 2 primarily residential, held in cooperative or condominium ownership.

See Notes to Schedule A, located in Part I of the Offering Plan, for a full discussion of Sponsor projections of real estate taxes.

Sponsor will use its best efforts to obtain real estate tax exemption benefits for all of the Residential Units of the Building pursuant to Section 421-a of the Real Property Tax Law (hereinafter referred to as the "421-a Benefits"). Sponsor, at its sole cost and expense, has filed an application for and will make all additional necessary filings to obtain such benefits. All documentation supplied or caused to be supplied by Sponsor will be true and complete. As of the date hereof Sponsor has not obtained either the Preliminary 421-a Certificate of Eligibility or the Final 421-a Certificate of Eligibility. Upon issuance of either the Preliminary or Final 421-a Certificate of Eligibility, the Sponsor shall include a copy of such Certificate of Eligibility in an amendment to the Offering Plan. Sponsor notes that in order to qualify for 421-a Benefits the project must receive a temporary certificate of occupancy for all residential portions of the Building on or before December 31, 2019. Any change in the status of the application for 421-a Benefits will be disclosed in an amendment to the Offering Plan.

As required by the 421-a Rules and Regulations issued by the New York City Department of Preservation and Development ("HPD") if the Offering Plan has not been declared effective for filing at a time fifteen (15) months after HPD has issued the Final 421-a Certificate of Eligibility, as of such date, the Building and all Units as they become occupied shall become rent stabilized and subject to the rent stabilization laws applicable thereto for the entire period during which the Property received 421-a tax benefits. As of such date, the Sponsor must register the Building and all Residential Units as they become occupied with the New York State Department of Housing and Community Renewal ("DHCR"). Any leases and renewals thereof to a Residential Unit that are required to be registered with DHCR shall contain at least 12 point type informing such tenant that the residential tenant shall be subject to deregulation upon the expiration of the 421-a tax

benefit period, which is estimated to expire June 30, 2035. During such rent stabilization period, the Unit shall not be subject to "luxury decontrol."

Sponsor notes that for new buildings commencing construction after July 1, 2008 and prior to January 1, 2016, the maximum exemption (the "cap") shall be restricted to \$65,000 of assessed value per dwelling unit. For every tax year commencing after 2008, there is an inflation factor of 3% compounded and added to the cap. Thus for the 2019/2020 tax year, the maximum exemption shall be set at \$89,976 per unit. However, the exemption cap will apply only for tax years starting in 2020/2021 since the construction of the Building will not be completed by the taxable status date of January 5, 2019.

The cap for the upcoming years is set forth as follows:

Tax year	Exemption Cap
2019/2020	\$89,976
2020/2021	\$92,675
2021/2022	\$95,456
2022/2023	\$98,319
2023/2024	\$101,269
2024/2025	\$104,307
2025/2026	\$107,436
2026/2027	\$110,659
2027/2028	\$113,979
2028/2029	\$117,398
2029/2030	\$120,920
2030/2031	\$124,548
2031/2032	\$128,284
2032/2033	\$132,133
2033/2034	\$136,097

Purchasers may obtain more information about the §421-a application process, tax benefits, and requirements associated therewith at <http://www.nyc.gov/html/hpd/html/developers/421a.shtml>. **SPONSOR NOTES THAT IN THE EVENT THE ASSESSED VALUE AS DETERMINED BY THE NEW YORK CITY DEPARTMENT OF FINANCE EXCEEDS THE ESTIMATE SET FORTH IN THE PLAN AND EXCEEDS THE CAP ON EXEMPTIONS OR THE ALLOCATED INCREASE IN ASSESSED VALUE IN ANY PARTICULAR UNIT EXCEEDS THE CAP, THERE WILL BE A REAL ESTATE TAX HIGHER THAN SET FORTH ABOVE AND SCHEDULE A AND THE TOTAL EXEMPTION SET FORTH HEREIN CANNOT BE APPORTIONED EQUALLY AND EACH INDIVIDUAL TAX LOT IS SUBJECT TO THE CAP THUS RESULTING IN AN EXEMPT VALUE THAT IS LESS THAN IT WOULD HAD BEEN IF THE BUILDING HAD BEEN A SINGLE TAX LOT RENTAL BUILDING. THIS IS LIKELY TO AFFECT THE LARGER UNITS IN THE BUILDING SO THAT THE 421-A TAX SAVINGS TO**

THE LARGER UNITS MAY BE DISPROPORTIONATELY LESS THAN THE SMALLER UNITS AND THE TOTAL MINI-TAX FOR ALL UNITS WILL BE HIGHER THAN THE NUMBER SET FORTH ABOVE. WE POINT OUT THERE IS A 421-A DISCREPANCY BETWEEN A ONE LOT RESIDENTIAL BUILDING AND A CONDOMINIUM BUILDING WITH SEPARATE TAX LOTS SO THAT PURCHASERS WILL UNDERSTAND THAT IT IS NOT PERMISSIBLE TO ASSUME THE 421-A EXEMPTION BENEFITS ARE DISTRIBUTED IN EXACT PROPORTION TO THE COMMON INTERESTS.

Sponsor notes that all areas in Manhattan are within the geographic exclusion area and accordingly to receive 421-a Benefits either the developer must provide 20% of the units for affordable housing or obtain a sufficient number of negotiable certificates. These negotiable certificates (the "Negotiable Certificate") are issued by HPD to a low income housing developer who has built off-site low income housing elsewhere in the City. Each negotiable certificate entitles a unit of up to 1,200 net square feet to receive 421-a Benefits even though such Unit is located in the Exclusion Zone. The Sponsor has acquired 24 negotiable certificates to meet the eligibility requirements without building any onsite affordable housing units.

NOTE: THE OFFER FOR SALE OF CONDOMINIUM UNITS PURSUANT TO THIS OFFERING PLAN IS NOT CONTINGENT UPON THE PROPERTY RECEIVING 421-A BENEFITS. FURTHER, IN THE EVENT THAT 421-A BENEFITS ARE GRANTED, THE OFFER FOR SALE OF RESIDENTIAL UNITS IS NOT CONTINGENT UPON THE AMOUNT OF BENEFITS GRANTED AND/OR THE COMMENCEMENT DATE OR DURATION OF SUCH BENEFITS. See Notes to Schedule A located in Part I of the Plan as amended for a further discussion of 421-a Benefits.

See Notes 8 and 9 of the Notes to Schedule A, located in Part I of the Offering Plan, for a full discussion of Sponsor projections of real estate taxes.

19. It is a special risk of this Offering Plan that Sponsor has reserved to itself or to Sponsor's designee, their successors or assigns, all unused transferable air rights and/or development rights (hereinafter "Unused Development Rights"). As against all other Unit Owners and the Board of Managers, and any mortgagees thereof, the Sponsor, or Sponsor's designee, their successors or assigns, shall have the exclusive right to cause any part or all Unused Development Rights pertaining to the Property to be conveyed, transferred or otherwise assigned to any other adjoining premises, "zoning lot," "development" or "enlargement" as those prior three terms are now defined in the Zoning Resolution of the City of New York, as amended.

As a result of Sponsor's reservation of Unused Development Rights, the floor area of the Building is limited and may not be expanded. Additionally, the transfer of such Unused Development Rights to adjoining premises may allow the owner of an adjoining premises to build a bigger and/or taller structure than permitted as of right under the Zoning Resolution and therefore block views of the Units being offered pursuant to the Offering Plan.

Based upon the approved New Building Plans for the construction of the Building, currently there are no Unused Development Rights. Additionally, if the floor area ratio for the zoning district changes in the future, such change may create excess transferable development

rights and/or air rights at that time. Until such time that the floor area ratio for the applicable zoning district changes, it is not possible for Sponsor to represent the maximum amount of additional excess development rights and/or air rights that would be generated or how many stories that may be added to the adjoining properties.

Further, Sponsor has bound itself, its successors and assigns from transferring Unused Development Rights, if such transfer, assignment or surrender shall make illegal the erection, existence or restoration or use of the Building at the time of the recordation of the Condominium Declaration or as will allow any party including Sponsor as the holder of Unsold Units, to build on or directly above the land and/or expand the Building, except the Board of Managers of the Condominium subsequent to Sponsor relinquishing control of the Board of Managers, and in such event, any construction shall be made only in accordance with the Condominium's Declaration and By-Laws.

At the closing of title to a Unit, Purchasers shall appoint the Sponsor and/or Sponsor's designation, their successors or assigns, as their attorney-in-fact, to execute any document to effectuate the transfer, assignment or conveyance by Sponsor, Sponsor's designee and/or their successors or assigns, in whole or part, of the transferable air rights and/or development rights which Sponsor has retained for itself or Sponsor's designee, their successors or assigns. See the section of the Offering Plan titled, "Reservation of Air and Development Rights," located in Part I of the Offering Plan for further details.

20. Prospective Purchasers are advised that for a period following the First Unit Closing, some of the services and facilities described in the Plan (such as a full staff of building personnel, the fitness room, the lobby/lounge, the bicycle room, multi-purpose room and common terraces), may not be available during the First Year of Condominium Operation. These services will be available within twelve (12) months of the First Unit Closing. The interim level of staffing will at all times be adequate to maintain the Building during this period. It is anticipated that during these periods of reduced services, there shall be no reduction in the amount of Common Charges assessed against the Units, unless Sponsor has elected to make "in lieu" payments in accordance with its rights reserved in the Offering Plan. See the section of the Plan titled "Notes to Schedule B" in Part I of the Offering Plan for further details.

21. Unless a special allocation is applicable, the Community Facility Unit shall bear 22.40% of the Common Expenses which are designated as "Shared Expenses" in "Schedule B, Projected Budget for First Year of Condominium Operation Beginning July 1, 2020," which is located in Part I of the Offering Plan. The Community Facility Unit will be separately metered for all consumption of electricity, gas, water and sewer charges within the Community Facility Unit. The Community Facility Unit Owner will be solely responsible for the payment of the cost for such electricity, gas, water and/or sewer charges. Further, pursuant to Article VI, Section 1 of the By-Laws of the Condominium, the Community Facility Unit Owner is solely responsible for the payment of "Community Facility Common Expenses," together with the costs of the utilities described above, which include the cost of snow removal from the Community Facility Sidewalks; Community Facility garbage collection; vault charges attributable to the Community Facility Unit, if any; repairs, maintenance and replacement of the Community Facility Limited Common

Elements; and any other expense, which is solely attributable to the Community Facility Unit and not a Shared Expense. As stated above, since the Community Facility Unit is not being offered at this time by Sponsor or Sponsor's designee, the aggregate Expenses for the Community Facility Unit only include those items that are Shared Expenses and do not include those items which are Community Facility Common Expenses which are to be paid by the Common Facility Unit Owner directly. The Notes to Schedule B located in Part I of the Offering Plan set forth the financial impact to Residential Unit Owners resulting from the special allocation of certain expenses to Community Facility Unit.

Those expenses set forth in Schedule B which are borne solely by all the Residential Unit Owners are referred to in the Plan as "Residential Common Expenses." Pursuant to the By-Laws of the Condominium, the Residential Common Expenses include all expenses or allocated expenses arising from; residential garbage collection; vault charges, if any, attributable to the Common Elements except to the extent they are attributable to a Community Facility Unit which has exclusive use of such vault area, shall be paid by the Owner of such Community Facility Unit; the cost of snow removal from the Residential Sidewalks; the cost of gas consumption for heat and hot water in the Residential Units and in the Common Elements; gas consumption for dryers in the Residential Common Elements and gas consumed in the Common Elements; gas consumption for cooking; water and sewer charges for the Residential Units and the Common Elements; maintenance, repair and replacement of the Residential Common Elements, including, but not limited to, the passenger elevators, those portions of the sprinkler and standpipe systems which are not located within the Community Facility Unit, all roofs and roof surfaces of the Building other than those portions which are Community Facility Common Elements; supplies for the Residential Common Elements; all costs and expenses associated with the operation and maintenance of the amenities located at the Building; and any other expense which is not a Shared Expense attributable to the Residential Units only or as provided for in the Plan and/or By-Laws of the Condominium.

See the "Notes to Schedule B," located in Part I of the Offering Plan for further discussion.

22. 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) will be required at the time of closing of title to the Purchaser's Unit, to expressly waive any and all immunity from suit by Sponsor and/or the Board of Managers of the Condominium. Such Purchasers at closing will be required to execute the "Waiver of Diplomatic or Sovereign Immunity and Consent to Jurisdiction" set forth as Exhibit A to the Purchase Agreement which is included in Part II of the Offering Plan. See the section of the Offering Plan titled, "Procedure to Purchase," located in Part I for further details.

23. Sponsor notes that Local Law 10 of 1981 requires an elevator inspection to be made by September 15th of each year by an insurance company, elevator maintenance company, elevator manufacturer or elevator inspection company, and that a report be filed with the Department of Buildings of the City of New York within ten (10) days after delivery of such report to the owner. Failure to comply will result in a civil monetary penalty levied against the owner. Sponsor shall not be responsible for having such inspection or report made unless Sponsor controls the Board of

Managers at the time such inspection report is due. Subsequent to Sponsor relinquishing control of the Board of Managers, the Board of Managers on behalf of all the Residential Unit Owners shall be responsible for obtaining the requisite inspections for the passenger elevator and the cost of such inspections shall be a Residential Common Expense. Sponsor notes that the Community Facility Unit has a separate elevator that services the Community Facility Unit and that the Community Facility Unit must maintain at its sole cost and expense. Further, the portion of the façade enclosing the Community Facility Unit in a Community Facility Common Element and the Community Facility Unit Owner must maintain such portion of the façade at its sole cost and expense.

Recent amendments to the high-rise facade safety statute (formerly known as Local Law 10 of 1980) (presently known as Local Law 11/98) passed by the City Council and signed by the Mayor of New York City require professional engineers or registered architects to advise the Buildings Department of the City of New York and the owner of a property of any unsafe condition in a building's exterior walls revealed during a Local Law 10 inspection. The amendments also subject all exterior walls to be inspected; previously, only walls fronting on a street were affected by the law. The revised law also calls for a certification by the registered professional that a wall is either safe or unsafe; the latter declaration by the professional means that an immediately hazardous condition exists and must be corrected within 30 days with the option of a 90 day extension upon application to the Buildings Department. A building is considered either safe with no further action necessary, or fit, but in a condition that warrants a repair and/or maintenance program. In the latter case, the condition must be corrected during the five-year period between mandatory inspections. As a result of the height of the completed Building will require regular 5-year inspections in accordance with Local Law 11/98. The first inspection will be required five (5) years after the issuance of the first temporary certificate of occupancy for the Building. Thereafter, the Building must be inspected in accordance with NYC Local Law 11/98's five (5) year cycle.

It is a special risk of the offering that although not budgeted for the first year of Condominium Operation, the cost of any future additional inspections, if any, required by Local Law 11 and any amendments thereto, shall be a Residential Common Expense of all of the Residential Unit Owners. See the Notes to Schedule B located in Part I of the Offering Plan for further details.

24. It is a special risk of this Offering Plan that the approximate Square Footage of a Unit set forth in column numbered (3) of Schedule A is a gross square footage of the Unit, which is obtained by measuring the floor area of the Unit on one or more floors horizontally from the exterior side of the exterior walls or windows (columns, mechanical pipes, shafts, shaft ways, chases, chase ways, and conduits are not deducted) to the centerline of the partitions separating one Unit from another Unit, or the exterior of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit. Each Unit consists of the area measured vertically on each floor of the Building, if applicable, from the top of the concrete floor slab below to the upperside of the sheetrock ceiling above, or if there is no sheetrock ceiling, the underside of the finished ceiling. The gross square footage of a Unit is greater than the Approximate Square Footage (within reasonable tolerances)

of a Unit measured by using the legal definition of the Unit which appears in the Declaration of the Condominium in Part II of the Plan. Outdoor floor areas of terraces appurtenant to a Unit are not included in the Unit's floor areas. As is customary in New York City, these gross square footages set forth in Schedule A substantially exceed the useable floor area of each Unit.

Exterior terrace areas are measured from the exterior face of the Unit to the exterior face of the terrace walls. Any floor layout, plan or sketch 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 adverse change will be made in the size, configuration, or layout of a Unit for which a Purchase Agreement has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property, and in such event, Sponsor will, in the amendment disclosing such change and delivered to Purchasers, offer the affected Purchaser(s) the right, for at least fifteen (15) days, to rescind their Purchase Agreements and receive a refund of their downpayments, together with all interest earned thereon.

Further, please note that the ceiling heights for the Units and/or Common Elements as set forth in the "Description of Property and Building Specifications" in Part II of the Offering Plan are approximate and may vary in certain areas due to field conditions at the Property. Notwithstanding the foregoing, material variations in ceiling heights of a Unit will not be made unless an affected Purchaser provides a written consent to such variations.

25. Notwithstanding anything in the Offering Plan to the contrary, until title to all Units has been conveyed, the Sponsor or its designee as the owner of any Unsold Units, may decide to delay the commencement of Common Charges and that Sponsor will, at Sponsor's or Sponsor's designee's sole option and discretion, pay in lieu of payment of each Unit's Common Charges, provided that such "in lieu" payments are less than the Common Charges then due, an amount which equals each Unit's proportionate share (based upon each Unit's Percentage Common Interest or Contributing Share, as the case may be), of the total cost necessary to operate the Condominium with the services to be provided under the Offering Plan.

In the event that Sponsor or its designee as the owner of all Unsold Units elects to have Sponsor make in lieu payments, Sponsor or its designee shall (i) file an amendment to the Offering Plan prior to the First Unit Closing indicating that the collection of Common Charges will not commence with the beginning of Condominium operations and the anticipated length of such delay period; (ii) notify Unit Owner and file an amendment to the Offering Plan disclosing the expiration of the delay period at least thirty (30) days prior to such expiration; (iii) during any such delay period timely pay all expenses of the Condominium out of the aggregate in lieu payments, including, but not limited to, insurance premiums; (iv) pay from Sponsor's funds any reserve fund payments required by Sponsor's lenders; and (v) remain obligated to update the budget for the Condominium, as provided in the governing regulations. In addition, Sponsor shall disclose such delay in the collection of Common Charges in the closing notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan as a benefit to subsequent purchasers. Such amendment shall also disclose the anticipated

period of delay. Prior to commencing the collection of Common Charges, Sponsor will notify all unit owners by written notice of the expiration of the delay period. Notice shall be given to owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent purchasers. Additionally, Sponsor represents that upon commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved Budget of the Condominium. See the section of the Offering Plan titled, "Rights and Obligations of Sponsor," located in Part I for further details.

26. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("PCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive TCOs. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and PCOs are issued by the 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, regulations for the uses and occupancies specified on the TCO, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. No change of use or occupancy shall be made unless a new TCO or PCO is issued. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. 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 PCO covering the entire Building within two (2) years from the date of issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the PCO within such two (2) year period. **NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PCO FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE PCO WITHIN SUCH TWO (2) YEAR PERIOD WHILE KEEPING THE TCO CURRENT.** Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, subject to Sponsor's consent, the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a PCO. Such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, and subject to the aforementioned delays, Sponsor is obligated to procure the PCO. Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a PCO. A Factsheet on Certificates of Occupancy is available on the DOB website at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf. See the Section of the Offering Plan titled, "Closing of Title to Units," set forth in Part I, for further details.

27. Sponsor anticipates that the construction of the residential portion of the Building will be substantially completed by November 30, 2019 and that a TCO for the residential portions of the Building will be issued on or before December 31, 2019. Sponsor anticipates that the non-residential portions of the Building will be substantially completed by December 31, 2019 and that TCO for the non-residential portions of the Building will be issued on or before June 30, 2020. However, due to the current practices and policies of the New York City Department of Finance, the apportionment of the Property into individual condominium units may be substantially delayed, accordingly, the First Year of Condominium operation is estimated to be July 1, 2020 through June 30, 2021. As in any new construction project, given the vagaries of the construction process, it is difficult to predict with precision the date Sponsor will first be able to close title to the Residential Units. Accordingly, it is a special risk of this Offering Plan that the First Residential Closing may occur sooner or later than the projected First Year of Condominium operation and closing to certain Residential Units may occur substantially before or after closings for other Residential Units.

Purchasers should note that even if the First Unit Closing occurs on or before July 1, 2020 (or such other date projected as the date of commencement of the First Year of Condominium 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 floor on which such Units are located. In such case, provided that Sponsor is diligently pursuing completion of construction and the issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right to 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 Total Purchase Price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title in connection with the First Unit Closing on or before twelve (12) months from September 1, 2019, affected Purchasers will be afforded the right of rescission.

See the Section of the Offering Plan titled “Description of Property and Improvements” in Part I of the Plan for further details.

28. It is a special risk of this Offering Plan that Sponsor and its designee(s) shall have the right, until the fifth (5th) anniversary of the First Unit Closing and provided Sponsor owns at least one (1) unsold Residential Unit in the Condominium, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Units). 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 Offering Plan located in Part I titled “Sponsor’s Rights and Obligations” for further details.

29. A Unit Owner must notify the Board of Managers in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. In addition, the Residential Unit Owner shall install at the Residential Unit Owner’s own expense, the required

window guards, as previously approved by the Board of Managers, in all windows of the Unit and shall not remove them until permitted by applicable law and in any event, without the full knowledge of the Board of Managers. See the section of the Offering Plan located in Part I titled “Rights and Obligations of Unit Owners” for further details.

30. On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. With respect to deductions related to ownership of a Residential Unit at the Condominium, please see the tax opinion by D’Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP (“Sponsor’s Counsel”), set forth in the Section of Part I of the Offering Plan titled “Counsel’s Income Tax Opinion Letter.” As set forth therein, it is the opinion of Sponsor’s Counsel that a Residential Unit Owner who itemized his deductions and whose Unit is used by him for residential purposes will, for Federal income tax purposes, be entitled to a deduction limited to \$10,000.00 (\$5,000.00 in the case of a married individual filing a separate return) for real estate taxes incurred with respect to his Unit in the year paid under Section 164 of the Internal Revenue Code, as amended. The Federal limitation on the deduction for real estate taxes applies in the aggregate to state and local income taxes paid as well. Thus, the maximum amount a Residential Unit Owner may deduct for real estate taxes and state and local income taxes combined is \$10,000.00 (\$5,000.00 in the case of a married individual filing a separate return). Though the foregoing limitation is in effect as of the date of filing of the Offering Plan, neither Sponsor nor Sponsor’s Counsel make any representation as to whether the same will be in effect, or what the Internal Revenue Code or state or local tax code will provide, at any time in the future, as such applicable law is subject to change without notice.

31. The Units will be delivered with pre-engineered wood floors, which should not be washed with water and need to be maintained according to the manufacturer’s recommendations. Purchasers are advised to visit the webpage of the National Wood Flooring Association ([Http://www.nwfa.org/](http://www.nwfa.org/)) for further information on maintenance. Wood is also subject to changes as a result of humidity as well as chipping, scratching and cracking. Sponsor makes no representation or warranty that the floors will maintain their appearance after they are subject to wear and tear.

32. If at the time a Unit Owner seeks to perform alterations to his or her own Unit, a PCO is not issued for the Building, the Unit Owner, prior to commencing any alteration, must obtain the consent of the Sponsor or its designee, which consent shall be at the sole and absolute discretion of Sponsor or its designee. The Sponsor or its designee may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and a PCO has been obtained therefor. In furtherance thereof, a Unit Owner, who has been granted the consent by the Sponsor or its designee, to perform alterations shall indemnify Sponsor or its designee for any cost, expense, claim or liability incurred or suffered by Sponsor or its designee as a result of any violation of Law or delay in obtaining a TCO or PCO. In the event the alterations performed by a Unit Owner do adversely affect the issuance or validity of the certificate of occupancy, then upon the written request of Sponsor or its designee, 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 Sponsor or its designee, 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 the By-Laws. See the Sections of the Offering Plan titled, "Rights and Obligations of Unit Owners" and "Rights and Obligations of Sponsor," set forth in Part I, for further details.

33. No assignment or transfer of an executed Purchase Agreement shall be permitted without the prior written consent of Sponsor which may be withheld for any reason. Prior to and for eighteen (18) months subsequent to, the closing of title to the Unit, Purchaser shall not advertise or otherwise offer, promote or publicize the availability of such Unit for sale, or resell the Unit. This provision is to survive closing of title to the Unit. See the Section of the Offering Plan titled, "Assignment of Purchase Agreements," set forth in Part I, for further details.

34. Pursuant to the Geographic Targeting Order issued on January 6, 2016 (as revised and as may be further revised from time to time, the "Order") by the Director of the United States Department of the Treasury's Financial Crimes Enforcement Network ("FinCEN"), title companies are now required to collect and report information regarding purchasers in transactions where: (1) the purchaser is a "Legal Entity" as defined in the Order; (2) the purchaser purchases residential real property located in the Boroughs of Brooklyn, Queens, Bronx, Manhattan, or Staten Island; (3) the total purchase price is in excess of \$300,000.00 in the Borough of Bronx, Brooklyn, Manhattan, Queens and Staten Island; (4) the purchaser does not obtain a bank loan or similar form of external financing; and (5) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, or a money order in any form, or a funds transfer. The Order affects all residential real property closings occurring on or after March 1, 2016 and until the expiration of the effective period of such Order (i.e., November 11, 2019, which date is subject to change by FinCEN). See the Section of the Offering Plan titled, "Procedure to Purchase," set forth in Part I, for further details.

35. No person may carry or smoke any kind of lighted pipe, cigar, cigarette, tobacco, or any other lighted smoking apparatus, equipment or product, including but not limited to electronic cigarettes (hereinafter referred to collectively as "Smoking Apparatus") in any of the common areas of the Building, whether indoor or outdoor, at any time. Though smoking shall be permitted in any Residential Unit or Residential Limited Common Element appurtenant thereto, including a private balcony, terrace, and/or garden, no person may smoke or otherwise burn any Smoking Apparatus in any Residential Unit or Residential Limited Common Element appurtenant thereto in a manner which causes smoke to be a nuisance or annoyance to any other resident of the Condominium.

36. Under the terms of the Offering Plan, the purchase of a Unit is subject to the terms, conditions, covenants, easements and agreements set forth in the Correction Zoning Lot Development and Easement Agreement recorded in the Office of the City Register as CRFN #2018000035234. A copy of this Correction Zoning Lot Development Agreement ("Correction ZLDA") is set forth in part II of the Offering Plan. The terms, conditions, covenants, easements and agreements set forth in the Correction ZLDA are a Special Risk of the Offering Plan.

Further, the purchase of a Unit is subject to the terms of that certain Declaration of Zoning Lot Restriction (the "Declaration of Zoning Lot Restriction") by Tracey Silberg and Mark Silberg and

99 Morningside LLC, dated December 27, 2017 and recorded on January 3, 2018 as CRFN 2018000003465. The Declaration of the Zoning Lot Restriction merges the Property and the parcel of land located at 373 West 123rd Street, New York, New York, (the “Adjoining Property”) into one zoning lot for purposes of the Zoning Resolution and facilitates the transfer of the Excess Development Rights as described in the Correction ZLDA as discussed in greater detail below.

Each Purchaser and their advisors and/or attorney should read the entire Correction ZLDA which sets forth certain rights and obligations relating to the Property which run with the land and subject to which the Units shall be conveyed. The following is a brief summary of those rights and obligations but is not intended as a substitute for the Purchaser’s review of the copy of the Correction ZLDA and other documents set forth in Part II of the Plan.

The Correction ZLDA grants and imposes rights and obligations among the parties thereto, including (i) the transfer to the Property of all excess zoning rights from the Adjoining Property as such excess zoning rights exist today and to the extent they may increase in the future based upon changes in the applicable zoning laws and codes; (ii) a defined light and air easement commencing at a height which is thirty feet above the highest point of the Adjoining Property (the “Lower Limiting Plane”) in favor of the Property; (iii) an agreement by the owners of the Adjoining Property to restrict any new building, structure, improvement or roof top equipment installed thereon to the confines of the existing buildings, structures or roof top equipment, (except that the adjoining owner may retain, add to and/or replace the existing mechanical equipment or structures above the height of the roof as they existed on the date of the Correction ZLDA may be installed up to the Lower Limiting Plane); (iv) easements which are either in the favor of the Property or reciprocal between the Property and the Adjoining Properties for the future construction, repair and maintenance, of certain of the Building and the improvements located on the Adjoining Properties; (v) the right and easement of the Sponsor and the Condominium to construct, install and maintain non-permanent protective equipment including, but not limited to, scaffolding and construction sheds, on and encroaching upon the Adjoining Property, as required for the construction of reconstruction of the Building or the future maintenance thereof; (vi) a violation covenant between the owners of the Adjoining Properties and the Condominium, including the obligation to pay all costs for the cure thereof; (vii) agreements relating to the future expansion of the Zoning Lot and the development rights inherent therein; and (viii) provisions setting forth (a) any and all required insurance related to such rights, installations and improvements, and (b) the required future maintenance, repair and replacement of such installations and improvements by the Condominium.

The Correction ZLDA provides that any windows in the Building which abut the Adjoining Property below the Lower Limiting Plane shall be glass block windows. There is no limitation as to the installation of windows in the Building above the Lower Limiting Plane.

37. It is a special risk of this Offering Plan that the form Interim Use and Occupancy Agreement will provide that an uncured default by the Purchaser under this Purchase Agreement will constitute a default under the Interim Use and Occupancy Agreement, entitling the landlord (i.e., Sponsor), at its sole option, to terminate the Interim Use and Occupancy Agreement. The Purchase Agreement shall also contain a similar cross-default provision entitling Sponsor to cancel the Purchase Agreement in the event that the Purchaser fails to cure a default under the Interim

Use and Occupancy Agreement within any applicable grace period. See the section of the Offering Plan titled “Interim Use and Occupancy Agreement” set forth in Part I for further details.

38. In addition to Sponsor, the individual principals of Sponsor are required by the Department of Law to execute the Certification by Sponsor and Sponsor’s Principals (“Certification”) set forth in Part II of the Plan, solely in connection with enforcement by the Department of Law of Article 23-A of the General Business Law (the “Martin Act”). The principals of Sponsor who have executed the Certification expressly disclaim the existence of any private right of action in connection with or arising from their execution of the Certification. As decided by the unanimous appeals court in the recent case entitled 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), Appellate Division, First Department, individual principals of a sponsor are not personally liable for claims (as described in the case and pleadings) by individual unit owners or the Condominium Board to the extent such claims are premised solely on alleged violations of an offering plan and the certification of sponsor and principals contained in the offering plan, absent liability under another statute or under an alter-ego or other veil-piercing theory.

39. It is a special risk of this offering plan that Sponsor is hereby authorized to endorse the Working Capital contribution checks payable to the Board of Managers until the promissory note between the Board of Managers and Sponsor to be executed at the First Unit Closing is paid in full. See the Section of the Offering Plan titled “Closing Adjustments with the Condominium Board” set forth in Part II of the Offering Plan.

40. It is a special risk of this Offering Plan that a Unit Owner can sell or lease his Unit to anyone, without restriction or limitation, subject only to a right of first refusal by the Board of Managers of the Condominium (sometimes herein referred to as the “Condominium Board” or the “Board of Managers”) at the same price and terms the Unit Owner has been offered. Such right of first refusal is hereinafter described in the section located in Part I of the Offering Plan titled “Rights and Obligations of Unit Owners.”

41. It is a special risk of this Offering Plan that a Purchaser of a Unit shall pay the legal fee of Sponsor’s attorneys in the amount of \$3,000.00 per Unit, payable to D’Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP provided that an additional fee of \$750.00 per closing shall be due for closings which occur outside the offices of Sponsor’s attorneys at the request of Purchaser, Purchaser’s attorney, Purchaser’s lender, or title company. Furthermore, a legal fee of \$750.00 shall be payable to Sponsor’s attorneys for the work involved in processing any assignment of a purchase agreement or contract of sale. It is noted that no such assignments are permitted without the prior written consent of Sponsor. A legal fee of \$750.00 shall be payable for the work involved as a result of any adjournment by a Purchaser beyond that permitted under any right of adjournment set forth in the Offering Plan. Finally, a legal fee in the amount of \$750.00 shall be paid by Purchaser to Sponsor’s attorney’s for each cancellation and/or release if prepared by such firm pertaining to other than a termination relating to the mortgage financing contingency, if any.

42. It is a special risk of this Offering Plan that a Purchaser waives trial by jury in any action, proceeding, or counterclaim involving any matter whatsoever arising out of, or in any way

connected with the Purchase Agreement or the relationship of the parties as Purchaser and Seller, or the right of Purchaser to any statutory relief or remedy.

43. It is a special risk of this Offering Plan that under the terms of the Purchase Agreement, Sponsor and Purchaser acknowledge and agree to keep all of the terms and conditions of the Purchase Agreement confidential. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties' undertaking of confidentiality contained in the Purchase Agreement. Any failure by Purchaser to keep the terms and conditions of the Purchase Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in the Purchase Agreement.

44. It is a special risk of this Offering Plan that subsequent to the first meeting of Unit Owners, the Community Facility Unit Owner shall be permitted to appoint or designate one (1) member of the Board of Managers.

45. It is a special risk of this Offering Plan that the form Interim Use and Occupancy prohibits "Dogs, cats or other animals or pets are not allowed in the Apartment or Building."

46. St. Luke Baptist Church, Inc. v. Azimuth Development Group LLC, et al., Index No. 654419/2019. It is a special risk of this Offering Plan that, on August 2, 2019, St. Luke Baptist Church, Inc. ("St. Luke") commenced an action ("St. Luke Action") in the Commercial Division of the Supreme Court of the State of New York, New York County (Cohen, J.), against Sponsor and its affiliates and principals alleging various claims against Sponsor, the architect and principals of the Sponsor, seeking primarily money damages. On December 10, 2019, the parties entered into a settlement agreement acknowledging that all of their differences have been resolved. As part of the settlement, the St. Luke Action was discontinued via a Stipulation of Voluntary Dismissal Without Prejudice, which stipulation has been filed with the court. It is Sponsor's belief that the terms of the settlement agreement and the litigation do not materially affect the offering, the Property and/or Sponsor's capacity to perform all of its obligations under the Offering Plan and/or the operation of the Condominium.

47. Portions of the exterior façade of the Building along the eastern face and the Northern face of the Building are constructed from opaque fire-rated glass block. The glass block portions of the exterior façade are located in common hallways at the third through eighth floor levels of the Building and portions of the glass block are also located on Units 3B, 4B, 5B, 6B, 7A, 7B, 8A, 8B and 9B of the Building. These glass block portions of the exterior façade are fixed and non-operable and will not be required to be sealed if a structure is constructed next to the Building, however, in such an event the natural light that these glass block portions of the exterior wall permit to enter the Building may be blocked as a result of such construction.

INTRODUCTION

General

99 Morningside LLC, hereinafter collectively the "Sponsor," present this Plan with the intention of setting forth herein all material information relating to the conversion to Condominium ownership of the land and building being newly constructed (the "Building") located at 375 West 123rd Street (a/k/a 101-103 Morningside Avenue, New York, New York. Specifically excluded from such conversion are any unused transferable air rights and/or development rights pertaining to the land and Building, which rights are being reserved by Sponsor for itself and any successors or assigns. See the section of the Plan titled "Reservation of Air and Development Rights," located hereinafter. The Property consists of one (1) parcel of land which is located on the corner of Morningside Avenue and West 123rd Street. The property has approximately 100 feet 11 inches of frontage along Morningside Avenue and 60 feet 7 inches of frontage along West 123rd Street. The aggregate site is approximately 6,779 square feet.

The land, Building and appurtenances are hereinafter sometimes referred to as the Property and/or the Condominium. The Plan may be amended from time to time to reflect changes in the terms of the offering when such amendment is filed with the New York State Department of Law. The Plan may be declared effective when Purchase Agreements have been both executed and accepted by Sponsor for the sale of four (4) Residential Units, which represents a minimum of at least fifteen percent (15%) of the Units offered under the Plan. However, if after the Sponsor declares the Offering Plan effective, all Purchase Agreements are rescinded and/or terminated prior to the date of the First Unit Closing, the Sponsor shall re-declare the Offering Plan effective prior to closing on any Units. The Plan must be declared effective when Purchase Agreements have been both executed and accepted by Sponsor for the sale of eighteen (18) Residential Units, which represents a minimum of at least eighty percent (80%) of the Units offered under the Plan. The closing of title to any Unit may not occur until after the Plan has been declared effective and an amendment has been filed substantiating same, and the Condominium Declaration and By-Laws have been duly recorded.

All filed amendments will be served on (i) Purchasers who have executed and delivered Purchase documents to Sponsor and/or the Selling Agent, and are not in default, (ii) Unit Owners and (iii) any other offeree who is required by law to receive such amendment. Service shall be by either personal delivery, ordinary mail or registered mail. Service by personal delivery is deemed complete upon delivery. Service by mailing shall be presumed complete on the fifth day subsequent to the date of mailing.

The Condominium will be organized pursuant to Article 9B of the Real Property Law of the State of New York, as amended, commonly known as the New York Condominium Act.

The Condominium

The land, and the Building thereon which is being newly constructed, is owned by 99 Morningside LLC, which acquired the parcels which comprise the Property as follows:

Parcel I and II

101 and 103 Morningside Avenue, Manhattan, Block 1950 former, Lots 1 and 4, were acquired by 99 Morningside LLC from St. Lukes Baptist Church by deed dated February 20, 2015 and recorded on May 11, 2015, as CRFN 2015000082650;

Parcel III

371 West 123rd Street, Manhattan, Block 1950 former, Lot 2 was acquired by 99 Morningside LLC from 371 West 123 Street LLC by deed dated July 31, 2014 and recorded on August 12, 2014 as CRFN 2014000267568; and

Parcel IV

369 West 123rd Street, Manhattan, Block 1950 former, Lot 102 was acquired by 99 Morningside LLC from 749 St. Nicholas Avenue LLC, by deed dated July 31, 2014 and recorded on August 11, 2014 as CRFN 2014000266687.

Accordingly, 99 Morningside LLC is the sponsor (the "Sponsor") of this Plan. The Sponsor acquired all four (4) parcels vacant and free of all tenancies. Based upon the records of the New York City Department of Buildings and the New York City Department of Housing Preservation and Development lots 1, 2 and 102 were previously utilized as residential buildings and lot 4 was utilized as a church.

Sponsor's acquisition of Parcels I and II from the St. Lukes Baptist Church was made pursuant to an Order Approving Petition of Sale of Real Property from the Supreme Court of the State of New York, New York County approving the sale of Parcels I and II to the Sponsor (the "Order"). Pursuant to the Order and the Sponsor's Contract of Sale with the St. Luke Baptist Church, the Sponsor shall construct the Community Facility Unit and convey the Community Facility Unit to the St. Lukes Baptist Church upon the consummation of the Offering Plan, as part of the Sponsor's consideration paid for Parcels I and II.

It is the intention of Sponsor to newly construct a twelve (12) story building at the Property. Sponsor shall submit the Property to the provisions of the Condominium Laws of the State of New York.

As shown on the Site Plan and Floor Plans set forth in Part II of the Offering Plan, the floors of the Building are designated cellar, first floor, second through twelfth floor. All floor references in the Offering Plan, including the "Description of Property and Specifications" in Part II, to particular floors of the Building are in accordance with such floor designations. See the section of the Offering Plan titled "Description of Property and Improvements," located in Part I of the Offering Plan for further discussion.

The Building when completed will consist of twelve (12) designated stories plus a cellar. The proposed condominium will contain twenty-three (23) Residential Units. Two (2) Residential

Units will be located on the third floor. The fourth, fifth, sixth, seventh and eighth floors will contain three (3) Residential Units. Two (2) Residential Units will be located on each of floors nine and ten. Floors eleven and twelve contain one (1) Residential Unit. The Residential Units are one, two, three or four bedroom Units. There will also be one (1) Community Facility Unit on parts of the cellar, first, second and third floor levels. The Community Facility Unit is not being offered for sale at this time and shall be conveyed by Sponsor to the St. Lukes Baptist Church at or immediately prior to the First Unit Closing. The Community Facility Unit may be physically altered and/or subdivided by the Community Facility Unit Owner to accommodate more than one rental tenant. The Community Facility Unit includes one (1) class A Residential Apartment located on the second floor of the Building.

Hereinafter, the Residential Units and the Community Facility Unit shall sometimes be collectively referred to as the "Units."

Common Elements of the Condominium located on the cellar level, first floor and the upper floors of the Building will include, but not be limited to, the common hallways, stairways, elevators, vestibules, if any, and lobby, storage rooms, and various mechanical rooms. The Building will also contain a bike room and a laundry room. Common Elements, amongst others, located at the first floor level include the main residential entrance to the Building located on West 123rd Street, the residential lobby and the mail area. Common Elements located at the second floor of the Building include, but are not limited to, a multi-purpose room and a gym. Located at or above the main roof level of the Building is the common outdoor terrace, the two (2) passenger elevators with their elevator lobby, cooling towers, if any, mechanical rooms and equipment and/or fans which are also Common Elements. See the section of the Offering plan titled "Description of Property and Improvements," located in Part I of the Plan, for a more detailed description of the Common Elements of the Building. The Common Elements shall either be for the use of all the Unit Owners ("General Common Elements") or for the exclusive use of one or more Unit Owners ("Limited Common Elements"). Pursuant to the terms of the Offering Plan and the Declaration of the Condominium, Limited Common Elements which are for the exclusive use of all of the Residential Unit Owners will be designated "Residential Common Elements" while Limited Common Elements for the exclusive use of the Community Facility Unit Owner shall be designated "Community Facility Common Elements." Any Limited Common Element for the exclusive use of an individual Residential Unit Owner will be designated as a "Residential Limited Common Element." Some of the Residential Units shall have one or more private terraces adjacent thereto. Other than the public roof terraces located at the third floor of the Building, the gym, and multi-purpose room located at the second floor of the Building, and the bike room located at the cellar level, there are no other common recreational areas or facilities at the Property. Further, there are no parking facilities which are part of the Property and the Building does not have balconies or terraces other than the terraces described above.

Parts I and II of the Plan, including all Schedules, and Parts A, B, C and D of the Exhibits, constitute the entire offer of Sponsor. Parts A, B, C and D of the Exhibits will be available for inspection without charge and for copying at a reasonable charge to prospective purchasers and their attorneys at the on-site sales office at all times such office is open or, in the event there is no

on-site sales office, at the offices of the Sponsor. Further, copies of the Offering Plan and all filed amendments thereof will also be available for copying at a reasonable charge at the Office of the Attorney General at 28 Liberty Street, New York, NY 10005. All documents forming a part of this Offering Plan are important. It is suggested that you consult your own attorney or financial advisor before purchasing and provide him with a copy of this Offering Plan.

The Condominium will be organized pursuant to Article 9B of the Real Property Law of the State of New York, as amended, commonly known as the New York Condominium Act.

All of the aforementioned Residential Units are intended to be sold as condominium units in accordance with this Plan at the prices noted in Schedule A. Schedule A is located in Part I of the Offering Plan. These prices have been established solely by the Sponsor and are not subject to review or approval by the Department of Law or any other governmental agency. The Community Facility Unit will be conveyed to St. Luke's Baptist Church at or immediately prior to the First Unit Closing.

It is noted that although it is the intent of Sponsor that all Residential Units be offered for sale pursuant to this Offering Plan, Sponsor is hereby reserving the unconditional right to rent Residential Units following the consummation of the Offering Plan. If Sponsor leases certain Residential Units to tenants after Consummation of the Offering Plan and such Residential Units subsequently are offered, Sponsor shall amend the Plan, accordingly, if such Residential Units are offered subject to such tenancies.

Although Sponsor shall make a good faith effort to sell the Residential Units to purchasers who will occupy their Units as their personal residences ("owner-occupant"), prospective purchasers should be aware that the decision to sell or rent any Unit shall be made by the Sponsor based upon its evaluation of market conditions and its own financial considerations and shall be in the sole discretion of the Sponsor. In the event that Unsold Units are rented after the Consummation of the Offering Plan at such rents as the Sponsor determines and market conditions allow. Prospective purchasers should also be aware that if the Unsold Units are subsequently rented, such decision by Sponsor may have an impact on the types of financing available to purchasers, the cost of such financing, and even, perhaps, on the availability of financing. The policy of banks may vary and may involve restrictions in the types and varieties of loan terms available (such as the percentage of financing offered; fixed/variable; term of loan; verification requirements; etc.) to possible unwillingness to provide any financing. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold shares still owns a substantial ownership interest, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor 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. Prospective

purchasers are advised to consult with their intended lenders/mortgage brokers with regard to the percentage of units which may be held as Unsold Units, and the lender's policies with regard to same, prior to entering into a contract to purchase a Unit. The decision of Sponsor to rent Units may continue to apply indefinitely and may have an adverse impact on the ability of a Unit Owner to resell their Unit and/or the price which they are able to obtain for the Unit.

Additionally, because the Sponsor is not limiting the conditions under which it will rent rather than sell Units after Consummation of the Plan, there is no commitment on the Sponsor's part to sell more Units than Units than four (4) Residential Units, which represents a minimum of at least fifteen percent (15%) of the Units necessary to declare the Offering Plan effective and as a result owner-occupants may never gain effective control of the Condominium. Owner-occupants and non-resident owners, such as Sponsor, may have inherent conflicts on the management of the Condominium because of their different reasons for owning a Unit i.e., purchase as a home as opposed to an investment. Further, pursuant to the terms of the Offering Plan and By-Laws of the Condominium, the Board of Managers has no right to approve or reject the sale of a Unit to a prospective purchaser and therefore there is no limit as to the number of "investor" or "non-occupant owners" of Units in the Building. However, as set forth in Article III, Section 1(c) of the By-Laws of the Condominium which are set forth in Part II of the Offering Plan, subsequent to the date that the Sponsor, including any designee thereof, relinquishes control of the Board of Managers, all Board members, other than those members which the Sponsor or its designee have the right to appoint thereunder, must be owner-occupants of the Condominium who are not related to Sponsor or the principals of Sponsor. In the event that the number of owner-occupants of the Condominium is insufficient to establish a majority of the Board Members, then, in such event, pursuant to the By-Laws any owner-occupant shall be entitled to one (1) seat on the Board of Managers.

Should Sponsor make a bulk sale of all or some of the Unsold Units, the transferee Successor Sponsor shall be bound by all of the Sponsor's representations herein regarding the sale of Unsold Units.

Sponsor has reserved to itself or to Sponsor's designee, their successors or assigns, all unused transferable air rights and/or development rights (hereinafter "Unused Development Rights"). As against all other Unit Owners and the Board of Managers, and any mortgagees thereof, the Sponsor, or Sponsor's designee, their successors or assigns, shall have the exclusive right to cause any part or all Unused Development Rights pertaining to the Property to be conveyed, transferred or otherwise assigned to any other adjoining premises, "zoning lot," "development" or "enlargement" as those prior three (3) terms are now defined in the Zoning Resolution of the City of New York, as amended.

The floor area of the Building is limited and may not be expanded using the Unused Development Rights Sponsor has reserved for itself. Additionally, the transfer of such Unused Development Rights to adjoining premises may allow the owner of an adjoining premises to build a bigger and/or taller structure than permitted as of right under the Zoning Resolution and therefore block views of the Units being offered pursuant to the Offering Plan.

Based upon the approved New Building Plans for the construction of the Building, currently there are currently approximately no Unused Development Rights. Additionally, if the floor area ratio for the zoning district changes in the future, such change may create excess transferable development rights and/or air rights at that time. Until such time that the floor area ratio for the applicable zoning district changes, it is not possible for Sponsor to represent the maximum amount of additional excess development rights and/or air rights that would be generated or how many stories that may be added to the adjoining properties.

Further, Sponsor and Sponsor's designee have bound themselves, and their successors or assigns, from transferring Unused Development Rights, if such transfer, assignment or surrender shall (i) make illegal the erection, existence or restoration or use of the Building at the time of the recordation of the Condominium Declaration, or (ii) as will allow any party, including Sponsor or Sponsor's designee, to build on or directly above the land and/or expand the Building.

At the closing of title to a Unit, Purchasers shall appoint the Sponsor and/or Sponsor's designee, their successors or assigns, as their attorney-in-fact, to execute any document to effectuate the transfer, assignment or conveyance by Sponsor, Sponsor's designee and/or their successors or assigns, in whole or part, of the Unused Development Rights which Sponsor has retained for itself or for Sponsor's designee, their successors or assigns. See the section of the Offering Plan titled, "Reservation of Development Rights," set forth in Part I, for further details.

The project is being financed from Sponsor's own funds and construction loan financing being provided by Bank Hapoalim B.M., having an office at 1120 Avenue of the Americas, New York, New York 10036 (hereinafter the "Construction Lender"). Pursuant to the terms of the Sponsor's construction loan financing, provided Sponsor is not in default of any loan provision, the Sponsor shall have the right to sell the Units at offering prices that are not less than a minimum sales price determined by the loan documents. Sponsor represents that all of the offering prices as set forth in Schedule A set forth in Part I of the Offering Plan will be at or above the minimum sales prices required by the loan documents. Upon the payment by Sponsor of a release price for each Unit which shall be generated by the proceeds from each Unit closing until the loan is paid in full, the Construction Lender will agree to partially release the Unit closed from the lien of its construction loan. Additionally, pursuant to the loan documents, the Sponsor will not lease any portion of the Property without the consent of the Construction Lender.

Features of Condominium Ownership

The Purchaser of a Residential Unit, hereinafter referred to either as a "Unit Owner" or "Residential Unit Owner," owns his Unit similarly in many respects to the manner in which a private home owner owns his home. (References to the masculine gender in the Plan shall be deemed to refer to the feminine gender or plural where the context so requires and shall be deemed to include any duly formed partnership, corporation, limited liability company, trust, estate, fiduciary, unincorporated association or any other entity permitted to own real property in the State of New York.) The Residential Unit Owner or Community Facility Unit Owner, as the case may be, owns the Unit in fee and is entitled to the exclusive possession thereof. He is also the owner, in common with the owners of all other Units, of all remaining parts of the Property except for the

Units themselves, including the land upon which the Units are built, the foundations and supports of the Building, the exterior walls and the roofs, (hereinbefore and hereinafter called "Common Elements"). Each Unit Owner's proportionate share ("Common Interest") of the Common Elements has been determined upon the basis of such Unit's floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium. These allocations are made pursuant to Section 339-i 1(iv) of the Real Property Law, which is part of Article 9-B of the Real Property Law of the State of New York ("the Condominium Act"). Any portion of the land or Building, other than the Units themselves, which are for the use of one or more specified Units to the exclusion of all others, are known as "Limited Common Elements," which pursuant to the Plan and Condominium Declaration are either "Residential Common Elements," "Community Facility Common Elements" or "Residential Limited Common Elements." The Plan provides that individually defined roof terraces which are adjacent to and directly accessed from certain Residential Units shall be a Residential Limited Common Elements for the exclusive use of individual Residential Unit Owners. Additionally, a common or public terrace located at the third floor of the Building shall be a Residential Common Element for the exclusive use of all of the Residential Unit Owners. Other than the terraces as described above, there are no other terraces at the Property. However, other Limited Common Elements include, but are not limited to, gym and multi-purpose room, at the second floor of the Building, and the bike room at the cellar level which are for the exclusive use of all of the Residential Unit Owners.

A Unit Owner is privileged to mortgage his Unit generally on the terms and in such amount as he chooses. With respect to the Residential Units, the By-Laws state that a first mortgage or second mortgage shall be either with an institutional lender, the Sponsor, a family member, business associate or employer, or a selling Residential Unit Owner. Purchasers pursuant to this Plan, however, if they seek mortgage financing, shall not be permitted to condition their purchase of a Unit upon their obtaining a loan. All Purchase Agreements shall not be contingent upon financing pursuant to the terms of the Offering Plan. The failure of a Purchaser to obtain financing will not relieve a Purchaser from his or her obligations under the Purchase Agreement to pay the balance of the Purchase Price when due and if payment is not made when due, including the applicable grace period, the Down Payment may be forfeited. A mortgage may be made with a reputable private lender other than the Sponsor or selling Residential Unit Owner subsequent to the obtaining of written permission from either the Sponsor, prior to Sponsor's relinquishing control of the Board of Managers, or the Board of Managers. No Residential Unit Owner shall be permitted to encumber his Unit with a third mortgage. His Unit is not subject to the lien of any mortgages placed by other Unit Owners on their Units.

A Residential Unit Owner can sell or lease his Unit to anyone, without restriction or limitation, subject only to a right of first refusal by the Board of Managers of the Condominium (sometimes herein referred to as the "Condominium Board" or the "Board of Managers") at the same price and terms the Owner has been offered. Such right of first refusal is hereinafter described in the section of the Offering Plan titled "Rights and Obligations of Unit Owners."

A Residential Unit Owner can alter and decorate the interior of his Unit in any way he desires, subject to local codes and the Rules and Regulations of the Condominium, and he is

obligated for the cost of his own interior decoration, maintenance and repair after closing. Each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible if any of the other Unit Owners fail to pay their real estate taxes. In the opinion of counsel for the Sponsor, a Residential Unit Owner, like a home owner, may, under most circumstances, deduct from his income for income tax purposes his real estate taxes and the interest paid on the mortgage encumbering the Unit(s) owned by him, subject, however, to certain exceptions and limitations that are more particularly set forth in the Section of Part I of the Offering Plan titled "Counsel's Income Tax Opinion Letter." The Board of Managers of the Condominium will assess against each Unit Owner, in proportion to his respective percentage of Common Interest or Contributing Share, as the case may be, as defined in the section of the Plan titled "Definitions," charges (hereinafter called "Common Charges") for the maintenance of the Common Elements and for the operating costs of the Property (hereinafter called "Common Expenses"), as provided in New York State Real Property Law Section 339(i) and 339-m and each Unit Owner shall be obligated to pay such Common Charges. Each Unit Owner, including the Community Facility Unit Owner, will pay for all electricity consumed within his own Unit, the charges for which shall be separately metered. The Community Facility Unit will also be separately metered or submetered for gas and water consumption and usage.

If at the time a Unit Owner seeks to perform alterations to his or her own Unit, a PCO has not been issued for the Building, the Unit Owner, prior to commencing any alteration, must obtain the consent of the Sponsor or its designee, which consent shall be at the sole and absolute discretion of Sponsor or its designee. The Sponsor or its designee may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and a PCO has been obtained therefor. In furtherance thereof, a Unit Owner, who has been granted the consent by the Sponsor or its designee, to perform alterations shall indemnify Sponsor or its designee for any cost, expense, claim or liability incurred or suffered by Sponsor or its designee as a result of any violation of Law or delay in obtaining a TCO or PCO. In the event the alterations performed by a Unit Owner do adversely affect the issuance or validity of the certificate of occupancy, then upon the written request of Sponsor or its designee, 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 Sponsor or its designee, 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 the By-Laws.

Each Unit Owner is obligated to comply with the Declaration, the By-Laws, the Rules and Regulations and any other requirements of the Board of Managers. Each Unit Owner will also be responsible for maintaining his own Unit and for making repairs within his own Unit. Except with regard to limitations which apply to the obligations of the Community Facility Unit Owner, the cost of maintenance and repair of the Common Elements shall be shared by all Unit Owners as provided above. Each Unit Owner shall have the same rights of access to, use of and benefit of the Common Elements which are not Limited Common Elements. Each Unit Owner shall also be responsible for obtaining and bearing the cost of casualty and liability insurance in connection

with his respective Unit. The Board of Managers shall have the duty of obtaining casualty and liability insurance, on behalf of the Condominium, with respect to the Building as a whole.

The Board of Managers of the Condominium shall be elected by the Unit Owners with the number of votes allocated to each Unit Owner determined by their percentage of Common Interest. The Board of Managers shall have the authority to manage and administer the affairs of the Condominium, including, but not limited to, the determination of Common Charges and the adoption of Rules and Regulations covering the Condominium. Please see the section of the Offering Plan entitled "Rights and Obligations of Board of Managers/Summary of By-Laws" for further discussion.

Units may be purchased either by natural persons over the age of 18 years or by a duly formed partnership, or corporation, limited liability company, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York.

Under the terms of the Offering Plan, the purchase of a Unit is subject to the terms, conditions, covenants, easements and agreements set forth in the Correction ZLDA. A copy of this Correction ZLDA is set forth in part II of the Offering Plan.

Further, the purchase of a Unit is subject to the terms of the Declaration of Zoning Lot Restriction. The Declaration of Zoning Lot Restriction merges the Property and the Adjoining Property into one zoning lot for purposes of the Zoning Resolution and facilitates the transfer of the Excess Development Rights as described in the Correction ZLDA as discussed in greater detail below.

Each Purchaser and their advisors and/or attorney should read the entire Correction ZLDA which sets forth certain rights and obligations relating to the Property which run with the land and subject to which the Units shall be conveyed. The following is a brief summary of those rights and obligations but is not intended as a substitute for the Purchaser's review of the copy of the Correction ZLDA and other documents set forth in Part II of the Plan.

The Correction ZLDA grants and imposes rights and obligations among the parties thereto, including (i) the transfer to the Property of all excess zoning rights from the adjoining property located at 373 West 123rd Street, New York, New York (the "Adjoining Property") as such excess zoning rights exist today and to the extent they may increase in the future based upon changes in the applicable zoning laws and codes; (ii) a defined light and air easement commencing at a height which is thirty feet above the highest point of the Adjoining Property (the "Lower Limiting Plane") in favor of the Property; (iii) an agreement by the owners of the Adjoining Property to restrict any new building, structure, improvement or roof top equipment installed thereon to the confines of the existing buildings, structures or roof top equipment, (except that the adjoining owner may retain, add to and/or replace the existing mechanical equipment or structures above the height of the roof as they existed on the date of the Correction ZLDA may be installed up to the Lower Limiting Plane); (iv) easements which are either in the favor of the Property or reciprocal between the Property and the Adjoining Properties for the future construction, repair and maintenance, of

certain of the Building and the improvements located on the Adjoining Properties; (v) the right and easement of the Sponsor and the Condominium to construct, install and maintain non-permanent protective equipment including, but not limited to, scaffolding and construction sheds, on and encroaching upon the Adjoining Property, as required for the construction of reconstruction of the Building or the future maintenance thereof; (vi) a violation covenant between the owners of the Adjoining Properties and the Condominium, including the obligation to pay all costs for the cure thereof; (vii) agreements relating to the future expansion of the Zoning Lot and the development rights inherent therein; and (viii) provisions setting forth (a) any and all required insurance related to such rights, installations and improvements, and (b) the required future maintenance, repair and replacement of such installations and improvements by the Condominium.

The Correction ZLDA provides that any windows in the Building which abut the Adjoining Property below the Lower Limiting Plane shall be glass block windows. There is no limitation as to the installation of windows in the Building above the Lower Limiting Plane.

THE PURCHASE OF A CONDOMINIUM 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.

DEFINITIONS

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| “Appurtenant Interest” | - With respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium. |
| “Assessments” | - The charges allocated and assessed by the Board of Managers to the Unit Owners, pro rata, in accordance with their respective Common Interest, (except as otherwise provided in the Declaration or in the By-Laws). |
| “Board of Managers” or
“Condominium Board” | - The governing board of the Condominium composed of representatives elected by Unit Owners voting in accordance with their respective percentages of Common Interest. |
| “Building” | - The structure known as “99 Morningside,” a Condominium being newly constructed at 375 West 123 rd Street, New York, New York 10027. |
| “Common Charges” | - In the case of the Residential Units, each Unit Owner’s proportionate share or Contributing Share of the Shared Common Expenses (as defined in the Condominium Documents), payable by the Residential Unit Owners together with each Residential Unit Owner’s proportionate share or Contributing Share of the Residential Common Expenses (as defined in the Condominium Documents);

In the case of the Community Facility Unit, each Community Facility Unit Owner’s proportionate share of the Shared Common Expenses (as defined in the Condominium Documents), payable by the Community Facility Unit Owner together with the |

payment by the Community Facility Unit Owner of its proportionate share or Contributing Share of the Community Facility Common Expenses (as defined in the Condominium Documents).

- “Common Elements”

 - All portions of the Property other than Units. Common Elements are comprised of General Common Elements and Limited Common Elements.
- “Common Expenses”

 - (a) Expenses of operation of the Property, and
 - (b) All sums designated Common Expenses by or pursuant to the provisions of the New York Condominium Act, the Declaration or the By-Laws.
- “Common Interest”

 - The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit as expressed in the Declaration.
- “Community Facility Common Expenses”

 - As set forth in the By-Laws of the Condominium, the Community Facility Unit shall be solely responsible for the payment of all expenses (“Community Facility Common Expenses”) arising from the maintenance of and snow removal from the Community Facility Sidewalks; Community Facility garbage collection; vault charges attributable to the Community Facility Unit, if any; the cost of gas consumption for heat, hot water and for all other purposes in the Community Facility Unit; the cost of all water usage in the Community Facility Unit, together with related sewerage charges; repairs, maintenance and replacement of Community Facility Common Elements; and any other expense, which is not a Shared Expense, attributable to the Community Facility Unit only.
- “Community Facility Sidewalk”

 - Shall mean the sidewalks abutting the property along Morningside Avenue and the portion of the sidewalk on West 123rd directly in front of the entrance to the Community Facility Unit, including any tree, shrubbery, flowers or other planting or horticulture tub or box located thereon.

- “Community Facility Unit” - An area designated on a portion of the cellar level, first floor, second floor and the third floor of the Building, which shall be owned in fee simple absolute. According to the terms of the Offering Plan, there shall be one (1) Community Facility Unit.
- “Community Facility Unit Owner” - The Person owning the Community Facility Unit in fee simple absolute.
- “Condominium” - A form of ownership of real property in which individual Units as component parts of a whole are owned in fee simple with the right of exclusive use, by separate individuals or entities, which separate individuals and/or entities jointly own those parts of the whole designated as Common Elements. In the context of this Offering Plan “Condominium” specifically refers to “99 Morningside.”
- “Condominium Act” - Article 9-B of the Real Property Law of the State of New York, as the same may be amended from time to time.
- “Condominium Documents” - The Declaration and all Schedules thereto, the By-Laws, the Rules and Regulations, the Floor Plans, form of Unit Deed and the form of Unit Owners Power of Attorney.
- “Consummation of the Plan” - Means filing the Declaration of Condominium and the first transfer of title to a condominium unit to at least one (1) purchaser under the Plan following a declaration of effectiveness by the Sponsor and acceptance of the amendment to the Plan by the Department of Law confirming or declaring the Plan effective.
- “Contributing Share” - (a) In the case of the Residential Units, each Residential Unit’s proportionate share of the Common Charges payable by all of the Residential Unit Owners. Each Residential Unit Owner’s proportionate share or contributing share shall be determined by the proportion such individual Residential Unit Owner’s percentage of Common Interest bears to the aggregate percentage of Common Interest of all Residential Unit

Owners, multiplied by the Common Charges payable by all the Residential Units.

- (b) In the case of the Community Facility Unit, and in the event that there is more than one (1) Community Facility Unit, the Community Facility Unit's or each Community Facility Unit's proportionate share of the Common Charges payable by the Community Facility Unit Owner. The Community Facility Unit Owner's or each Community Facility Unit Owner's proportionate share or contributing share shall be determined by the proportion such individual Community Facility Unit Owner's percentage of Common Interest bears to the aggregate percentage Common Interest of all the Community Facility Unit Owners, multiplied by the Common Charges payable by all the Community Facility Units.

"Declaration"

- The instrument, as may be amended from time to time, by which the Property is submitted to the provisions of the New York State Condominium Act, consistent with the provisions of the New York Condominium Act and the By-Laws.

"DOB"

- Refers to the Department of Buildings of the City of New York.

"Equal or Better Quality"

- This phrase shall mean comparable or higher quality as recognized by industry standards or performance, efficiency, longevity and/or classifications, as applicable.

"Eligible Holder"

- A holder, insurer or guarantor of a first mortgage on a Unit.

"Facility" or "Facilities"

- As used in the 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, 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, mailbox, carpeting, tile or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering.

- “Filing”

 - Means the issuance of a letter from the Attorney General stating that an Offering Plan and/or an amendment thereto has been accepted for filing.
- “First Unit Closing”

 - The first closing of title with a bona fide purchaser of a Residential Unit.
- “Floor Plans”

 - The floor plans of the Units certified by a licensed engineer or registered architect, and filed in the Register’s Office of New York County simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.
- “General Common Elements”

 - The General Common Elements include, without limitation:
 - (1) The land on which the Building is physically erected, including any rear or side yard areas, if any, and all other lands comprising the Property, if any. Specifically excluded are any unused transferable air rights and/or development rights pertaining to the Land and Building, which rights are being reserved by Sponsor for itself and any successors or assigns. Yard areas or other areaways at the Property, if any, are not intended for public use except for fire egress purposes and are

subject to the easement rights, if any, in favor of the Sponsor or a Sponsor designee;

- (2) At the cellar, first floor, second floor and third floor levels: all foundations, footings, columns, girders, floor slabs and concrete ceilings, beams, supports, and interior bearing walls (except to the extent included below as Limited Common Elements); also at those levels, those portions of the exterior walls and any insulation or framing beyond the unexposed face of the dry wall at the exterior face of the Building, or where applicable, those portions of the exterior walls beyond the interior face of the exterior walls or the concealed block work or concealed structural members of those walls (except to the extent included below as Limited Common Elements); those portions of the walls and partitions dividing the Community Facility Unit from the corridors, the elevator shafts, mechanical equipment spaces and fire staircases which are not part of the Community Facility Unit, fire staircases and stairs located beyond the unexposed face of the dry walls enclosing the Community Facility Unit, or where applicable, the blockwork or concrete work of the interior walls of the Building separating the Community Facility Unit from another Unit, or separating the Community Facility Unit from corridors, the elevator shafts, mechanical equipment spaces which are not part of the Community Facility Unit; fire staircases, stairs, vestibules, if any, or lobbies not within the Community Facility Unit or which are not specifically designated below as Limited Common Elements; the subfloors and framing joists, if any, including any framing attached to such joists from which the dry wall ceiling of the Community Facility Unit is attached; all cellar areas which are not included within the Community Facility Unit or which are not

specifically designated below as Limited Common Elements;

- (3) Those portions of the main roofs and/or other roofs of the Building which have been designated for the installation of mechanical equipment, including, but not limited to, roof tanks, if any, cooling towers, if any, any air-conditioning equipment or other related Facilities which service all of the Units and/or the General Common Elements;
- (4) The boilers, hot water heaters, if any, heating and/or air-conditioning equipment, cooling towers and water tanks, if any, and related machinery or Facilities, wherever located in the Building, which service all of the Units or the General Common Elements;
- (5) Any piping and/or ductwork which is necessary for the functioning of the boilers and hot water heaters, if any, heating and/or air-conditioning equipment and cooling towers, if any, wherever located in the Building, which service all of the Units or the General Common Elements;
- (6) All sewer pipes and drainage pipes;
- (7) To the extent they exist, any common tanks, common water towers or tanks, pumps, including, but not limited to, motors, fans, compressors, ducts, siamese connections, and, in general, all apparatus and installations and Facilities existing for common use; and
- (8) Except as specifically noted, all other apparatus and installations and Facilities existing in the Building for common use or necessary or convenient to the existence, maintenance or safety of the Building.

“Insurance Trustee”

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A bank, a trust company or savings and loan association, having an office in the City of New

York, from time to time appointed to serve as such by the Condominium Board.

“Land”

- All that certain tracts, plots, pieces and parcels of land situate, lying and being in City of New York, County and State of New York as more particularly described in Schedule A to the Declaration.

“Law”

- The laws and ordinances of any or all of the Federal, New York State, New York City, and New York County governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities, including the Landmarks Preservation Commission, having jurisdiction over the Property and/or the Condominium, and/or the direction of any public officer pursuant to law.

“Limited Common Elements”

- Parts of the whole which are owned as Common Elements, but the exclusive use of which is granted to a single Unit Owner or several Unit Owners and, unless otherwise specified, the maintenance and repair of which is the responsibility of the Unit Owners or Owners to which the exclusive use has been allocated. In this Plan, the following are Limited Common Elements which shall be for the exclusive use of either all of the Residential Unit Owners (“Residential Common Elements”) or the Community Facility Unit Owner (“Community Facility Common Elements”) or an individual Residential Unit Owner (“Residential Limited Common Elements”):

(1) Residential Common Elements:

- (1a) At the fourth floor through and including the twelfth floor and/or Penthouse levels: all columns, girders, floor slabs and concrete ceilings, beams, and supports, any interior bearing walls (except to the extent included below as Community Facility Common Elements); also at those levels, those portions of the

exterior walls and any insulation or framing beyond the unexposed face of the dry wall at the exterior face of the Building, or where applicable, those portions of the exterior walls beyond the interior face of the exterior walls or the concealed block work or concealed structural members of those walls; those portions of the walls and partitions dividing the Units from the corridors, the elevator shafts, mechanical equipment spaces which are not part of a Unit, fire staircases and stairs located beyond the unexposed face of the dry walls enclosing a Unit, or where applicable, the blockwork or concrete work of the interior walls of the Building separating a Unit from another Unit, or separating a Unit from corridors, the elevator shafts, mechanical equipment spaces which are not part of a Unit, fire staircases, stairs, vestibules or lobbies not within a Unit, the subfloors and framing joists, if any, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roof bulkheads or roof areas which are not for the exclusive use of a particular Unit or which are not specifically designated below as Community Facility Common Elements, the use of which shall be at the sole discretion of the Board of Managers; skylights, if any, other than those directly over Units; sprinkler systems, standpipe systems, or parts thereof installed in common areas of the Building, if any, service corridors, fire corridors, halls, stairs, and stairway areas located beyond the unexposed face of the dry walls or blockwork or concrete work of the

walls enclosing a Unit which are not specifically designated below as Community Facility Common Elements; storage and utility areas, if any, which are not part of a Unit or which are not specifically designated below as Community Facility Common Elements and located beyond the unexposed face of the drywalls or blockwork or concrete work enclosing a Unit; the Residential Sidewalks, including any tree, shrubbery, flower or other planting or horticulture tub or box located thereon, subject to an easement in favor of the Community Facility Unit Owner for ingress or egress or for any other lawful purpose; the residential entrances to and exits from the Building located on West 123rd Street;

- (1b) The common service or public corridors and fire staircases located at the cellar level, first floor, second floor and third floor, all of which shall be for the exclusive use of the Residential Unit Owners, but subject to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen (i) to install, access, maintain, repair and/or replace any and all mechanical equipment servicing the Community Facility Unit; and (ii) for fire egress purposes and access and/or egress to or from the Community Facility Unit;
- (1c) The common public corridors and fire staircases located in the Building and which are not part of the Community Facility Unit and/or the Community Facility Common Elements, which

shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers but subject to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen to install, access, maintain, repair and/or replace any and all mechanical equipment servicing the Community Facility Unit;

- (1d) All passages, hallways, stairs and corridors, all mechanical space, offices, and all other rooms, areas, spaces and other parts of the Building, including, but not limited to, the cellar level, which are not Residential Units or part of the Community Facility Unit, Community Facility Common Elements or the General Common Elements; but subject to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen to install, access, maintain, repair and/or replace any and all mechanical equipment servicing the Community Facility Unit;
- (1e) Any bike room or rooms located at the cellar level which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers. The use of the bike room or rooms shall be subject to the By-Laws of the Condominium and any and all rules and regulations promulgated with regard thereto by the Board of Managers in their sole discretion;

- (1f) The trash compactor room and trash compactor machinery and related Facilities located at the cellar level of the Building, together with the trash compactor chute located on all floors of the Building, as set forth on the Floor Plans, which shall be for the exclusive use of all the Residential Unit Owners in a manner to be determined by the Board of Managers;
- (1g) The two (2) passenger elevators, passenger elevator machinery, its shafts and pits; the elevator bulkhead, together with all Facilities related thereto, located at the main roof of the Building or in the elevator hoistways, which shall be for the exclusive use of all the Residential Unit Owners in a manner to be determined by the Board of Managers, but subject to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen to install, access, maintain, repair and/or replace any and all mechanical equipment servicing the Community Facility Unit;
- (1h) The elevator lobby, together with the adjoining trash room and any mechanical rooms or equipment closets, located on each of floors numbered one through and including twelve; all Facilities related thereto; all of which shall be for the exclusive use of the all the Residential Unit Owners in a manner to be determined by the Board of Managers;
- (1i) The main residential entrance, together with its canopy, if any,

located on the West 123rd Street side of the Building, the residential lobby together with the adjoining elevator lobby, mail and package rooms, all of which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers but subject to an easement in favor of the Community Facility Unit Owner, or tenants thereof, to the extent required by Law, for fire egress purposes and access and/or egress to or from the Community Facility Unit;

- (1j) The multi-purpose room, gym and half bathroom, together with all Facilities related thereto, located at the second floor of the Building which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers;
- (1k) The terrace at the third floor roof and the common or public roof terraces located at the main roofs of the Building, including any tree, shrubbery, flower or other planting or horticulture tub or box located thereon, all of which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers, but subject to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen to install, access, maintain, repair and/or replace any and all equipment servicing the Community Facility Unit;

- (1l) Those portions of the main roofs or other roofs of the Building which have been designated for the installation of mechanical equipment, including, but not limited to, any heating, air-conditioning, ventilation equipment or Facilities which services the Residential Units only, which shall be for the exclusive use of the Residential Unit Owners;
- (1m) Any and all roofs of the Building, including, but not limited to, those portions of the roofs which are below the common or public terrace which are for the exclusive use of all of the Residential Unit Owners;
- (1n) The boilers, hot water heaters, if any, and related machinery or Facilities, wherever located in the Building, which only service the Residential Units, which shall be for the exclusive use of all of the Residential Unit Owners;
- (1o) Any piping and/or ductwork which is necessary for the functioning of the boilers and hot water heaters, if any, heating and/or air-conditioning equipment and cooling towers, if any, wherever located in the Building, which only service the Residential Units, which shall be for the exclusive use of all of the Residential Unit Owners;
- (1p) The cooling tower(s), if any, or tanks on the roofs of the Building together with any related Facilities which only service the Residential Units or the residential portions of the Building;
- (1q) The residential electric meters and panels, electric closets, feeders, risers

and other improvements, residential gas meters, cables, all of which serve the Residential Units and residential portions of the Building exclusively;

(1r) Any and all windows of the Building which are not part of a particular Residential Unit or the Community Facility Unit;

(1s) All installations or Facilities on the Property outside the Units for services such as gas, power, light, cable television, heat, telephone and water, except to the extent that they are designated below as Community Facility Common Elements;

(1t) All other improvements, installations, apparatus or Facilities exclusively serving all of the Residential Units or residential portions of the Building and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the residential portions of the Building; and

(1u) All street vaults, if any, which shall be the exclusive use of all the Residential Unit Owners. To the extent there are any charges for said vault areas, such charges shall be paid by all of the Residential Owners as a Residential Common Expense.

(2) Community Facility Common Elements:

(2a) Those portions of the main roof or other roofs of the Building which have been designated for the installation of mechanical equipment, including, but not limited to, any heating, air-conditioning, ventilation equipment or Facilities which service

the Community Facility Unit, which shall be for the exclusive use of the Community Facility Unit Owner;

- (2b) All columns, girders, floor slabs and concrete ceilings, beams, and supports and interior bearing walls located within the Community Facility Unit or separating the Community Facility Unit from a Residential Unit or the residential portions of the Building;
- (2c) Community Facility electric meter(s), separate cold water meter(s), gas meter(s) and other utility meters (if any) servicing or available for the exclusive use of the Community Facility Unit;
- (2d) The Community Facility Unit Owner will have a dedicated riser or a portion of another riser from the cellar level of the Building to the roof of the elevator bulkhead or other roof bulkhead, where a satellite dish may be located. The riser or portion of another riser and satellite dish, if any, will be a Limited Common Element for the exclusive use of the Community Facility Unit Owner and/or any tenant or occupant of the Community Facility Unit;
- (2e) All installations or Facilities on the Property outside the Units for services such as gas, power, light, cable television, heat, telephone and water which service the Community Facility Unit only;
- (2f) the Community Facility Sidewalks; and

- (2g) All remaining improvements, installations, apparatus or Facilities exclusively serving the Community Facility Unit or which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Community Facility Unit.

(3) Residential Limited Common Elements:

- (3a) The skylights, if any, existing or installed at some future date, that are directly above any Unit which shall be for the exclusive use of such Unit Owner. The maintenance, repair and replacement of such skylights shall be the responsibility of the individual Unit Owners of such Units; and
- (3b) The private roof terraces, together with any fencing delineating such roof area, which are adjacent to or directly accessed from a particular Residential Unit, as delineated on the Floor Plans. Nonstructural, ordinary repairs and maintenance of the private roof terraces, together with any fencing which delineates such roof area, shall be the responsibility of the individual Unit Owner(s) who have the exclusive use thereof.

“Majority”

- Majority of Unit Owners means either (i) more than fifty percent (50%) in Common Interest in the aggregate, or (ii) more than fifty percent (50%) in number of Units in the aggregate, or (iii) more than fifty percent (50%) in the aggregate in both Common Interest and in number of Units, as may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters. Any specified percentage of Unit Owners means (i) such percentage in Common Interest in the aggregate, or (ii) such percentage in number of Units in the

- aggregate, or (iii) such percentage in Common Interest and such percentage in number of Units, as may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters, provided, however, that different percentages in interest and in number of Units may be so specified.
- “Managing Agent” - A person employed by the Condominium Board pursuant to Article II, Section 4 of the By-Laws, who shall undertake to perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium shall delegate, subject to the limitations contained in such Section of the By-Laws.
- “Offering Plan” - The document filed with the New York State Department of Law which describes the condominium property and pursuant to which individual Units in the Condominium are offered for sale, as the same may be amended from time to time. Sometimes herein referred to as the “Plan”.
- “Operation of the Property” - The administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.
- “PCO” - Refers to a permanent certificate of occupancy issued by the Department of Buildings of the City of New York.
- “Permitted Mortgagee” - Refers to the holder of a Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute the holder(s) of the mortgages given by Sponsor to acquire and construct the Property, including the successors, assigns, and affiliates thereof. The initial Permitted Mortgagee shall refer to Bank Hapoalim, B.M.
- “Person” - A natural person, corporation, limited liability company, partnership, association, trustee or other legal entity.
- “Power of Attorney” - The document, signed by Unit Owners, which appoints:

- (i) the Board of Managers as attorney-in-fact to acquire, on behalf of all Unit Owners, any Unit the Unit Owner of which wishes to sell or abandon together with the Appurtenant Interests thereto and to deal with any such Units so acquired as they may determine.
- (ii) the Sponsor, its designee and/or the Community Facility Unit Owner, as attorney-in-fact, to amend the Declaration, the By-Laws, and the Rules and Regulations of the Condominium or any of said documents under certain conditions set forth in the Power of Attorney.
- (iii) the Sponsor, as attorney-in-fact, to execute any document to effectuate the transfer, assignment or conveyance by Sponsor, in whole or part, of the unused transferable air rights and/or development rights which Sponsor has retained for itself, and/or its successors and assigns.

“Property”

- Means and includes the Land, the Building and all other improvements thereon, (i) owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York State Condominium Act.

“Purchaser”

- Any Person who has entered into an agreement with Sponsor to purchase a Residential Unit and is not in default thereunder.

“Recording officer and
“Recording” or “Recorded”

- Shall have the meanings stated in section two hundred ninety of the New York State Real Property Law.

“Residential Common Expenses”

- As set forth in the By-Laws of the Condominium the Residential Units shall be solely responsible for the payment of all expenses or allocated expenses (“Residential Common Expenses”) arising from the

maintenance of and snow removal from the Residential Sidewalks, the employment of one or more doormen or other employees of the Condominium, if any, who will service all of the Residential Units; garbage collection for the Residential Units; vault charges, if any, attributable to vaults adjacent to the Common Elements, except to the extent they are attributable to a Community Facility Unit having exclusive use of such vault area; subsequent to the time that the Community Facility Unit is separately metered or submetered, the cost of gas consumption for heat and hot water in the Residential Units and in the Common Elements; gas consumption for dryers in the Residential Units Elements and gas consumed in the Common Elements; gas consumption for cooking in the Residential Units; water and sewer charges for the Residential Units and the Common Elements; maintenance, repair and replacement of the Residential Common Elements, including, but not limited to, the passenger elevators, those portions of the sprinkler and standpipe systems which are not located within the Community Facility Unit, all roofs and roof surfaces of the Building other than those portions which are Community Facility Common Elements or General Common Elements; supplies for the Residential Common Elements; all costs and expenses associated with the operation and maintenance of the residential amenities located at the Building; and any other expense, which is not a Shared Expense, attributable to the Residential Units only or as provided in the By-Laws.

“Residential Sidewalks”

- Shall mean the sidewalks adjacent to the Residential portion of the Building along West 123rd Street, including any tree, shrubbery, flowers or other planting or horticulture tub or box located thereon.

“Residential Unit”

- A designated apartment in the Building comprising the Condominium which is owned in fee simple absolute.

“Residential Units”

- Collectively, all the apartments in the Building.

- “Residential Unit Owner”

- Means the person, persons or entity owning a Residential Unit in fee simple absolute.
- “Rules and Regulations”

- The rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.
- “Selling Agent”

- The entity which will, on behalf of the Sponsor, originate and supervise sales of Units. Halstead Property Development LLC is the Selling Agent pursuant to the terms of the Offering Plan.
- “Sponsor”

- The promoter of the project and/or Offering Plan to convert the Premises, 375 West 123rd Street, New York, New York to Condominium Ownership; 99 Morningside LLC is the Sponsor of this Offering Plan.
- “Sponsor-designee”

- Any Person designated by Sponsor to hold title to any Unit. Sponsor’s statement in writing that a Person is a Sponsor-designee shall be conclusive evidence of such status so as to entitle such Person to all the rights of a Sponsor-designee under this Offering Plan. A Sponsor-designee shall have the right to designate a Person to succeed to its rights and any such designee shall also be deemed a Sponsor-designee. A Sponsor-designee assumes the status of and the obligations of Sponsor under the Offering Plan and applicable law with respect to the Units such Sponsor-designee acquires.
- “Sponsor’s Initial Control Period”

- Refers to the initial period during which Sponsor, including any designee thereof, retains control of the Board of Managers of the Condominium prior to relinquishing the same. Upon the earlier of (i) the closing of title to Units whose aggregate Common Interest exceeds ninety percent (90%) of the Common Interest allocated to all the Units, or (ii) five (5) years from the First Unit Closing, Sponsor, including any designee thereof, will relinquish control of the Board of Managers if it has such

control and will not elect or designate a majority of its nominees for positions on the Board of Managers, even though the total percentage of Common Interest may otherwise enable it to do so.

“TCO”

- Refers to a temporary certificate of occupancy issued by the Department of Buildings of the City of New York.

“Unit”

- Any space in the Building designated as a Unit. Such Units are a part of the Property intended for any type of legal use or uses, and adjoin an exit to a public street or highway or a Common Element or elements leading to a public street or highway, and may include such appurtenances as a private roof terrace or balcony. Any mechanical equipment, including, but not limited to, sprinkler, heating, hot water and air-conditioning equipment, with all related ductwork and piping attached thereto, located outside or inside a Unit which only services a particular Unit shall be a fixture which is the personal property of the Unit Owner of the Unit it services. Such Unit Owner shall be responsible for the cost of any maintenance, repair or replacement of such mechanical equipment.

“Unit Deed”

- The deed transferring title to a specified Unit from Sponsor to Purchaser in fee simple absolute.

“Unit Designation”

- The number, letter or combination thereof or other official designations conforming to the tax lot number, if any, designating the Unit in the Declaration and on the floor plans.

“Unit Owner”

- The person or persons, or entity owning a Unit in fee simple absolute. It collectively means the respective owners of the Residential Units and the Community Facility Unit.

“Unsold Units”

- Any Unit owned by Sponsor or its designee at the time in question.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Property which previously consisted of four (4) parcels, has an aggregate area of approximately 6,779 square feet with approximately 100 feet 11 inches of frontage along the easterly side of Morningside Avenue and 60 feet 7 inches of frontage along West 123rd Street. The Property upon which the Condominium will be situated is rectangular in dimension and the development site is located at the corner formed by the intersection of the northerly side of West 123rd Street and the easterly side of Morningside Avenue.

The Sponsor is constructing a new building to be situated at the Property. The new building will be a mixed-use community facility/residential building, consisting of twelve (12) designated floors plus a cellar level. As shown on the Floor Plans (defined hereinafter), the floors of the Building are designated cellar, first floor, second floor through the twelfth floor. The eleventh and twelfth floors will also be known as the penthouse level. All floor references in this Declaration and in the By-Laws of the Condominium, to particular floors of the Building are in accordance with such floor designations. Further, a portion of the main roof level at the third floor level will be comprised of a common outdoor roof terrace for the exclusive use of all the Residential Unit Owners and a mechanical terrace area for the use of all of the Unit Owners. A portion of the main roof at the twelfth floor shall be a private roof terrace for the exclusive use of the owner of Unit 12A. The remainder of the roof at the twelfth floor is comprised of a mechanical room, mechanical equipment, and the cooling towers, if any, and other mechanical service areas for the residential portion of the Building. Additionally, the second floor of the Building will contain certain recreational amenities, including, but not limited to, a gym and a multi-purpose room, all of which will be for the exclusive use of all of the Residential Unit Owners.

The newly constructed Building shall be comprised of one (1) community facility unit (the "Community Facility Unit") and twenty-three (23) residential units (the "Residential Units"), plus other common elements of the Building as defined herein (the "Common Elements"). The Common Elements shall either be for the use of all of the Unit Owners ("General Common Elements") or for the exclusive use of one or more Unit Owners ("Limited Common Elements").

The Community Facility Unit will be located on portions of the cellar, first, second and third floors of the Building which are not Common Elements or part of the Residential Units. The Community Facility Unit includes a class A Residential apartment which is located on the second floor of the Building. Two (2) Residential Units will be located on the third floor. The fourth, fifth, sixth, seventh and eighth floors will contain three (3) Residential Units. Two (2) Residential Units will be located on each of floors nine and ten. The eleventh and twelfth floors shall each contain one (1) Residential Unit. The two (2) Residential Units located on the eleventh and twelfth floors will be known as the Penthouse Units. The Unit located on the twelfth floor will have a private roof terrace, accessible from the living area of this Unit by internal stairs, located at the roof above the twelfth floor of the Building, in addition, to several other terraces which are directly accessed from this Unit at the twelfth floor. The Residential Units are one, two, three or four bedroom Units. In addition, some of the other Residential Units have adjacent private terraces and/or balconies which are directly accessed from those Units. The private terraces and balconies

shall be Limited Common Elements for the exclusive use of the Unit Owners having direct access thereto. All private terraces and balconies adjacent to and directly accessed from a Residential Unit shall have a traffic bearing surface consisting of either concrete or concrete pavers or such other equivalent material.

The Building being newly constructed is projected to be completed in September of 2019. Pursuant to the New York City Building Code, the Class of Construction for the Building is Class I-B (Non-Combustible) construction. A new Certificate of Occupancy will be obtained by the Sponsor upon final completion of the project.

The Building has a cellar level consisting of a part of the Community Facility Unit and portions of the Common Elements. The Common Elements located at the cellar level of the Building include a bicycle room, electrical meter room, gas meter room, a water meter/fire pump room, elevator closet room, an elevator and elevator pits, a trash compactor, trash compactor room, water booster pump room and common service or public corridors and fire staircases.

Common Elements located at the first floor level include the main residential entrance to the Building located on West 123rd Street, the vestibule, residential lobby, mail area and package room, compactor chute, the two (2) passenger elevators at the central core of the Building, as well as common service or public corridors and fire staircases.

Common Elements located at the second floor of the Building include a gym room, gym storage room, multi-purpose room, and half bathroom, all of which shall be Common Elements of the Condominium. The elevators, elevator lobby, refuse room with compactor chute, any mechanical rooms or equipment closets, fire staircases and public corridors on each floor above the first floor are also Common Elements of the Building.

Located at or above the main roof level of the Building, above the twelfth floor are the bulkheads for the two (2) passenger elevators, cooling towers, if any, mechanical rooms and equipment all of which are Common Elements. Other than the public or common roof terrace, the gym room and the multi-purpose room at the second floor, there are no other common recreational areas or facilities at the Property. Any other roofs of the Building, including, but not limited to, the mechanical terrace areas located at the main roof or other roofs of the Building, are either common areas not meant for public access or use or Limited Common Elements for the exclusive use of one or more Unit Owners. Additionally, there are no parking facilities which are part of the Property and the Building does not have balconies or terraces other than the roof terraces described above.

There are two (2) "scissor stair" fire staircases at the Building which run from the cellar level to the main roof of the Building. The Building will have two (2) passenger elevators at the central core of the Building. Both elevators will service substantially all of the floors of the Building from, and including, the cellar, to and including, the twelfth floor of the Building. There are no fire escapes at the Building.

In addition, the Community Facility Unit, located on portions of the cellar, first floor, second floor and third floor, has internal fire staircases and corridors, mechanical rooms and equipment, and elevators which service the Community Facility Unit only. These areas are part of the Community Facility Unit. The main entrance to the Community Facility Unit is located on Morningside Avenue.

The foundation system of the Building consists of concrete slab on grade. The Building's superstructure consists of concrete floors on concrete columns. The exterior walls will consist of a combination of reinforced cast in place concrete, light gauge metal frame walls or glass block wall. The exterior walls shall be finished with EIFS.

The roof will consist of a cast-in-place reinforced concrete slab. Rigid insulation will be installed as part of the roofing system and the roof finish at the terraces shall be concrete or porcelain pavers.

The Building will have gas-fired hot water heaters which will be located in the mechanical room at the main roof of the Building. The hot water heaters will provide domestic hot water to the Residential Units and all residential common areas. Heating in the Residential Units is provided by a split system heat pump air conditioning system. Each Unit is equipped with a dedicated outdoor condensing unit and several indoor air conditioning units. The Community Facility shall have a separate heating and hot water system.

Air conditioning systems are designed to meet the requirements of the New York City and New York State Codes. The Building's cooling system will be provided by a split multi-heat pump system with condensing units on the roof. Each Residential Unit shall be provided with ceiling-hung direct expansion fan coil units. Public area air conditioning systems are composed of split heat pump systems and corridors shall be provided with a packaged rooftop gas heat air conditioning unit.

The Community Facility Unit Owner shall be responsible for any additional equipment installations necessary to heat and/or air condition the Community Facility Unit or to provide hot water therein.

Gas consumption for heat in all of the Residential Units, including supplemental heat for the public corridors, hot water in the Residential Units and Common Elements and gas consumed in the Common Elements, shall be collectively metered by one (1) or more meters or submeters and shall be a Residential Common Expense of all of the Residential Unit Owners. The Community Facility Unit will be separately metered for heat, hot water, cooking and other gas usage in the Community Facility Unit and the gas consumption and cost measured thereby shall be a Community Facility Common Expense of the Community Facility Unit Owner only.

Additionally, gas consumption for cooking shall be collectively metered by one (1) or more meters and shall be a Residential Common Expense of all the Residential Unit Owners.

Each of the Units shall be separately metered or submetered for the consumption and cost of electricity in the respective Unit. A common meter or meters or submeters shall measure the consumption of electricity in the common areas or Common Elements, including the Residential Common Elements which shall be paid by the Board of Managers as a Residential Common Expense of all of the Residential Unit Owners only. Water and sewer services are provided for by the City of New York. The Residential Units and Common Elements shall be metered and/or submetered for water usage by one or more meters. The cost of water consumption in all of the Residential Units and in the General Common Elements and Residential Common Elements shall be a Residential Common Expense of all of the Unit Owners. The Community Facility Unit shall be separately sub-metered for water service and all related sewer rents within the Community Facility Unit and the cost of consumption measured thereby shall be a Community Facility Common Expense of the Community Facility Unit Owner only.

There is no public or common laundry room in the Building. Each of the Residential Units will be provided with a laundry closet or laundry room with individual hook-ups for one (1) electric washer and one (1) electric ventless dryer or, at the sole discretion of Sponsor, for one (1) stackable unit which is a combination thereof. The washer and dryer are being supplied by the Sponsor as part of the Offering Plan.

No person may carry or smoke any kind of lighted pipe, cigar, cigarette, tobacco, or any other lighted smoking apparatus, equipment or product, including but not limited to electronic cigarettes (hereinafter referred to collectively as "Smoking Apparatus") in any of the common areas of the Building, whether indoor or outdoor, at any time. Though smoking shall be permitted in any Residential Unit or Residential Limited Common Element appurtenant thereto, including a private balcony, terrace, and/or garden, no person may smoke or otherwise burn any Smoking Apparatus in any Residential Unit or Residential Limited Common Element appurtenant thereto in a manner which causes smoke to be a nuisance or annoyance to any other resident of the Condominium.

The Building is being constructed in accordance with all applicable zoning and buildings laws, regulations, codes and other requirements of the New York City Building Code and applicable zoning requirements, including but not limited to the requirements of the Quality Housing Program which is set forth in Chapter 8 of Article II of the New York City Zoning Resolution as amended. The Quality Housing Program provides additional requirements for the building interior, recreation space and planting, safety and security and parking requirements. Sponsor has either complied with these additional requirements and/or obtained a waiver (with respect to the offsite parking requirement) of the applicable provisions of the Quality Housing Program. See the Description of Property and Building Condition located in Part II of the Plan for further detail.

The Sponsor shall provide each kitchen in a Residential Unit with certain appliances, which are specifically set forth in the "Description of Property and Building Specifications," located in Part II of the Plan.

Any additional custom work requested by Purchaser and agreed to by Sponsor in its sole discretion, shall be deemed custom work under the Purchase Agreement and the cost thereof is in

addition to the total purchase price. The initial downpayment to be made by Purchaser upon execution of a Purchase Agreement shall be increased by the entire cost and expense of the custom work. Pursuant to the terms of the Purchase Agreement, all custom work is to be performed by Sponsor's contractors. Although initially deposited in escrow, upon the rescission of a Purchase Agreement by Purchaser, the funds deposited for the extra custom work will not be refunded to the Purchaser to the extent such funds have already been disbursed or are required to pay for the custom work.

Sponsor shall obtain a temporary or permanent "Class A" residential Certificate of Occupancy which shall cover each Residential Unit prior to the closing of title to such Unit. The Certificate of Occupancy for the Community Facility Unit shall provide for Community Facility uses on a portion of the cellar, first floor, second floor and third floors of the Building as well as a residential apartment located on the second floor of the Building, as permitted in the Zoning Resolution of City of New York, as amended. The Property is located in a R8-A Zoning District. The Use Groups allowed are Use Groups 2 (Residential) and 4 (Community Facility). See the section of the Plan titled, "The Community Facility Unit," for a discussion of the Community Facility Owner's right to change the use of the Community Facility Unit. In the event that a permanent Certificate of Occupancy for a Residential Unit has not yet been obtained by such Unit closing, Sponsor is subsequently obligated to obtain same. However, Sponsor shall not be obligated to perform any work in the Community Facility Unit other than as set forth in the Plan. Please consult the section of the Plan titled "Rights and Obligations of Sponsor" for further discussion.

For further details, please see the "Description of Property and Building Specifications" located in Part II of the Plan.

LOCATION AND AREA INFORMATION

1. Location

The property has the street address 375 West 123rd Street (a/k/a 101-103 Morningside Avenue) and is located on the corner of Morningside Avenue and West 123rd Street in the borough of Manhattan.

2. Surrounding Area

The Condominium is situated in a culturally diverse neighborhood. This area is composed of a variety of residential dwellings, which include 19th and 20th century brownstones, multiple-family brick apartment buildings and tenements. Some of the commercial properties located nearby include the Apollo Theater, Magic Johnson's movie theater, Harlem USA, New York Sports Clubs, and Starbucks. Various ethnic eateries can be found in the area including barbeque restaurants such as Dinosaur Barbeque, soul food restaurants including Amy Ruth's, and American bistros and Italian bakeries such as The Hudson River café and Settepani. Major retailers like Filene's Basement, The Body Shop, and Carol's Daughter are located along the 125th Street corridor.

3. Transportation

This area is a prime location for transportation via subway and buses. Taxis are readily available as well. There is a local subway on 125th Street at Lenox Avenue (#2 & #3), at St. Nicholas Avenue (A, B, C, D), West Broadway (#1), and at Lexington Avenue (#4,#5,#6). Convenient bus service has stops at Adam Clayton Powell Boulevard (M2), Frederick Douglas Boulevard (M10), and cross-town services on St. Nicholas Avenue (BX15).

4. Schools

PS.154 Harriet Tubman located at on 127th Street between Frederick Douglas Boulevard and Adam Clayton Powell Boulevard, PS 125 Ralph Bunche located on 123rd Street between Morningside Avenue and Amsterdam Avenue, PS076A Philip Randolph located at 121st Street between Adam Clayton Powell Boulevard and St. Nicholas Avenue and PSM242 Gwendolyn Powell Brown Computer school located at 122nd Street and Adam Clayton Powell Boulevard, all have grades pre-kindergarten through 5th grade. There are several charter schools in the area including Kipp S.T.A.R College Preparatory on 123rd between Morningside Avenue and Amsterdam Avenue, Mott Hall II located at West 109th Street and Broadway, Thurgood Marshall Academy located at 135th Street and Adam Clayton Powell Boulevard, and The Harlem Renaissance School located at 128th Street between Madison Avenue and Fifth Avenue. There are also several private schools in the area such as the Sister Clara Muhammad School at 102 West 116th Street, Rice Catholic High School at West 122nd and Malcolm X Boulevard and the Sisula-Walker School of Harlem located at 125 West 115th Street. Colleges in the vicinity include Columbia University, Barnard College, Bank Street College of Education, and the City College of New York.

No representation is made that any Unit Owner's child will be able to attend any education facility.

5. Religious Facilities

Legree Baptist Church is located at 362 West 125th Street. Antioch Baptist Church is located at 515 West 125th Street. The Presbyterian Church of Ghana is located at 259 West 123rd street. St. Joseph of the Holy Family Catholic Church is located at 405 West 125th Street. The Masjid Malcom Shabazz Mosque is located at 102 West 116th Street.

6. Hospitals/Medical Facilities

Mt. Sinai Hospital is located at East 100th and Fifth Avenue. North General Hospital is located at 1879 Madison Avenue at 121st Street. St. Luke's/Roosevelt Hospital is located at 1111 Amsterdam Avenue at 114th Street.

7. Post Office

A US Post office is located at 365 West 125th street between Manhattan Avenue and Morningside Avenue.

8. Library

A branch of the New York Public Library is located at 518 West 125th Street. The Columbia Public library is located at 521 West 114th street. The Schomburg Center for Research in Black Culture is located at 515 Malcolm Boulevard.

9. Police, Fire, Sanitation, Snow Removal, and Road Maintenance Services

These are provided by the City of New York and all charges for these services (except water) are incorporated into the City real estate tax. The 28th Police Precinct is located at 123rd Street and Frederick Douglass Boulevard. Engine Company 37 and Ladder Company 40 are located at 415 West 125th Street, New York, New York.

10. Recreational Facilities

Central Park is located at 110th Street between Fifth Avenue and Central Park West. Newly reconstructed Morningside Park is on Morningside Avenue and 116th and Marcus Garvey Park is on Fifth Avenue and 120th Street. Riverside State Park is located along the Hudson River.

11. Zoning

The Building is located in a R8-A Zoning District. Additionally, in the case of the Community Facility Unit, the zoning district permits the uses contemplated under the Plan.

The Sponsor or its principals do not have at this time any right or option to acquire, in whole or in part, any adjacent areas in whole or part. As set forth in the Correction ZLDA included in Part II, Sponsor acquired additional development rights from the parcel of land located at 373 West 123rd Street, New York, New York. Sponsor utilized the additional development rights in the construction of the Building.

99 MORNINGSID CONDOMINIUM
375 WEST 123RD STREET
NEW YORK NEW YORK 10027

SCHEDULE A

Offering Prices and Related Information

All Projected Charges are for the Twelve Month Period

Commencing July 1, 2020 and Ending June 30, 2021 ("First Year")

Unit (1)	Unit Description: Number of Bedrooms & Bathrooms, Etc. (2)	Approximate Square Footage of Unit (3)	Approximate Square Footage of Private Balcony and/or Terrace	Offering Price (4)	Percentage Common Interest (5)	Percentage Contributing Share (6)	Estimated Monthly Common Charges First Year (7)	Estimated Annual Common Charges First Year (7)	Estimated Monthly Real Estate Taxes First Year without 421-a and Upon 100% Completion (8)	Estimated Annual Real Estate Taxes First Year without 421-a and Upon 100% Completion (8)	Estimated Monthly Real Estate Taxes for the First Year of Operation and Upon 100% Completion with Capped 421-a Benefits (July 1, 2020) (9)	Estimated Annual Real Estate Taxes for the First Year of Operation and Upon 100% Completion with Capped 421-a Benefits (July 1, 2020) (9)	Estimated Total Monthly Carrying Charges without 421-a First Year (10)	Estimated Total Annual Carrying Charges without 421-a First Year (10)	Estimated Total Monthly Carrying Charges with 421-a First Year (11)	Estimated Total Annual Carrying Charges with 421-a First Year (11)
3A	3 BD/2	1415	N/A	\$ 1,895,000.00	3.4983%	4.5082%	\$ 1,506.25	\$ 18,075.01	\$ 1,634.96	\$ 19,619.56	\$ 646.43	\$ 7,757.16	\$ 3,141.21	\$ 37,694.57	\$ 2,152.68	\$ 25,832.17
3B	1 BD/1.5	1042	N/A	\$ 1,100,000.00	2.5175%	3.2442%	\$ 1,083.93	\$ 13,007.18	\$ 1,176.55	\$ 14,118.63	\$ 188.02	\$ 2,256.23	\$ 2,260.48	\$ 27,125.81	\$ 1,271.95	\$ 15,263.41
4A	3 BD/2	1415	N/A	\$ 1,925,000.00	3.4342%	4.4255%	\$ 1,478.62	\$ 17,743.44	\$ 1,604.99	\$ 19,259.94	\$ 616.46	\$ 7,397.54	\$ 3,083.61	\$ 37,003.38	\$ 2,095.08	\$ 25,140.98
4B	2BD/2	1274	N/A	\$ 1,450,000.00	3.1041%	4.0001%	\$ 1,336.49	\$ 16,037.85	\$ 1,450.71	\$ 17,408.53	\$ 462.18	\$ 5,546.13	\$ 2,787.20	\$ 33,446.38	\$ 1,798.67	\$ 21,583.98
4C	2BD/2	1271	N/A	\$ 1,550,000.00	3.0257%	3.8991%	\$ 1,302.74	\$ 15,632.90	\$ 1,414.08	\$ 16,968.99	\$ 425.55	\$ 5,106.59	\$ 2,716.82	\$ 32,601.89	\$ 1,728.29	\$ 20,739.49
5A	3BD/2	1415	N/A	\$ 1,950,000.00	3.4342%	4.4255%	\$ 1,478.62	\$ 17,743.44	\$ 1,604.99	\$ 19,259.94	\$ 616.46	\$ 7,397.54	\$ 3,083.61	\$ 37,003.38	\$ 2,095.08	\$ 25,140.98
5B	2BD/2	1274	N/A	\$ 1,475,000.00	3.1041%	4.0001%	\$ 1,336.49	\$ 16,037.85	\$ 1,450.71	\$ 17,408.53	\$ 462.18	\$ 5,546.13	\$ 2,787.20	\$ 33,446.38	\$ 1,798.67	\$ 21,583.98
5C	2BD/2	1271	N/A	\$ 1,575,000.00	3.0257%	3.8991%	\$ 1,302.74	\$ 15,632.91	\$ 1,414.08	\$ 16,968.99	\$ 425.55	\$ 5,106.59	\$ 2,716.83	\$ 32,601.90	\$ 1,728.29	\$ 20,739.50
6A	3BD/2	1414	N/A	\$ 1,975,000.00	3.4342%	4.4255%	\$ 1,478.62	\$ 17,743.44	\$ 1,604.99	\$ 19,259.94	\$ 616.46	\$ 7,397.54	\$ 3,083.61	\$ 37,003.38	\$ 2,095.08	\$ 25,140.98
6B	2BD/2	1274	N/A	\$ 1,500,000.00	3.1041%	4.0001%	\$ 1,336.49	\$ 16,037.85	\$ 1,450.71	\$ 17,408.53	\$ 462.18	\$ 5,546.13	\$ 2,787.20	\$ 33,446.38	\$ 1,798.67	\$ 21,583.98
6C	2BD/2	1271	N/A	\$ 1,600,000.00	3.0257%	3.8991%	\$ 1,302.74	\$ 15,632.91	\$ 1,414.08	\$ 16,968.99	\$ 425.55	\$ 5,106.59	\$ 2,716.83	\$ 32,601.90	\$ 1,728.29	\$ 20,739.50
7A	3BD/2	1474	N/A	\$ 2,019,000.00	3.5815%	4.6153%	\$ 1,542.03	\$ 18,504.41	\$ 1,673.81	\$ 20,085.74	\$ 685.28	\$ 8,223.34	\$ 3,215.85	\$ 38,590.15	\$ 2,227.31	\$ 26,727.75
7B	4BD/2.5	1847	185	\$ 2,550,000.00	4.3557%	5.6130%	\$ 1,875.38	\$ 22,504.55	\$ 2,035.66	\$ 24,427.89	\$ 1,047.12	\$ 12,565.49	\$ 3,911.04	\$ 46,932.44	\$ 2,922.50	\$ 35,070.04
7C	1 BD/1	557	N/A	\$ 760,000.00	1.3300%	1.7139%	\$ 572.64	\$ 6,871.65	\$ 621.57	\$ 7,458.90	\$ 44.85	\$ 538.16	\$ 1,194.21	\$ 14,330.55	\$ 617.48	\$ 7,409.81
8A	3BD/2	1474	N/A	\$ 2,050,000.00	3.5815%	4.6153%	\$ 1,542.03	\$ 18,504.41	\$ 1,673.81	\$ 20,085.74	\$ 685.28	\$ 8,223.34	\$ 3,215.85	\$ 38,590.15	\$ 2,227.31	\$ 26,727.75
8B	3BD/2	1659	183	\$ 2,450,000.00	3.9116%	5.0407%	\$ 1,684.17	\$ 20,210.00	\$ 1,828.10	\$ 21,937.15	\$ 839.56	\$ 10,074.75	\$ 3,512.26	\$ 42,147.15	\$ 2,523.73	\$ 30,284.75
8C	1BD/1	557	80	\$ 775,000.00	1.3300%	1.7139%	\$ 572.64	\$ 6,871.65	\$ 621.57	\$ 7,458.90	\$ 44.85	\$ 538.16	\$ 1,194.21	\$ 14,330.55	\$ 617.48	\$ 7,409.81
9A	2BD/2	1094	372	\$ 1,650,000.00	2.6481%	3.4125%	\$ 1,140.16	\$ 13,681.95	\$ 1,237.60	\$ 14,851.20	\$ 249.07	\$ 2,988.80	\$ 2,377.76	\$ 28,533.15	\$ 1,389.23	\$ 16,670.75
9B	4BD/2.5	1823	369	\$ 2,750,000.00	4.3296%	5.5794%	\$ 1,864.15	\$ 22,369.84	\$ 2,023.45	\$ 24,281.37	\$ 1,034.91	\$ 12,418.97	\$ 3,887.60	\$ 46,651.21	\$ 2,899.07	\$ 34,788.81
10A	2BD/2	1093	N/A	\$ 1,480,000.00	2.6600%	3.4278%	\$ 1,145.27	\$ 13,743.29	\$ 1,243.15	\$ 14,917.79	\$ 254.62	\$ 3,055.39	\$ 2,388.42	\$ 28,661.08	\$ 1,399.89	\$ 16,798.68
10B	3BD/2.5	1620	183	\$ 2,580,000.00	3.8546%	4.9673%	\$ 1,659.64	\$ 19,915.71	\$ 1,801.46	\$ 21,617.48	\$ 812.92	\$ 9,755.08	\$ 3,461.10	\$ 41,533.19	\$ 2,472.57	\$ 29,670.79
PHB	4BD/2.5	2411	581	\$ 3,550,000.00	5.7759%	7.4432%	\$ 2,486.87	\$ 29,842.49	\$ 2,699.41	\$ 32,392.92	\$ 1,710.88	\$ 20,530.52	\$ 5,186.28	\$ 62,235.41	\$ 4,197.75	\$ 50,373.01
PHA	4BD/2.5	2313	684	\$ 3,400,000.00	5.5337%	7.1312%	\$ 2,382.63	\$ 28,591.57	\$ 2,586.19	\$ 31,034.34	\$ 1,597.66	\$ 19,171.94	\$ 4,968.83	\$ 59,625.91	\$ 3,980.29	\$ 47,763.51
Residential Unit Totals:		32258	2637	\$ 44,009,000.00	77.6000%	100.0000%	\$ 33,411.36	\$ 400,936.30	\$ 36,266.67	\$ 435,200.00	\$ 14,354.01	\$ 172,248.12	\$ 69,678.03	\$ 836,136.30	\$ 47,765.37	\$ 573,184.42
CF		8334	0	N/A	22.4000%	100.0000%	\$ 4,936.75	\$ 59,241.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		4790CS														
Community Facility Unit Totals:		13124	0	N/A		100.0000%	\$ 4,936.75	\$ 59,241.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Grand Totals:				\$ 44,009,000.00	100.0000%		\$ 38,348.11	\$ 460,177.30	\$ 36,266.67	\$ 435,200.00	\$ 14,354.01	\$ 172,248.12	\$ 69,978.03	\$ 836,136.30	\$ 47,765.37	\$ 573,184.42

BD - denotes Bedroom(s)

Sponsor notes that in order to qualify for 421-a Benefits the project must receive a temporary certificate of occupancy for all residential portions of the Building on or before December 31, 2019.

NOTES TO SCHEDULE A

Offering Prices and Related Information

- (1) Set forth in column numbered (1), titled "Unit," is the Unit's designation in the Building and the Offering Plan.
- (2) Set forth in column numbered (2), titled "Unit Description: Number of Bedrooms & Baths, etc." is a description of the Unit's layout, including the number of bedrooms and baths. Also set forth is whether a Unit has a private roof terrace. The number of rooms in each bedroom type Unit is set forth below and is not calculated on the basis of any industry standard. However, the term "zoning room count" previously defined by the Zoning Resolution of the City of New York as amended, was used to determine the number of rooms.

<u>Bedroom Type</u>	<u>Rooms</u>
One Bedroom	3.5
Two Bedroom	4.5
Three Bedroom	5.5
Four Bedroom	6.5

Some of the Residential Units have the exclusive use of private roof terrace areas which are adjacent to and directly accessed from those Units. Any private terrace which is appurtenant to a Residential Unit is non-habitable space which is not intended for living or sleeping purposes and such use thereof may result in a building violation being issued for the Building. There are common roof terraces located at the third floor and main roof of the Building are for the exclusive use of all of the Residential Unit Owners.

Please see the Floor layouts of the Units set forth in Part II of the offering for more information regarding Unit Layouts.

- (3) The approximate Square Footage of a Unit set forth in column numbered (3) of Schedule A, is a gross square footage of the Unit, which is obtained by measuring the floor area of the Unit on one or more floors horizontally from the exterior side of the exterior walls or windows to the centerline of the partitions separating one Unit from another Unit, or the exterior of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit, or to the exterior side of the opposite exterior walls; provided, however columns, mechanical pipes, shafts, shaft-ways, chases, chase-ways and conduits in all Units are not deducted from the measurement of each Unit. Each Unit consists of the area measured vertically on each floor of the Building, if applicable, from the top of the concrete floor slab below to the upperside of the sheetrock ceiling above, or if there is no sheetrock ceiling, the underside of the finished ceiling above. The gross square footage of a Unit is greater than the Approximate Square Footage of a Unit measured by using the legal

definition of the Unit which appears in the Declaration of the Condominium in Part II of the Plan. Outdoor floor areas of terraces appurtenant to a Unit are not included in the Unit's floor areas. As is customary in New York City, these gross square footages reflected in Schedule A substantially exceed the useable floor area of each Unit.

Exterior terrace areas are measured from the exterior face of the Unit to the exterior face of the terrace walls.

Any floor layout, plan or sketch 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 adverse change will be made in the size, configuration, or layout of a Unit for which a Purchase Agreement has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by DOB requirements or applicable law, and in such event, Sponsor will, in the amendment disclosing such change and delivered to Purchasers, offer the affected Purchaser(s) the right, for at least fifteen (15) days, to rescind their Purchase Agreements and receive a refund of their downpayments, together with all interest earned thereon. Further, no material change will be made in the size or quality of Common Elements unless all Purchasers not in default, consent.

Further, please note that the ceiling heights for the Units and/or Common Element as set forth in the "Description of Property and Building Specifications" in Part II of the Offering Plan are approximate and may vary in certain areas due to field conditions at the Property.

- (4) The column numbered (4), titled "Offering Price," is the offering price of the Residential Unit to Purchasers.

Sponsor's right to make changes in offering prices is set forth in the section of the Plan titled "Changes in Prices or Units." Please note that purchase prices are technically negotiable, although Sponsor fully expects to receive those amounts set forth in the column titled "Offering Price."

In addition to the purchase price, Purchaser will be responsible at closing of title for certain other expenses as explained in the section titled "Unit Closing Costs and Adjustments." Included in these costs is the Purchaser's contribution to the Working Capital Fund in the amount of two (2) months Common Charges for the Unit being purchased at the time of closing, payable to the Board of Managers of the Condominium. In condominium transactions, either the seller or the purchaser can pay the transfer taxes. The obligation is assumed by a purchaser if such obligation is imposed on the purchaser by the terms of the sale. Under the Offering Plan and the Purchase Agreement, Purchasers are required to pay the transfer taxes as a closing cost. For purposes of paying transfer taxes, consideration also includes the amount of New York City Real Property Transfer Tax and New York State Transfer Taxes (deed stamps) to be paid for the Unit as well as the Purchaser's payment of Sponsor's legal fees. While general guidelines to certain expenses of Purchaser are approximated in such section, Sponsor is unable to approximate the total amounts

which will be incurred by Purchasers because these will vary according to such factors as the cost and size of a particular Unit, whether mortgage financing is obtained and Purchaser's attorney's fees. Purchasers are advised to consult with their attorney as to the exact closing costs they will incur in purchasing their Unit.

- (5) As set forth in column numbered (5), the percentage of Common Interest allocated to each Unit 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. These allocations are made pursuant to Section 339-i 1(iv) of the Real Property Law, which is part of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"). The aggregate Common Interest of all Units equal 100%.
- (6) As set forth in column numbered (6), these amounts reflect (i) each Residential Unit's "percentage share" of the Shared Common Expenses, plus the Residential Common Expenses to be paid by the Residential Units only, allocated to each Residential Unit in the proportion that the Common Interest of each Residential Unit bears to the aggregate Common Interests of all Residential Units; and (ii) the Community Facility Unit's "percentage share" of the Shared Common Expenses, plus the Community Facility Common Expenses to be paid by the Community Facility Unit only. A Residential Unit's or the Community Facility Unit Owner's Contributing Share is used to determine his or her share of Common Charges to be paid by either all of the Residential Unit Owners or the Community Facility Unit Owner. Each Unit's projected Common Charges for the first year of condominium operation are set forth in column numbered (7).
- (7) These estimates as set forth in column numbered (7) are based upon the "Projected Budget for the First Year of Condominium Operation," which was prepared for the year commencing July 1, 2020 and which will appear in Schedule B in the Plan, hereinafter referred to as the "First Year." Included in these charges, amongst other costs, are the cost of insurance for the Property, repairs & maintenance for the common areas and electricity for common areas. It does not include the cost of electricity for individual Units, which will be separately metered or submetered and billed by the utility company to each Unit Owner. Projected annual Common Charges payable by each Residential Unit Owner are determined by first multiplying such Residential Unit Owner's Contributing Share by 77.60% of the total Shared Common Expenses of the Condominium and then by multiplying such Unit Owner's Contributing Share by 100% of the Residential Common Expenses as set forth in the annual budget for each fiscal year. Projected annual Common Charges payable by the Community Facility Unit Owner are determined by multiplying the total Shared Common Expenses of the Condominium as set forth in the annual budget for each fiscal year by the percentage common interest allocated to the Commercial Unit. The Community Facility Unit is solely and directly responsible for the Community Facility Common Expenses. As stated above, since the Community Facility Unit is not being offered pursuant to this Offering Plan, the Common Charges set forth in Schedule A for

the Community Facility Unit only include those items that are Shared Expenses and do not include those items which are Community Facility Common Expenses as defined hereinafter. See "Schedule B, Projected Budget for First Year of Condominium Operation" for a further discussion of Shared Expenses and Residential and Community Facility Common Expenses.

In addition to the aforementioned charges, each Unit Owner will be responsible for paying: (i) mortgage payments under any loan or loans obtained to finance the acquisition of his Unit; (ii) the cost of interior repairs to, and the maintenance, painting and decoration of, his Unit, including, without limitation, the equipment and appliances contained therein; and (iii) the cost of any insurance covering (A) furniture, belongings, equipment and other personal property and (B) liability to others for personal injury or property damage as a result of occurrences in his Unit.

- (8) The estimates set forth in column numbered (8) are a calculation of real estate taxes without 421-a Benefits due for each Unit for the First Year of Condominium operation commencing July 1, 2020 and ending June 30, 2021 ("First Year"). Therefore the estimates are based upon the 2020/2021 tax year which commences on July 1, 2020. Estimates of real estate taxes due for the Units are based upon (i) the projected taxable assessed valuation of all of the Units upon one hundred percent (100%) completion of the construction which is assumed to be prior to January 5, 2020 for the 2020/2021 tax year; (ii) the projected apportionments of the assessed valuations to the Units, and (i) projected tax rates for the 2020/2021 tax years. The estimated taxable assessed valuations as apportioned to all of the Units and the projected tax rates have been projected by Tuchman, Korngold, Weiss, Liebman & Lindemann LLP ("Sponsor's Special Tax Consultants"), 6 East 45th Street, New York, NY10017. A copy of Sponsor's Special Tax Consultant's letter is set forth in Part I of the Offering Plan.

As stated above, Sponsor's projection of real estate taxes for all of the Units for the First Year of Condominium operation is based upon a projection by Sponsor's Special Tax Consultants, who estimated the taxable Assessed Valuation of the entire Property upon one hundred percent (100%) completion of construction.

Upon 100% completion of construction, assumed to be prior to January 5, 2020 for projection purposes, the projected post-construction projected taxable assessment as apportioned to all of the Residential Units is projected as \$3,400,000.00 for the 2020/2021 tax year. Sponsor's Special Tax Consultants has also projected the tax rate to be 12.8% for the 2020/2021 tax year.

Real Estate Taxes payable during tax year 2020/2021 by all of the Residential Units without 421-a Benefits, are projected as follows:

2020/2021 Actual Assessed Valuation	
(Residential Unit only):	\$ 3,400,000.00
Estimated Taxes Payable @ 12.8 % Tax Rate:	\$ 435,200.00

It is the 2020/2021 tax year taxable assessment of all of the Residential Units upon which real estate taxes for the First Year of Condominium operation have been based.

The Property is presently classified in Tax Class 2. Class 2 (more than ten (10) Units), primarily residential, held in cooperative or condominium ownership. Increases in valuation regarding this classification are limited to no more than forty-five percent (45%) per annum to increases in valuation due to additions or improvements to existing property. RPTL Section 1805(5). Pursuant to RPTL Section 1805(6) such “physical” increases are limited to forty-five percent (45%) of the market value of such improvements in properties with more than eleven (11) residential units.

Sponsor notes that, the Actual Assessed Valuation of the Property, is the amount which, barring a major improvement or alteration to the Property, will be phased in over five (5) years at twenty percent (20%) per year. Real Estate Taxes for the Property will be based upon the lower of either the actual or transitional assessment which is in effect for the First Year of Operation. Since the Property is vacant and being newly constructed into “Class A” apartments and non-residential space and construction has already commenced, it can be expected that the Actual Total Assessed Valuation will increase for subsequent tax years due to such construction. See below for an additional discussion of the total changes in assessed valuation and real estate taxes for the Property due to the construction to be completed by Sponsor.

See the “Estimate of Post Construction Assessment and Counsel’s 421-a Real Estate Opinion” set forth in Part I of the Offering Plan.

Based upon the above assumptions and the projected assessments and tax rates, the aggregate real estate taxes without 421-a Benefits for all Residential Units for the First Year of Operation is projected to be approximately \$435,200.00.

Another assumption of the projected real estate taxes is that each Unit will be assessed in direct proportion to each Unit’s percentage of Common Interest as it bears to either the aggregate percentage of Common Interest of all Units in the aggregate or in the aggregate percentage of Common Interest of the Residential Units or Community Facility Unit as the case may be. No warranties are made that the assessments of the individual Residential Units will be arrived at in a manner stated above. The Department of Finance of the City of New York may arrive at individual Unit assessments (or the apportionment of the entire value of the Property) which are different from those projected by Sponsor’s Special Tax Consultants and may use a methodology which varies from that set forth herein. For example, the City of New York may apportion the total tax due for the Property among the individual Unit Owners in proportion to the relative value of each Unit as indicated by the Offering Prices set forth in the initial Offering Plan or any amendment to the Offering Plan. In such event, Sponsor makes no representation as to what Purchase Prices the City would use.

There can be no assurance that there will not be a further increase in the assessed valuation of the Units comprising the Property and/or an increase in the tax rate above those projected for tax years 2020/2021 or subsequent years.

If on the date of the First Unit Closing each of the Units shall not have been separately assessed as an independent tax lot, then until such time as said independent tax assessment shall be made and in effect each Residential Unit Owner and the Community Facility Unit Owner, including Sponsor, shall be nonetheless responsible for the cost of their proportionate amount of the aggregate real estate tax for the Property as determined by their percentage of Common Interest, multiplied by the aggregate real estate taxes assessed against the entire Property as apportioned to all the Residential Units or the Community Facility Unit, as the case may be.

In the event the Units have not been separately assessed as independent tax lots at the First Unit Closing Sponsor shall place in escrow at such time an amount equal to the unpaid real estate taxes for the shorter period of (i) six (6) months from the First Unit Closing or (ii) the period from the First Unit Closing until the Units are separately assessed. Sponsor will pay the real estate taxes from this escrow account as they become due and payable. However, at Unit closings individual purchasers shall adjust real estate taxes with the Sponsor from the midnight preceding the date of the Unit closing through the end of the tax period within which the closing date occurs. If no separate Unit apportionment has yet occurred, such adjustment shall be on the basis of the percentage of Common Interest attributable to such Unit. If a subsequent adjustment need be made when the tax lots are apportioned to correct any discrepancy between the adjustment on the basis of actual apportionment, it shall be made at that time. Should tax lots not be apportioned by the end of the tax period in which a Unit closing occurs, Sponsor shall be entitled to reimbursement from the Unit Owner for taxes as they are paid. Such reimbursement shall be per such Unit Owner's percentage of Common Interest.

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

- (9) The figures set forth for the Property in column numbered (9) reflect the projected real estate taxes for the Units with 421-a and are based upon (i) the total taxable 2014/2015 aggregate taxable assessed valuation for the Property of \$245,308.00 which represents the total taxable assessed valuation for the entire Property for the tax year prior to the commencement of construction, hereinafter referred to as the "Mini-Tax Assessment", which is assumed to effective on July 1, 2020, subject to the exemption cap of \$92,675.00 per Unit for the 2020/2021 tax year. The Exemption Cap will only apply for tax years starting in 2020/2021 since the completion of construction is anticipated to occur after the taxable status date of January 5, 2019 for the 2019/2020 tax year. For new buildings commencing construction after July 1, 2008 and prior to January 1, 2016, the maximum

exemption (the "Exemption Cap") shall be restricted to \$65,000 of assessed value per dwelling unit. For every tax year commencing after 2008, there is an inflation factor of 3% compounded and added to the cap. Thus for the 2020/2021 tax year, the maximum exemption shall be set at \$92,675 per unit. The use of these figures is based upon the current policy of the Department of Finance of the City of New York and the figures set forth in column numbered (10) have been estimated by Sponsor's Special Tax Consultants. Sponsor, at its sole cost and expense, is applying for partial real estate tax exemption benefits for the Property pursuant to Section 421-a of the New York Real Property Tax Law and the Rules and Regulations promulgated thereunder ("RPTL").

Once the anticipated 421-a benefits commence, they are anticipated to be retroactive to July 1, 2016. Accordingly, any retroactive real estate tax exemption benefits covering a particular Unit shall be the property of the Sponsor for the period of time prior to the closing of title of such Unit. Any such benefits covering the period subsequent to the closing of title to such Unit shall be the property of the owner of such Residential Unit. It is not anticipated that the partial tax exemption benefits for the Property pursuant to Section 421-a RPTL will be reflected in the real estate tax assessment records of the City of New York until July 1, 2020 or thereafter. Accordingly, real estate tax adjustments with Unit purchasers who close title during the year and/or months prior to the commencement of Section 421-a RPTL Partial Tax Exemption Benefits will be adjusting on the basis of the projected real estate taxes for the First Year of Condominium operation set forth in column numbered (8). Those projections are higher than the projections set forth in column numbered (9) which are based upon the Mini-Tax Assessment (subject to the Exemption Cap for the final two months of the First Year of Operation) and the subsequent commencement of Section 421-a RPTL partial tax exemption benefits. However, since the aforementioned tax exemption benefits, once they commence, are anticipated to be retroactive to July 1, 2016, such purchaser will be entitled to a refund of any excess real estate taxes paid or adjusted on, subsequent to such purchaser's closing of title. The refund will be issued from the party receiving the refund for all or any part of 2015/2016, 2016/2017, 2017/2018, 2018/2019, 2019/2020 or 2020/2021 tax years. The projection assumes that the real estate taxes and exemption benefits will be either apportioned to the Units of the Building according to the proportion that each such Unit's percentage of Common Interest bears to the aggregate Common Interest of all of the Units or to the aggregate percentage of the Common Interest of the Residential or Community Facility Unit as the case may be. No assurances can be given that this method of apportionment of real estate taxes will be used by the City of New York taxing authorities. For example, the City of New York may apportion the total tax due for the Property among the individual Unit Owners in proportion to the relative value of each Unit as indicated by the Offering Prices set forth in the Offering Plan or any amendment to the Offering Plan. In such event, Sponsor makes no representation as to what Purchase Prices the City of New York would use.

The real estate taxes with 421-a Benefits are also projected by Sponsor's Special Tax Consultants using a tax rate of \$12.80 per \$100.00 of assessed valuation for all the Residential Units for the 2020/2021 tax year. There can be no assurance that the assumed tax rates will remain at the stated level for tax years 2021/2022, 2022/2023 or thereafter.

Based upon the above assumptions and the projected assessments and tax rates, the 2020/2021 aggregate real estate taxes with 421-a Benefits for the First Year (which are subject to the exemption cap) are \$172,248.00. **HOWEVER, IN THE EVENT THE ASSESSED VALUE AS DETERMINED BY THE NEW YORK CITY DEPARTMENT OF FINANCE EXCEEDS OUR ESTIMATE AND EXCEEDS THE CAP ON EXEMPTIONS OR THE ALLOCATED INCREASE IN ASSESSED VALUE IN ANY PARTICULAR UNIT EXCEEDS THE CAP, THERE WILL BE A REAL ESTATE TAX HIGHER THAN SET FORTH ABOVE AND SCHEDULE A AND THE TOTAL EXEMPTION SET FORTH HEREIN CANNOT BE APPORTIONED EQUALLY AND EACH INDIVIDUAL TAX LOT IS SUBJECT TO THE CAP THUS RESULTING IN AN EXEMPT VALUE THAT IS LESS THAN IT WOULD HAD BEEN IF THE BUILDING HAD BEEN A SINGLE TAX LOT RENTAL BUILDING. THIS IS LIKELY TO AFFECT THE LARGER UNITS IN THE BUILDING SO THAT THE 421-A TAX SAVINGS TO THE LARGER UNITS MAY BE DISPROPORTIONATELY LESS THAN THE SMALLER UNITS AND THE TOTAL MINI-TAX FOR ALL UNITS WILL BE HIGHER THAN THE NUMBER SET FORTH ABOVE. WE POINT OUT THERE IS A 421-A DISCREPANCY BETWEEN A ONE LOT RESIDENTIAL BUILDING AND A CONDOMINIUM BUILDING WITH SEPARATE TAX LOTS SO THAT PURCHASERS WILL UNDERSTAND THAT IT IS NOT PERMISSIBLE TO ASSUME THE 421-A EXEMPTION BENEFITS ARE DISTRIBUTED IN EXACT PROPORTION TO THE COMMON INTERESTS.**

Sponsor further note that all areas in Manhattan are within the geographic exclusion area and accordingly to receive 421-a Benefits provide 20% of the units for affordable housing or obtain a sufficient number of negotiable certificates. These negotiable certificates (the "Negotiable Certificate") are issued by HPD to a low income housing developer who has built off-site low income housing elsewhere in the City. Each negotiable certificate entitles a unit with a net square footage of no more than 1,200 square feet to receive 421-a Benefits even though such Unit is located in the Exclusion Zone. The Sponsor has acquired 24 negotiable certificates to meet the eligibility requirements without building any onsite affordable housing units.

NOTE: THE OFFER FOR SALE OF CONDOMINIUM UNITS PURSUANT TO THIS OFFERING PLAN IS NOT CONTINGENT UPON THE PROPERTY RECEIVING 421-A BENEFITS. FURTHER, IN THE EVENT THAT 421-A BENEFITS ARE GRANTED, THE OFFER FOR SALE OF UNITS IS NOT CONTINGENT UPON THE AMOUNT OF BENEFITS GRANTED AND/OR THE COMMENCEMENT DATE OR DURATION OF SUCH BENEFITS. See Note (8) above for an estimate of real estate taxes due for the First

Year of Condominium operation (which coincides with the estimated assessment of the Property upon one hundred percent (100%) completion of Sponsor's construction to the Building).

Sponsor will use its best efforts to obtain 421-a Benefits for the Residential Units. Sponsor, at its sole cost and expense, has filed an application for and will make all additional necessary filings to obtain such benefits. All documentation supplied or caused to be supplied by Sponsor will be true and complete. As of the date hereof Sponsor has not obtained either the Preliminary 421-a Certificate of Eligibility or the Final 421-a Certificate of Eligibility. Upon issuance of either the Preliminary or Final 421-a Certificate of Eligibility, the Sponsor shall include a copy of such Certificate of Eligibility in an amendment to the Offering Plan. Sponsor notes that in order to qualify for 421-a Benefits the project must receive a temporary certificate of occupancy for all residential portions of the Building on or before December 31, 2019 and in the event that the temporary Certificate of Occupancy for all residential units in the Building is not issued prior to December 31, 2019, then the Property shall not be eligible to receive 421-a benefits. Any change in the status of the application for 421-a Benefits will be disclosed in an amendment to the Offering Plan.

For further details concerning real estate taxes and partial tax exemption benefits pursuant to Section 421-a RPTL, consult the section of the Offering Plan subtitled "Real Estate Taxes" and subsection "421-a Partial Tax Exemption Benefits" and "Estimate of Post-Construction Assessment and Counsel's 421-a Real Estate Opinion" which is included in Part I of the Offering Plan.

- (10) The figures in this column (10) equal the sum of the column numbered (7) Estimated Monthly/Annual Common Charges (First Year) and the column numbered (8) Estimated Monthly/Annual Real Estate Taxes First Year without 421-a Benefits (First Year).

The figures regarding the Estimated Annual/Monthly Real Estate Taxes (First Year) should change in subsequent years as a result of changes in the assessed valuation of Units, the tax rate or in the method of assessing real property. In the event that any Unit Owner obtains mortgage financing for his or her Unit the interest paid on such mortgage indebtedness will, in most cases, be deductible for income tax purposes and may vary in future years due to changes in the interest rate on a Unit Owner's mortgage (if any) or for changes in the allocation of constant debt source payments to interest and principal. However, on January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. As stated in the tax opinion by D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP ("Sponsor's Counsel"), set forth in the Section of Part I of the Offering Plan titled "Counsel's Income Tax Opinion Letter", It is the opinion of Sponsor's Counsel that a non-corporate Residential Unit Owner who itemizes his deductions will be entitled to a deduction in computing his taxable income for Federal income tax purposes for bona fide mortgage interest incurred with respect to his

Unit in the year paid provided that (a) the indebtedness is incurred in acquiring, constructing or improving the Unit, (b) the indebtedness is secured by the Unit, (c) the indebtedness does not exceed \$750,000.00, or \$375,000.00 in the case of a married individual filing a separate return, and (d) the Unit is a "qualified residence." Interest paid on indebtedness that refinances indebtedness incurred to acquire, construct or improve a Unit is similarly deductible. A Unit will be a "qualified residence" if it is either (i) the Owner's "principal residence" within the meaning of Code Section 121 or (ii) a residence as defined by Code Section 280A(d)(1) that the Owner selects as a qualified residence. Thus, a single taxpayer or a married couple filing a joint return may have two, and only two, qualified residences. In the case of a married couple filing separate returns, each taxpayer may take into account a single "qualified residence," unless by written agreement they consent to one of them taking into account a principal residence and one other residence. Under Section 461(g) of the Code, no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (other than points paid in certain cases).

In Sponsor's Counsel's opinion, a Residential Unit Owner who itemizes his deductions and whose Unit is used by him for residential purposes will, for Federal income tax purposes, be entitled to a deduction limited to \$10,000.00 (\$5,000.00 in the case of a married individual filing a separate return) for real estate taxes incurred with respect to his Unit in the year paid under Section 164 of the Code. The Federal limitation on the deduction for real estate taxes applies in the aggregate to state and local income taxes paid as well. Thus, the maximum amount a Residential Unit Owner may deduct for real estate taxes and state and local income taxes combined is \$10,000.00 (\$5,000.00 in the case of a married individual filing a separate return).

It is also Sponsor's Counsel's opinion that each Unit Owner whose Unit is used in an active profession and/or trade or business, other than the rental of such Unit, in which the Unit Owner materially participates, will, for Federal income tax purposes, be entitled to a deduction for the full amount of real estate taxes incurred with respect to his Unit in the year paid under Section 164 of the Code.

Other rules are applicable to a Unit Owner if the Unit is to be used in a trade or business or is to be held for rental. In these cases, the Tax Reform Act of 1986 has broad impact, and no opinion is offered as to the consequences to such a Residential Unit Owner.

It is also Sponsor's Counsel's opinion that each Residential Unit Owner will, for New York State and New York City income tax purposes, be entitled to the same deduction which is allowed for Federal income tax purposes for the mortgage interest and real estate taxes paid during the taxable year. Section 615 of the New York State Tax Law; Section 11.1715 of the Administrative Code of the City of New York. However, in the case of a Residential Unit Owner whose New York State or New York City adjusted gross income exceeds \$100,000.00, the amount of such deduction may be reduced by up to twenty-five percent (25%) of such deduction.

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

It should be noted that Sponsor's Counsel's opinion as to the availability of deductions to a Unit Owner with respect to mortgage interest and real estate taxes in connection with his or her Unit used in an active profession and/or trade or business, other than the rental of such unit, is based on the assumption that such owner will have "at risk" within the meaning of Section 465 of the Code, in such profession, trade or business, an amount equal to, or in excess of his losses in connection with said profession, trade or business, including such deduction.

- (11) The figures in column (11) equal the sum of column numbered (7) and Estimated Monthly Annual Common Charges and (9) Estimated Monthly/Annual Real Estate Taxes with 421-a benefits.

SCHEDULE B**PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
BEGINNING JULY 1, 2020**

	Residential Units (77.60%)	Community Facility Unit (22.40%)	Total (100%)
<u>Income:</u>			
Common Charges (1)	\$ 400,936.30	\$ 59,241.00	\$ 460,177.30
Total Income (2)	\$ 400,936.30	\$ 59,241.00	\$ 460,177.30
	Residential Units	Community Facility Unit	Total
<u>Expenses (3):</u>			
*Salaries, Including Payroll Taxes and Benefits (4)	\$ 166,376.92	\$ 16,503.08	\$ 182,880.00
Gas for Heat, Hot Water and the Common Elements (5a)	\$ 29,600.00	N/A	\$ 29,600.00
Gas for Cooking and Gas Dryers (5b)	\$ 2,400.00	N/A	\$ 2,400.00
*Electricity for Common Elements (6)	\$ 31,854.80	\$ 9,195.20	\$ 41,050.00
Water and Sewer Charges (7)	\$ 34,700.00	NA	\$ 34,700.00
Repairs, Maintenance and Supplies for General Common Elements (8)	\$ 2,328.00	\$ 672.00	\$ 3,000.00
Repairs, Maintenance and Supplies for Residential Common Elements (9)	\$ 9,000.00	N/A	\$ 9,000.00
*Service Proposals and/or Contracts (other than Elevator Maintenance and Gym Equipment Maintenance) (10a)	\$ 21,968.56	\$ 6,341.44	\$ 28,310.00
Elevator Maintenance (10b)	\$ 9,000.00	N/A	\$ 9,000.00
Gym Equipment (10c)	\$ 1,800.00	N/A	\$ 1,800.00
*Insurance (11)	\$ 24,909.60	\$ 7,190.40	\$ 32,100.00
*Management Fees (12)	\$ 20,952.00	\$ 6,048.00	\$ 27,000.00
*Administrative Expenses (13)	\$ 9,700.00	\$ 2,800.00	\$ 12,500.00
*Major Capital Improvement Replacement Reserve Fund (14)	\$ 32,463.42	\$ 9,370.88	\$ 41,834.30
*Contingency (15)	\$ 3,880.00	\$ 1,120.00	\$ 5,000.00
Total Expenses	\$ 400,936.30	\$ 59,241.00	\$ 460,177.30

*Shared Expenses¹

Note: Sponsor represents that in the event that the commencement date of the First Year of condominium operation is delayed more than six (6) months from the budget year projected in the Plan, the Plan will be amended to include a revised projected budget. If such amended projections exceed the projections set forth above by twenty-five percent (25%) or more, each Purchaser shall have the right for fifteen (15) days subsequent to the date of mailing or personal delivery of a copy of such amendment to him to rescind his Purchase Agreement, and, if not otherwise in default, have his deposit refunded. Sponsor has attempted to make accurate estimates. However, due to inflation, changes in the economy and unforeseen factors, it is likely that actual expenditures will differ from estimates set forth herein.

¹For purposes of this Budget, the projected first year of Condominium operation refers to the twelve month period beginning as of the First Unit Closing. As of the Offering Date, the Sponsor anticipates that the Initial Closing will take place on or about July 1, 2020. "NA" denotes Not Applicable.

NOTES TO SCHEDULE B

1. Common Charges (\$460,177.30)

This estimate is based upon the sum of all expenses which are described in Schedule B. Each Unit Owner shall be responsible for paying his, her or its share of the Common Expenses in accordance with its Common Interest or Contributing Share, as the case may be, except as otherwise provided in the footnotes to Schedule B and the By-Laws of the Condominium.

The Common Charges for the Community Facility Unit are based, in part, upon the Community Facility Unit Owner's payment of 22.40% of the Common Interest multiplied by the projected amount of the Shared Expenses as set forth in Schedule B and 100% of the Community Facility Common Expenses to be paid by the Community Facility Unit Owner only. The Community Facility is solely and directly responsible for the Community Facility Common Expenses. Please note that since the Community Facility Unit is not offered for sale pursuant to this Offering Plan the aggregate Common Charges for the Community Facility Unit set forth on Schedule B only include those items that are Shared Expenses and do not include those items which are Community Facility Common Expenses as defined in footnote 3 below, for which the Community Facility Unit Owner shall be solely and directly responsible pursuant to the Declaration and By-Laws of the Condominium set forth in Part II of the Offering Plan.

The Common Charges for the Residential Units are based, in part, upon each Residential Owner's Contributing Share of 77.60% of the Common Interest multiplied by the projected amount of the Shared Expenses and 100% of the Residential Common Expenses to be paid by the Residential Unit Owners only.

Where a Common Expense, if any, has been allocated amongst the Units other than in accordance with their respective Common Interests or Contributing Share, such special allocations are based upon projected usage by and applicability to a particular Unit Owner or group of Unit Owners in the opinion of the Sponsor or Sponsor's consulting engineer or managing agent. It is the opinion of Sponsor that the Common Charges payable by the Residential Unit Owners will be sufficient to cover expenses fairly attributable to the Residential Units. If the Condominium or the Board of Managers has a reasonable basis to believe that a particular Common Expense or Shared Expense should hereafter be specially allocated or re-allocated either amongst the Residential Unit Owners or between the Residential Unit Owners and the Community Facility Unit Owner, the By-Laws of the Condominium provide for the procedure for the resolution of such reallocation. See Article VI, Section 1 and Article XV of the By-Laws in Part II of the Plan. Any dispute as to the allocation of the Shared Common Expenses shall be subject to arbitration.

2. Total Income (\$460,177.30)

This figure does not include any interest income that may be received by the Board of Managers from investment of the Working Capital Fund to be established at the various Unit Closings. For more information regarding the Working Capital Fund, see the section of the Plan

titled, "Working Capital Fund," located in Part I. It is expected that all or part of the Working Capital Fund will be expended during the first or subsequent years of operation. Accordingly, such interest income cannot be determined with exactitude. For this reason, and for the further reason that such income does not reflect normally anticipated income from operations, no interest income has been included in the estimated income for the First Year of Condominium Operation. Further, as stated above, this figure does not include the payment of Community Facility Common Expenses.

3. Expenses (\$460,177.30)

Unless a special allocation is applicable, the Community Facility Unit shall bear 22.40% of the Common Expenses which are designated as "Shared Expenses." The Community Facility Unit will be separately metered for all consumption of electricity, gas, water and related sewer charges and the Community Facility Unit Owner will be solely responsible for the payment of the cost for such utilities. Further, pursuant to the By-Laws of the Condominium, the Community Facility Unit Owner is solely responsible for the payment of "Community Facility Common Expenses," together with the costs of the utilities described above, which include the cost of maintenance of and snow removal from the Community Facility Sidewalks; Community Facility garbage collection; vault charges attributable to the Community Facility Unit, if any; repairs, maintenance and replacement of the Community Facility Common Elements; and any other expense, which is solely attributable to the Community Facility Unit and not a Shared Expense. As stated above, since the Community Facility Unit is not being offered pursuant to this Offering Plan, the aggregate Expenses for the Community Facility Unit only include those items that are Shared Expenses and do not include those items which are Community Facility Common Expenses for which the Community Facility Unit Owner is solely and directly responsible for.

Those expenses set forth in Schedule B which are borne solely by all the Residential Unit Owners are referred to in the Plan as "Residential Common Expenses." Pursuant to the By-Laws of the Condominium, the Residential Common Expenses include all expenses or allocated expenses arising from residential garbage collection; the cost the maintenance of and the snow removal from the Residential Sidewalks; the employment of one or more doormen or other employees of the Condominium who will service all of the Residential Units; the cost of gas consumption for heat and hot water in the Residential Units and in the Common Elements; gas consumption for dryers in the Residential Units and gas consumed in the Common Elements; gas consumption for cooking and fireplaces; water and sewer charges for the Residential Units and the Common Elements; maintenance, repair and replacement of the Residential Common Elements, including, but not limited to, the passenger elevators, those portions of the sprinkler and standpipe systems which are not located within the Community Facility Unit, all roofs and roof surfaces of the Building other than those portions which are Community Facility Common Elements and General Common Elements; supplies for the Residential Common Elements; all costs and expenses associated with the operation and maintenance of the amenities serving the Residential Units; and any other expense which is not a Shared Expense attributable to the Residential Units only or as provided for in the Plan and/or By-Laws of the Condominium.

4. Salaries, Including Payroll, Taxes and Benefits (\$182,880.00)

The payroll projection for the Building is based upon a proposal, dated June 18, 2019, from Choice NY Property Management, LLC located at 254 West 31st Street, 6th Floor, New York, New York 10001 ("Choice") to provide concierge/doorman services and one (1) full term superintendent. Pursuant to Choice's proposal the following services will be provided at the quoted costs:

Concierge/Doorman

SERVICE	# OF HOURS PER WEEK	WEEKLY COST	ANNUAL COST	HOLIDAY*	NY STATE SALES TAX**	ANNUAL TOTAL WITH AND WITHOUT SALES TAX
Concierge Services 10/7	70	\$ 2,090.89	\$108,726.28	N/A	\$0.00	\$ 108,726.28
TOTALS	70	\$ 2,090.89	\$108,726.28	N/A	\$0.00	\$ 108,726.28

* The following holidays are included: New Years Day, Martin Luther King Day, President's Day, Memorial Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving and Christmas Day.

NOTE: Pricing incorporates the professional screening, training, oversight/supervision and uniforms for all on-site personnel.

**NYS Sales Tax is not applicable.

Superintendent

SERVICE	# OF HOURS PER WEEK*	MONTHLY COST	ANNUAL COST	HOLIDAY	NY STATE SALES TAX	ANNUAL TOTAL WITH AND WITHOUT SALES TAX
Superintendent Schedule TBD	40	\$ 5,637.00	\$ 67,644.00	N/A	\$6,003.44	\$ 73,647.44

* THIS PROPOSAL IS EXCLUSIVE OF BASIC CLEANING SUPPLIES AND BASIC CLEANING EQUIPMENT.

* THIS PROPOSAL IS INCLUSIVE OF LABOR AND UNIFORMS

Note: Choice NY Property Management will offer health benefits to all full-time associates.

TOTAL WAGES, TAXES & BENEFITS
for projection purposes

\$182,373.72 raised to \$182,880.00

The cost of Salaries, including payroll taxes and benefits are a Shared Common Expense of all of the Unit Owners but has been specially allocated between all of the Residential Unit Owners and

* Requested after hours and weekend visits to the property or cleaning and repairs:

- \$75.00 per hour between 6pm and 9pm non-holiday weekday and Saturdays.
- \$150 per occurrence, (includes first two hours) and \$75 for each additional hour on Sundays, holidays, and week nights between 9 pm and 7am.

Requested after hours and weekend visits to the property for vendor oversight:

- \$50 per hour between 6pm and 9pm non-holiday weekday and Saturdays.
- \$100 per occurrence, (includes first two hours) and \$50 for each additional hour on Sundays and week nights between 9pm and 7am.
- 5.00% annual increases each year for all agreements.
- If applicable, \$75/hour for time spent on snow removal.

the Community Facility Unit Owner based upon the experience of Managing Agent. Based upon such allocation, the Community Facility Unit Owner will contribute only to the costs associated with the one (1) superintendent and one (1) porter. Therefore, the total cost for salaries, including payroll, taxes and benefits, is allocated as follows:

Community Facility Unit Owner $\$73,674.44 \times 22.40\% = \$16,503.08$

Residential Unit Owners: $\$182,880.00 - \$16,503.08 = \$166,376.92$

It is anticipated that such employees will be non-union employees and will be supervised by the Managing Agent, or in the absence of the Managing Agent, the Board of Managers of the Condominium.

The Doormen shall assist those arriving and departing and provide general concierge duties, including the acceptance of packages and deliveries.

The duties of the Superintendent include (i) cleaning the sidewalk in front of the of the Building, cleaning the common hallways, stairs, elevator cabs and common areas, as needed, putting out residential trash for collection, and (ii) checking the daily operation of the common mechanical equipment in the Building. Please note that the Community Facility Unit Owner shall be responsible for the cost of removing debris and snow from the Community Facility Sidewalk. Notwithstanding anything herein to the contrary, the replacement of the Residential Sidewalks, plantings and/or shrubbery located thereon, including the planters in which they are contained, if any, shall be a Residential Common Expense.

It is the Sponsor's opinion that this level of staffing complies with all applicable housing and labor laws.

5a. Gas for Heat, Hot Water and Common Elements (\$29,600.00)

Domestic hot water in the Building shall be provided by gas-fired boilers in the boiler room located on the main roof level of the Building. Gas consumption for heat and hot water in all the Residential Units, including any supplemental heat for the public corridors, hot water in the Residential Units and Common Elements, and gas consumed in the Common Elements and the cost of such gas consumption for heat and hot water shall be collectively metered by one or more meters. However, the boiler/hot water heating system is equipped to measure each Unit's consumption of heat and hot water within each Unit and the Condominium shall bill each Residential Unit Owner for the cost of gas consumed for heat and hot water within their respective Unit. The estimated Unit cost for gas consumption for heat and hot water within the Residential Units is set forth on Schedule B-1. Gas service shall be provided by the Consolidated Edison Company of New York. The Community Facility Unit is separately metered or submetered for gas consumption and such usage is not included in this projection.

Total cost of gas consumption is based upon projections, dated January 26, 2018 and updated May 17, 2019 and July 25, 2019 respectively, made by DiBari Engineering, P.C., located

at 99 Main Street, Dobbs Ferry, New York 10522. The budgeted amount for the First Year of operation of the common areas and the Common Elements in the Building, including public spaces serving the condominium and is based on estimated total consumption for heating and domestic hot water in those areas of 1,064 ccf per year at an estimated cost of \$8,790.00 per year.

As described above, the cost of heat and hot water in the Residential Units will be provided by a common boiler and hot water heater system. The estimated costs of gas consumption for hot water within the Residential Units has been estimated by D. Bari Engineering, P.C., to be 5,749 therms for domestic hot water in the Residential Units at a rate \$1.29 per therm for a total cost of \$7,426.00 for the cost of gas consumption for hot water in the Residential Units.

Further, DiBari estimates that 8,729 therms of gas will be consumed for heat in the Residential Units at a rate of \$1.29 per therm for a total estimated cost of \$11,294.00.

The total projected estimated cost of gas consumption for heat and hot water in the common areas and within the Residential Units has been increased by 7.5% to account for future increases in the costs of heating and hot water for the Building. The total estimated cost for gas consumption for heat and hot water in the Building is \$27,510.00 ($\$8,789.00 + \$7,426.00 + \$11,294.00$) * 7.5% = \$2,063.25 + \$27,510.00 = \$29,573.25 raised to \$29,600.00 for projection purposes.

Each Residential Unit's estimated share cost of gas consumption for heat and hot water in their respective Unit shall be measured by the Board of Managers and the Board of Managers shall bill each Residential Unit for the cost of gas consumption for heat and hot water in their respective Unit. Each Residential Unit's estimated cost for gas consumption for heat and hot water is set forth on Schedule B-1.

It is not possible to predict how closely the budgeted figures will reflect the actual cost of heat and hot water during the First Year of operation of the Condominium, in part because such costs will vary with the level of consumption and the price per therm. Additionally, consumption of gas for heat will be affected by the weather. Consumption of gas for domestic hot water and gas rates will also be affected by occupancy.

5b. Gas for Cooking (\$2,400.00)

One or more meters shall collectively meter gas consumption for cooking in the Residential Units. Gas service shall be provided by the Consolidated Edison Company of New York and shall be a Residential Common Expense of the Residential Units only.

The cost of gas consumption is based upon projections, dated January 26, 2018 and updated May 17, 2019 and July 25, 2019, respectively, made by DiBari Engineering, located at 99 Main Street, Dobbs Ferry, New York 10522. The gas projections made by the Engineer are based upon a consumption of 1,589 therms at a cost of \$1.29 per therm. An inflation factor of 15% has been added ($(\$2,054.00 \times 15\% = \$308.10) + (\$2,054.00) = \$2,362.10$) raised to \$2,400.00 for projection purposes.

Actual usage and cost will vary widely with tenant habits, maintenance of equipment, and thermostat setting. The figures above are estimates only and are not guaranteed.

6. Electricity for the Common Elements (\$41,050.00)

The first year electricity projection includes the aggregate cost of electricity supplied to the Common Elements at the Property. Common site electric meters are for the elevators, lighting in public corridors and stairs, mechanical equipment, and miscellaneous common electric power for the Building, including, but not limited to, the amenities of the Property and electricity consumed for the heating and/or air-conditioning of the Common Elements. Electrical Service shall be provided by the Consolidated Edison Company of New York. The cost of electricity for the Common Elements shall be a Shared Common Expense of all of the Unit Owners and shall be paid by the Board of Managers. The cost of such electricity has been estimated as of January 26, 2018 and updated May 17, 2019 and July 25, 2019 respectively, by the office of DiBari Engineering, P.C.

The projections contained herein are based on consumption estimates of 137,006 kilowatt hours per year at a rate of \$3.67 per kilowatt hour. The total estimated annual electricity cost for the Common Elements in the Building is \$37,312.00. For projection purposes, an additional 10% has been added to account for future increases in the cost of electricity for the Common Elements of the Building.

The projected unit price per kilowatt hour allows for a reasonable increase over the average rates in effect over the course of the past year. Costs can vary considerably depending upon actual usage, personal habits and maintenance of equipment in efficient operation condition as well as thermostat settings. These figures are not intended to be guaranteed.

Each Residential Unit and the Community Facility Unit shall also be separately metered or submetered for electrical consumption within the Unit and each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit. See Schedule B-1 hereinafter for electrical cost projections as to individual Residential Units.

7. Water and Sewer Charges (\$34,700.00)

All charges for water consumed in the Residential Units and in the Common Elements, together with all related sewer rents arising therefrom, shall initially be a Residential Common Expense of all of the Unit Owners and shall be paid by the Board of Managers. The Community Facility Unit is separately metered or submetered for water and sewer charges and the cost of water consumption together with all related sewer rents within the Community Facility Unit shall be a Community Facility Common Expense and is not included in this projection.

The cost of water consumption in the Residential Units and in the Common Elements, together with all related sewer rents arising therefrom, has been estimated as of July 25, 2019, by the office of DiBari Engineering, P.C. The amount budgeted for the Residential Units and the Common Elements is based upon projected residential consumption of 3,193 cubic feet of water per year and the current rate of \$10.10 per cubic foot for a total cost of \$32,245.00 per year. For

projection purposes, an additional 7.5% has been added to account for future increases in the cost of water and sewer in the Residential Units and in the Common Elements of the Building. $\$32,245 \times 7.5\% = \$2,425.88 + \$32,245.00 = \$34,670.88$ which was raised to \$34,700.00 for projection purposes.

Water supply and sewage conveyance and disposal will be provided by the City of New York. It should be noted that there have been significant increases in N.Y.C. water and sewer charges in recent years and this trend is likely to continue.

8. Repairs, Maintenance and Supplies for the General Common Elements (\$3,000.00)

Based upon the fact that the Building is being newly constructed and that on a square foot basis the General Common Elements represent less than approximately 25% of the Common Elements of the Building. The figure does not include maintenance, repairs and supplies within specific Units, which are the obligation of the Unit Owner, but is designated to cover the cost of maintaining certain General Common Elements only, i.e., interior repairs not within Units, exterior repairs, including walls, windows, doors and locks, and painting of common areas which have been designated as General Common Elements. Each Residential Unit Owner and the Community Facility Unit Owner will be responsible for the cost of interior maintenance, repairs, decoration and painting of their respective Units. The Residential Unit Owners shall be responsible for all repairs, maintenance and supplies for the Residential Common Elements and the Residential Limited Common Elements which are the responsibility of the Board of Managers. (See Note 9 below for a further discussion). Other than its contribution as required in Note 14 below, the Community Facility Unit Owner shall only be responsible for repairs, maintenance and supplies for the Community Facility Common Elements.

Other than as set forth in Note 14 below, no provision has been made to cover the cost of any major capital expenditure. Although no such expenditure is expected because the Building has been newly constructed, each Unit Owner, except for the Community Facility Unit Owner with regard to the Residential Common Elements, including, but not limited to, the roofs and passenger elevators of the Building, and the Residential Limited Common Elements, will be obligated to pay his pro rata share of such expenditures in the event that any such expenditures are required. The Community Facility Unit Owner will not be obligated to contribute towards any expense related to the Residential Common Elements, including, but not limited to, the roofs and elevators of the Building, and the Residential Limited Common Elements. However, the Community Facility Unit Owner shall be responsible for all expenses related to the General Common Elements or the Community Facility Common Elements.

9. Repairs, Maintenance and Supplies for the Residential Common Elements (\$9,000.00)

Based upon the fact that the Building is being newly constructed and that on a square foot basis the Residential Common Elements and the Residential Limited Common Elements represent more than approximately 75% of the Common Elements of the Building. The figure does not include maintenance, repairs and supplies within specific Units, which are the obligation of the Unit Owner, but is designated to cover the cost of maintaining certain Residential Common

Elements and Residential Limited Common Elements which are the responsibility of the Board of Managers, i.e., interior repairs not within Units, exterior repairs, including walls, windows, doors and locks, and painting of common areas which have been designated as Residential Common Elements or Residential Limited Common Elements.

10a. Service Proposals and/or Contracts (other than Elevator Maintenance and Gym Equipment)
(\$28,310.00)

Amounts indicated below are estimates made by the proposed Managing Agent for the Building based upon their experience of managing similar type buildings. No contracts have been entered into for the services described in this footnote.

Fire Alarm System (including sales tax)	
Estimate	\$ 3,200.00
HVAC Maintenance Contract (including sales tax)	
Estimate	\$ 16,750.00
Water Conditioning (water tanks)	\$ 2,400.00
Pest Control (including sales tax)	
Estimate	\$ 2,040.00
Sprinkler system	\$ 1,200.00
Standpipe	\$ 2,000.00
Meter Readings	\$ 720.00
Total	<u>\$ 28,310.00</u>

An estimate for exterminating services in the Community Facility Unit has not been projected since it shall be the responsibility and cost of the Owner of the Community Facility Unit to arrange for such services in that Unit.

Any air-conditioning equipment, including any piping and/or ductwork related thereto which only services a particular Unit shall be the sole cost and responsibility of the individual Unit Owner. This responsibility includes all maintenance, repair and/or replacement of such equipment, piping and/or ductwork and any permits or code compliance required by any applicable law.

Garbage disposal - garbage collection and disposal for the Residential Units shall be by the Department of Sanitation for the City of New York. An estimate for garbage disposal for the Community Facility Unit has not been projected since it shall be the responsibility and cost of the Owner of the Community Facility Unit to arrange for private carting of garbage collected from that Unit.

Sponsor has reserved the right, prior to the First Unit Closing, to enter into other service contracts which will be binding on the Board of Managers, provided that such contracts do not

materially increase the estimated Common Charges for the first year of Condominium Operation nor bind the Board of Managers for a period of more than three years from the date of the First Unit Closing, unless it is customary for such type of contract to be more than three years.

10b. Elevator Maintenance (\$9,000.00)

The two (2) passenger elevators in the Building which service all of the Residential Units are Residential Common Elements for the exclusive use of all the Residential Unit Owners. Therefore, the cost of any repairs, maintenance and/or replacement of the passenger elevators and service elevator shall be the sole responsibility of the Residential Unit Owners as a Residential Common Expense.

The amount indicated below is an estimate made by the proposed Managing Agent for the Building based upon its experience of managing similar type buildings.

Elevator Maintenance Contract (including sales tax)	
Estimate	\$ 9,000.00

Sponsor notes that Local Law 10 of 1981 requires an elevator inspection to be made by September 15th of each year by an insurance company, elevator maintenance company, elevator manufacturer or elevator inspection company, and that a report be filed with the Department of Buildings of the City of New York within ten (10) days after delivery of such report to the owner. Failure to comply will result in a civil monetary penalty levied against the owner. Sponsor shall not be responsible for having such inspection or report made unless Sponsor controls the Board of Managers at the time such inspection report is due. Subsequent to Sponsor relinquishing control of the Board of Managers, the Board of Managers on behalf of all the Residential Unit Owners shall be responsible for obtaining the requisite inspections for the passenger elevator and the cost of such inspections shall be a Residential Common Expense.

Recent amendments to the high-rise facade safety statute (formerly known as Local Law 10 of 1980) (presently known as Local Law 11/98) passed by the City Council and signed by the Mayor of New York City require professional engineers or registered architects to advise the Buildings Department of the City of New York and the owner of a property of any unsafe condition in a building's exterior walls revealed during a Local Law 10 inspection. The amendments also subject all exterior walls to be inspected; previously, only walls fronting on a street were affected by the law.

The revised law also calls for a certification by the registered professional that a wall is either safe or unsafe; the latter declaration by the professional means that an immediately hazardous condition exists and must be corrected within 30 days with the option of a 90 day extension upon application to the Buildings Department. A building is considered either safe with no further action necessary, or fit, but in a condition that warrants a repair and/or maintenance program. In the latter case, the condition must be corrected during the five-year period between mandatory inspections. As a result of the height of the Building, the completed Building will require regular 5-year inspections in accordance with Local Law 11/98. The first inspection will

be required five (5) years after the issuance of the first temporary certificate of occupancy for the Building. Thereafter, the Building must be inspected in accordance with NYC Local Law 11/98's five (5) year cycle.

Although not budgeted for the first year of Condominium Operation, the cost of any future additional inspections, if any, required by Local Law 11 and any amendments thereto, shall be a Residential Common Expense of all of the Residential Unit Owners.

10c. Gym Equipment & Maintenance (\$1,800.00)

The gym/fitness room will be located at the second floor of the Building. Everyday SOS provided a quote for maintaining the gym equipment for the First Year of Operation.

Sponsor has reserved the right, prior to the First Unit Closing, to enter into other service contracts which will be binding on the Board of Managers, provided that such contracts do not materially increase the estimated Common Charges for the first year of Condominium Operation nor bind the Board of Managers for a period of more than three years from the date of the First Unit Closing, unless it is customary for such type of contract to be more than three years.

11. Insurance (\$32,100.00)

The following is recommended for the Condominium for the first year of Condominium Operation in a letter, dated April 17, 2019, from York International Agency, LLC, having an office at 500 Mamaroneck Avenue, Harrison, NY 10528.

The proposal for the Property, sometimes referred to as the location in this note, is based upon quoted current market rates quoted by the insurance broker. The following coverage is proposed:

PACKAGE	Amount of Insurance
Property	
Building Boiler and Machinery	\$25,000.00
Cause of Loss Special Form	Included
Agreed Value/Replacement Cost	Included
Deductible	\$10,000.00
Building Ordinance	Included
Demolition & Increased Cost of Construction	Included
Building Personal Property & Deductible	\$100,000/\$10,000
Business Income/Extra Expense	Actual Loss Sustained up to 12 Months
Flood (Rising Water) & Deductible	\$1,000,000/\$25,000

Earthquake & Deductible	\$1,000,000/\$100,000
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Elevator Collision	Included
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General Liability

Each Occurrence (Bodily Injury/Property Damage)	\$1,000,000
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General Aggregate	\$2,000,000
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Personal Injury	\$1,000,000
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Employee Benefits Liability (Claims-Made)/Deductible	\$100,000/1,000
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Water Damage Legal Liability/Deductible	Included
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Non- Owned/Hired Auto	\$1,000,000
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Lead/Mold	Not Excluded
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FIDELITY BOND

Employee Dishonesty & Deductible	\$250,000/\$5,000
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Managing Agents Rider	Included
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DIRECTORS & OFFICERS LIABILITY

Limit Deductible	\$1,000,000/5,000
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Managing Agent's Rider	Included
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UMBRELLA

Limit	\$50,000,000
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Excess Directors & Officers Liability (excludes Employment Practices)	Included to Full Limit
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Excess Employment Practices Liability	Included
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Lead Exclusion/Mold Exclusion	Follow Form
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WORKERS COMPENSATION	Statutory
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DISABILITY	Statutory
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The projected annual aggregate premium is \$32,100.00. This quotation is an indication of insurance premiums at current market rates. Because conditions may change in the Insurance marketplace, based upon industry losses, catastrophes, economics, etc., it is not possible to predict what premiums will be for the First Year of Condominium operation. Purchasers should be aware of the possibility of rate increases.

The Sponsor represents that it shall initially bind on behalf of the Condominium at the Condominium's expense, to be effective at the First Unit Closing, fire and casualty insurance in the amounts as set forth above. The policy will provide that each Unit Owner will be an additional

insured and that there will be no cancellation without notice to the Board of Managers and the Unit Owners. In addition, the policy will contain a waiver of subrogation, a waiver because of the acts of the insured and Unit Owners and will waive a pro rata reduction if additional Unit Owners obtain coverage.

No coverage is provided for such risks as fire and casualty losses to the contents of each individual Unit, nor does the coverage take into account any future replacements or additions to either the Units or the fixtures and improvements contained therein. In addition, no liability coverage for an individual Unit Owner is included in the coverage provided above. Prospective purchasers should consult their attorney or insurance agent to determine the advisability of obtaining insurance for their own risk of liability and fire and casualty losses.

The Sponsor will deliver a fire and liability insurance binder or policy to the Board of Managers prior to or at the First Unit Closing. The cost for such binder or policy will be paid by the Board of Managers and shared by all Unit Owners as a portion of the Shared Common Expenses.

Pursuant to the By-Laws of the Condominium, in the event that the Community Facility Unit Owner's use of his or her Unit increases the rate of insurance required for the Building, the Community Facility Unit Owner shall be responsible for the increased cost thereof.

12. Management Fees (\$27,000.00)

Based upon a proposed management agreement with Choice NY Property Management LLC ("Managing Agent") commencing on the date of the First Unit Closing, at an annual fee of \$27,000.00 payable in twelve (12) equal monthly installments of \$2,250.00. The fee is commercially reasonable and comparable to management fees for buildings of similar size and quality as the Property. The management agreement, which is for an initial term of three (3) years, shall continue in force unless sooner terminated pursuant to its terms. The managing agent is not related or affiliated with the Sponsor or its principals. Please consult the section of the Plan titled "Management Agreement and Other Contractual Arrangements" for a further discussion and details.

13. Administrative Expenses (\$12,500.00)

Based on the following itemized projections:

Various Office Supplies,	
Telephone, Postage	
and Miscellaneous	\$ 2,000.00
Legal Expense	\$ 3,000.00
Accounting Expense	\$ 6,500.00
Franchise Taxes	\$ 500.00
Fees, Inspection, Permits and Filings	\$ 500.00
	<u>\$ 12,500.00</u>

The estimate of Accounting Expenses is based upon a fee quotation from Schreck & Company, CPA, P.C., of \$6,500.00 per year. Schreck & Company, CPA, CPA., is a certified public accountant located at 212 West 35th Street, 13th Floor, New York, NY 10001.

The accounting services to be provided will consist of the preparation of the applicable federal, state and city income tax returns for the Condominium and preparation of year-end audit financial statements, which shall be certified if Sponsor is still in control of the Board.

The estimate of legal expenses is based upon 10 hours of consultation with an attorney to be retained by the Board of Managers at an approximate rate of \$300.00 per hour. Such consultation would include, but not be limited to, issues raised by the Board of Managers in connection with the operation of the Property. Since no separate counsel has been appointed by Sponsor for the Condominium and as it is expected that each Purchaser shall be represented by an attorney in connection with the purchase of a Unit, it is not anticipated that further legal expense shall be required by the Condominium during the first year of Condominium operation. However, in the event that legal services are required by the Condominium in excess of the first year estimate, then such services would be billed on an hourly rate or monthly retainer rate to be determined and negotiated by the Board of Managers with the attorney to be retained.

The New York State Department of Taxation & Finance through the issuance of Advisory Opinions has taken the position that "unincorporated associations" will be deemed corporations under Article 9A of the Tax Law of the State of New York and the regulations promulgated thereunder. As a result, all condominiums will be required to file annual franchise tax returns and pay any applicable tax. Based upon the fact that it is not anticipated that the Condominium will have net income or other capital assets, a minimum amount of tax due has been included as part of the Budget for the first year of condominium operation. However, in the event that the condominium has net income or capital assets in the future and the amount of tax due is greater than projected, the amount of each Unit's Common Charges shall increase.

14. Major Capital Improvement Replacement Reserve Fund (\$41,834.30)

In order to conform the budget of the Condominium to the requirements and guidelines of both the Federal Housing Administration ("FHA") and Fannie Mae, the Major Capital Improvement Replacement Reserve Fund is established to provide for the periodic maintenance, repair and replacement of the Common Elements as determined by the Condominium Board of Managers. The amount budgeted is approximately ten percent (10%) of the Total Expenses including the Contingency provided for in Note 15 below. Sponsor makes no representation that this Reserve Fund will be, or is intended to be, adequate or sufficient to cover periodic maintenance, repair and replacement expenses of the Common Elements for the first or any subsequent year of Condominium operation. If such improvements, periodic maintenance or repairs and/or replacement are needed within that time period it is anticipated that they will be funded from this Reserve Fund together with the other line item expenses as set forth in the budget. If additional funds are required over and above this Reserve Fund, it may be necessary to increase the Common Charges or institute a Special Assessment.

Notwithstanding anything contained in the Offering Plan and/or the By-Laws of the Condominium set forth in Part II of the Plan, the Board of Managers obligations to be included in the Common charges a Shared Common Expense known as a Major Capital Improvement Replacement Reserve Fund ("Reserve Contribution"), which shall be equal to ten percent (10%) of the Annual Common Charges for the First Year of Condominium Operation commencing July 1, 2020, as a shared Common Expense in any subsequent year shall be at the sole discretion of the Board of Managers. The Board of Managers reserves the right, in its sole discretion (including without limitation during the time that Sponsor controls the Board of Managers) to use the Reserve Contribution towards any capital expenditures it deems appropriate. However, that portion of the Reserve Contribution contributed by the Community Facility Unit Owner can only be used for the repair and replacement of the General Common Elements.

NEITHER THE DEPARTMENT OF LAW NOR ANY GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE MAJOR CAPITAL IMPROVEMENT REPLACEMENT RESERVE FUND.

15. Contingency (\$5,000)

The contingency provides for possible Expenses not included in the projected budget or possible increases in one or more categories of operating expense beyond the projected amounts. This contingency provided for in the estimated budget is \$5,000.00. If additional funds are required over and above these funds, it may be necessary to increase Common Charges or separately assess all Unit Owners. Sponsor has attempted to make accurate estimates. However, due to inflation, changes in the economy and unforeseen factors, it is likely that actual expenditures will differ from estimates set forth herein.

Note: Sponsor represents that in the event that the commencement date of the First Year of condominium operation is delayed more than six (6) months from the budget year projected in the Plan, the Plan will be amended to include a revised projected budget. If such amended projections exceed the projections set forth above by twenty-five percent (25%) or more, each Purchaser shall have the right for fifteen (15) days subsequent to the date of mailing or personal delivery of a copy of such amendment to him to rescind his Purchase Agreement, and, if not otherwise in default, have his deposit refunded. Sponsor has attempted to make accurate estimates. However, due to inflation, changes in the economy and unforeseen factors, it is likely that actual expenditures will differ from estimates set forth herein.

SCHEDULE B-1

Individual Residential Unit Electric Charges:

The cost of individual Residential Unit electric charges has been estimated as of January 26, 2018, by the office of DiBari Engineering, P.C., located at 99 Main Street, Dobbs Ferry, NY 10522. The estimates set forth on the following pages for each Residential Unit are estimates of annual electric energy costs including, but not limited to, fan coils and/or heat pumps and household appliances, general power and lighting.

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

Costs can vary considerably depending upon actual usage, personal habits and maintenance of equipment in efficient operation condition as well as thermostat settings. These figures are not intended to be guaranteed.

The estimated KWHR per year per square foot and annual cost of electricity for the individual units is based upon the ConEdison home audit program. The estimated cost of electric for the various residential unit types in the Building based upon the ConEdison home audit program is set forth below:

1 Bedroom apartments:		
ITEM	CONNECT	
Cooling	KWH/YR	COST/YR
	1840	\$651.00
Heating	3620	\$802.00
Refrigerator	640	\$173.00
Lighting	355	\$96.00
Dishwasher	54	\$15.00
Clothes Washer	47	\$13.00
Clothes Dryer	331	\$89.00
Misc appliance	1362	\$368.00
Electric base charge		\$195
TOTAL FOR APPLIANCES:	8250	\$2414.00

An inflation factor of 10% has been added. $\$2,414.00 \times 10\% = \$241.40 + \$2,414.00 = \$2,655.40$ raised \$2,670.00 for projection purposes.

Estimated annual fuel cost (cooking & domestic water):

ITEM	CONNECT	Therms	COST
Cooking		51	\$66.00

Domestic hot water	\$335.00
TOTAL GAS CHARGE:	\$204.00

An inflation factor of 10% has been added. $\$204.00 \times 10\% = \$20.40 + \$204.00 = \224.40 raised to \$225.00 for projection purposes.

2 Bedroom apartments:

ITEM CONNECT	KWH/YR	COST/YR
Cooling	2309	\$815.00
Heating	3224	\$712.00
Refrigerator	696	\$188.00
Lighting	385	\$104.00
Dishwasher	72	\$19.00
Clothes Washer	94	\$25.00
Clothes Dryer	662	\$179.00
Misc appliance	1535	\$414.00
Electric base charge		\$207
TOTAL FOR APPLIANCES:	8977	\$2665.00

An inflation factor of 10% has been added. $\$2,665.00 \times 10\% = \$266.50 + \$2,665.00 = \$2,931.50$ raised to \$2,950.00 for projection purposes.

Estimated annual fuel cost (cooking & domestic water):

ITEM CONNECT	Therms	COST
Cooking	63	\$81.00
Domestic hot water	214	\$277.00
TOTAL GAS CHARGE:		\$358.00

An inflation factor of 10% has been added. $\$358.00 \times 10\% = \$35.80 + \$358.00 = \393.80 raised to \$400.00 for projection purposes.

3 Bedroom apartments:

ITEM CONNECT	KWH/YR	COST/YR
Cooling	1941	\$1035.00
Heating	2773	\$612.00
Refrigerator	752	\$204.00
Lighting	415	\$112.00
Dishwasher	90	\$24.00
Clothes Washer	157	\$42.00
Clothes Dryer	1102	\$298.00
Misc appliance	1873	\$506.00
Electric base charge		\$207
TOTAL FOR APPLIANCES:	10104	\$3039.00

An inflation factor of 10% has been added. $\$3,039.00 \times 10\% = \$303.90 + \$3,039.00 =$

\$3,342.9 raised to \$3,350.00 for projection purposes.

Estimated annual fuel cost (cooking & domestic water):

ITEM	CONNECT	Therms	COST
Cooking		74	\$96.00
Domestic hot water		286	\$369.00
TOTAL GAS CHARGE:			\$465.00

An inflation factor of 10% has been added $\$465.00 \times 10\% = \$46.50 + \$465.00 = \511.50 raised to \$515.00 for projection purposes.

4 Bedroom apartments:

ITEM	CONNECT	KWH/YR	COST/YR
Cooling		3667	\$1282.00
Heating		2339	\$516.00
Refrigerator		807	\$218.00
Lighting		445	\$120.00
Dishwasher		108	\$30.00
Clothes Washer		274	\$74.00
Clothes Dryer		1929	\$522.00
Misc appliance		2423	\$654.00
Electric base charge			\$207
TOTAL FOR APPLIANCES:		11994	\$3622.00

An inflation factor of 10% has been added. $\$3,622.00 \times 10\% = \$362.20 + \$3,417.00 = \$3,984.20$ raised to \$3,985.00 for projection purposes.

Estimated annual fuel cost (cooking & domestic water):

ITEM	CONNECT	Therms	COST
Cooking		85	\$110.00
Domestic hot water		357	\$461.00
TOTAL GAS CHARGE:			\$571.00

An inflation factor of 10% has been added, $\$571.00 \times 10\% = \$57.10 + \$571.00 = \628.10 raised to \$630.00 for projection purposes.

The building has a central boiler plant with hot water distribution to heating coils located in apartment air handler units. Below is the estimated gas consumption for heat in each Unit.

Apartment(s) 3a, 4A, 5A, 6A; 1415 sqft	
Gas usage: 382 Therms	Total heating gas: \$494/ year

Apartment 3B; 1042 sqft

Gas usage: 281 Therms

Total heating gas: \$364/ year

Apartment(s) 4B, 5B, 6B, 4C, 5C, 6C; 1271-1274 sqft

Gas usage: 344 Therms

Total heating gas: \$445/ year

Apartment(s) 7A, 8B; 1474 sqft

Gas usage: 398 Therms

Total heating gas: \$515/ year

Apartment(s) 7B, 9B; 1823-1847 sqft

Gas usage: 499 Therms

Total heating gas: \$645/ year

Apartment(s) 7C, 8C; 557 sqft

Gas usage: 150 Therms

Total heating gas: \$195/ year

Apartment(s) 9A, 10A; 1093-1094 sqft

Gas usage: 295 Therms

Total heating gas: \$382/ year

Apartment(s) 8B, 10B; 1620-1659 sqft

Gas usage: 448 Therms

Total heating gas: \$580/ year

Apartment PHA; 2313 sqft

Gas usage: 625 Therms

Total heating gas: \$808/ year

Apartment PHB; 2411 sqft

Gas usage: 651 Therms

Total heating gas: \$842/ year

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i(1)

The Board of Managers of "99 Morningside"
a Condominium located at
375 West 123rd Street
New York, New York 10027

Re: "99 Morningside," a Condominium
Premises: 375 West 123rd Street
New York, New York 10027

Gentlemen/Mesdames:

This letter is with respect to the Plan of Condominium Organization of the Premises at the above address and the allocation of the Percentage of Common Interest to the respective Units therein.

The Sponsor has used method (iv) contained in Section 339-i(1) of the New York Condominium Act, that is upon floor space, subject to relative value to the other space in the Condominium, the uniqueness of the Unit, the availability of the common elements for exclusive or shared use, and the overall dimensions of the particular Unit.

The allocation of the percentages of Common Interest as set forth in the said "Schedule A" is based on the following: size of Unit, layout of Unit, location of the Unit in the Building and its status as a Residential or Commercial Unit.

In the firm's opinion, within the framework of Real property Law Section 339-i(1)(iv), this method of determining Common Interest is reasonable and equitable.

Choice NY Property Management LLC, is licensed as a real estate management firm in the State of New York. The principals of the firm have been engaged in the real estate management business for over twenty-five (25) years and have been actively associated with the management of several condominium, cooperative and rental buildings.

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 the management of the Premises. The firm understands that a copy of this letter is intended to be incorporated into the Offering Plan.

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

Very truly yours,

Choice NY Property Management LLC



By: _____

Name: Michael P. Feldman

Title: authorized signatory

Dated: 26, December, 2019



D'AGOSTINO, LEVINE, LANDESMAN,
LEDERMAN, RIVERA & SAMPSON, LLP

345 7TH AVENUE, 23RD FLOOR, NEW YORK, NEW YORK 10001

TEL: 212.564.9800 FAX: 212.564.9802

DLPARTNERSLAW.COM

JOHN D'AGOSTINO
MICHAEL LEVINE*
WAYNE R. LANDESMAN*
BRUCE H. LEDERMAN*
BETTINA M. MIRAGLIA◊
JOSE M. RIVERA*
BRIAN T. SAMPSON
JARED B. VAN VLEET

* Also Admitted in NJ
◊ Also Admitted in CT
◊ Also Admitted in MA
★ Also Admitted in FL

SPECIAL COUNSEL
SUSAN M. SCHARBACH*◊
NATLEE REISEN
KELLYANN S. MONAGHAN

ERIC R. GARCIA
CHRISTOPHER M. TARNOK
JONHAROLD A. CICERO
CHRISTOPHER L. PALLADINO*
TARA M. SHAMROTH*
ERICA NAZARIAN
LINA A. MELENDEZ★
JANE S. JEONG

December 26, 2019

99 Morningside LLC
40 Fulton Street, 12th Floor
New York, New York 10038

Re: "99 Morningside," a Condominium
Premises: 375 West 123rd Street
New York, New York 10027
(the "Condominium")

Gentlemen/Mesdames:

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 Choice NY Property Management LLC, as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have no independent investigation of the truth or accuracy of the factual determinations of Choice NY Property Management LLC.

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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. We note that in calculating the Common Interests, the square footage allocated to the cellar space which is part of the Community Facility Unit was discounted and the fact that the Community Facility Unit only contributes to the Shared Expenses of the operation of the Property was also considered.

Accordingly, based on the foregoing it is our opinion that Real Property Law Section 339-i (1) 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, D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, 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,

D'Agostino, Levine, Landesman, Lederman, Rivera
 & Sampson, LLP

*D'Agostino, Levine, Landesman, Lederman,
 Rivera & Sampson, LLP*

THE COMMUNITY FACILITY UNIT

The Community Facility Unit, which consists of space on a portion of the cellar, first floor, second floor and third floor levels of the Building, is not being offered for sale pursuant to this Offering Plan and shall be conveyed to the St. Lukes Baptist Church after the consummation of the Offering Plan.

The Community Facility Unit may be used for Community Facility purposes, including, but not limited to, as a house of worship and related facilities, and residential use with respect to the portion of the Community Facility Unit comprised of a class A residential apartment located on the second floor of the Building, or for any other lawful purpose. The Board of Managers does not have the right to approve or change the use of the Community Facility Unit, or any part thereof, or to apply for or cause any amendment to the Building's Certificate of Occupancy to authorize a different use, except at the request or direction of, or the Community Facility Unit Owner, as applicable. Notwithstanding anything herein to the contrary, the non-residential portion of Community Facility Unit may not be converted to residential use without the prior approval of the Board of Managers.

As noted previously, the Community Facility Unit will be conveyed to the St. Lukes Baptist Church and is intended to be owned by and operated as a church and related facilities. Sponsor notes that due to the Community Facility Unit being utilized as a church and related facilities an excessive amount of noise may emanate from the Community Facility Unit, especially during church services. Further, Sponsor notes that the usage of the Community Facility Unit as a church may result in a large number of people entering and exiting the Community Facility Unit, however, Sponsor notes that the entrances to the Community Facility Unit are located on Morningside Avenue while the main entrances to the residential section of the Building is located on West 123rd Street.

The percentage of Common Interest attributable to the Community Facility Unit and the resulting Common Charges to be paid by the Community Facility Unit Owner are sufficient to cover the expenses fairly attributable to such Unit. The Community Facility Unit shall be separately metered or submetered for electricity, gas, water and related sewer charges, and the cost of such utilities within the Community Facility Unit shall be a Community Facility Common Expense of the Community Facility Unit Owner only.

As stated above, the Community Facility Unit may be used for any permitted use under the Zoning Resolution of the City of New York, as amended. However, although the Community Facility Unit Owner has the right to change the use of the Community Facility Unit, any other permitted use of the Community Facility Unit must comply with the Certificate of Occupancy for the Building as it currently exists or as some may be amended by Sponsor, Sponsor's designee or a Community Facility Unit Owner, and as otherwise required by the Declaration and By-Laws of the Condominium.

It should be noted that the right of the Community Facility Unit Owner to change the use of the Community Facility Unit may result in a greater number of people entering and leaving the third floor, second floor, first floor and cellar level of the Building, a higher volume of noise, odors, including, but not limited to, odors from any flue or rooftop chimney installed by the Community Facility Unit Owner, and/or hours of usage of the Unit and other possible adverse effects on the Building resulting from the use of the Community Facility Unit. Accordingly, it is possible that a change of usage could have an adverse impact on other Condominium Unit Owners.

The percentage of Common Interest for the Community Facility Unit was allocated pursuant to method (iv) contained in Section 339-i(1) of the New York Condominium Act, which takes into consideration floor space, subject to the relative value to the other space in the Condominium, the uniqueness of the Unit, the availability of the common elements for exclusive or shared use and the overall dimensions of the particular Unit.

With respect to allocation of expenses, other than for the allocation of specific expense items, including but not limited to, (i) electricity which is to be separately metered or submetered for the Community Facility Unit and paid for by the Owner or tenant(s) thereof, (ii) gas and water usage which shall be separately metered or submetered for the Community Facility Unit, (iii) the exception of the Community Facility Unit from the contribution for the expenses related to (a) the employees of the Building other than the superintendent and one (1) porter; and (b) the repair, maintenance or replacement of the Residential Common Elements or the Residential Limited Common Elements, and (iv) the cost of refuse removal which is a separate cost of the Community Facility Unit Owner, the Community Facility Unit is treated similarly to the other Units and the common charges payable by the Community Facility Unit Owner are sufficient to cover the expenses fairly attributable to the Community Facility Unit.

The allocation of common charges attributable to the Community Facility Unit shall also reflect special exclusive use or availability or exclusive control of particular common areas by either the Community Facility Unit Owner or the Residential Unit Owners.

The Community Facility Unit Owner shall have the right, without the payment of any fees or charges to the Condominium, Board of Managers or the Managing Agent, to sell or lease the Community Facility Unit, or any part thereof, without the Board of Managers having any right of first refusal to purchase or lease such Unit, and all sale and/or rental proceeds shall belong solely to the Community Facility Unit Owner.

The Board of Managers shall be obligated to permit the Community Facility Unit Owner, at such Unit Owner's sole cost and expense, to install and use additional equipment in the risers and conduits serving the Building, provided the Community Facility Unit Owner reimburses the Board of Managers for the actual costs attributable to such installation and use.

The Board of Managers does not have the right to (i) approve any change in the use of the Community Facility Unit or any part thereof other than with respect to the conversion of any non-residential portion of the Community Facility Unit to residential use or (ii) to apply for or cause any amendment to the Building's Certificate of Occupancy to authorize a different use of the

Community Facility Unit except at the request of the Community Facility Unit Owner. The Community Facility Unit Owner shall have the right, without obtaining the consent of the Board of Managers or the Residential Unit Owners or mortgagees of Units other than the affected Community Facility Unit, to subdivide the Community Facility Unit into two or more Community Facility Units and to reallocate the Common Interest of the Community Facility Unit among the newly established Community Facility Units in proportion to their respective floor areas. Such subdivision must be reflected in a duly recorded amendment to the Declaration filed by the new Unit Owners.

Under no circumstances will the Common Interest of any Residential Unit Owner be changed as a result of such subdivision or will the aggregate Common Interest for the new Units be greater than the Common Interest for the original Units. If the Community Facility Unit is so subdivided, the Owner or Owners thereof shall have the right, without obtaining the consent of the Board of Managers, Residential Unit Owners, or mortgagees of Units other than the affected Community Facility Unit, to thereafter change the size, layout, use, and/or number of the respective Community Facility Units under the same terms, conditions and restrictions as those imposed on the original Community Facility Unit Owner. Any change in use of the non-residential portions of the Community Facility to residential use shall require the consent of the Board of Managers. Any subdivision of the Community Facility Unit which creates additional tax lots shall not change the percentage Common Interest of any other Unit nor will the aggregate percentage Common Interest for the new Units be greater than the percentage Common Interest for the original Community Facility Unit.

At the request of the Community Facility Unit Owner, the Board of Managers will execute any application or other document required to be filed with any governmental agency having or asserting jurisdiction in connection with any addition, alteration, improvement, repair or subdivision of such Unit or operation or use of the Community Facility Unit, at which time, the requesting party shall indemnify and hold the Board of Managers of the Condominium and the other Unit Owners harmless from any expense or liability by virtue of the execution of the application or such other documents.

The Owner of the Community Facility Unit, and any tenant or tenants of the Community Facility Unit pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation, and without the consent of the Board of Managers to install, repair and maintain either within or in the immediate location of the Community Facility Unit below the windows at the third floor level and on the sidewalk adjacent to the Community Facility Unit's entrance or entrances on Morningside Avenue, a sign or signs, which may be illuminated, including neon, flags, banners, lettering, fixtures or decorations of any size, material or content, for advertising or identification purposes and shall have the right to use any adjacent sidewalk on Morningside Avenue in conjunction with its use of the Community Facility Unit to the extent permitted by law. Additionally, the Owner of the Community Facility Unit, and any tenant or tenants of such Unit pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation and without the consent of the Board of Managers to install, or erect, repair and maintain in the immediate location of the Community Facility Unit below the windows at the second floor level along Morningside Avenue, but not to interfere with the entrance of any

other Unit, a canopy and/or awning for advertising or identification purposes. Such Unit Owner and any tenant of space in such Unit shall comply with all of the laws, orders, rules and regulations of the governmental authorities, including the Landmarks Preservation Commission, if applicable, having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Community Facility Unit Owner or its tenant shall obtain and pay for all permits required for such signs, canopies and/or awnings and/or any necessary renewal fees related thereto.

The Community Facility Unit Owner and any tenant or tenants of the Community Facility Unit pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation and without consent of the Board of Managers, any Unit Owner or mortgagee thereof, to install a flue which will be sized for possible restaurant or Community Facility grade kitchen use in or on the common areas of the Building and such flue may run from the cellar or first floor level through the main roofs or some other point in the Building where it will terminate in accordance with the NYC Building Code. The Community Facility Unit Owner and any tenant or tenants thereof, shall have an easement, without charge or limitation, to use said flue for any lawful purpose and in conjunction with the use of the Community Facility Unit.

The Community Facility Unit Owner, and any tenants or tenants of the Community Facility Unit pursuant to the term of any lease pertaining thereto, shall have the right, and an easement, without charge or limitation and without the consent of the Board of Managers, any Unit Owner or mortgagee thereof, to install in the Community Facility Unit additional elevators, escalators, staircases and/or other mechanical equipment which is necessary in the sole discretion of the Community Facility Unit Owner for the lawful use of the Community Facility Unit. All such installation will comply with all applicable law, ordinances or building codes.

The Community Facility Unit Owner and any tenant or tenants of the Community Facility Unit pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation and without consent of the Board of Managers, any Unit Owner or mortgagee thereof, to replace all or any portion of the Community Facility Sidewalks including but not limited to, any planting and/or planters located thereon. However, any replacement of the Community Facility Sidewalks must be an installation which is equal to or better than the Community Facility Sidewalks as originally set forth in the approved New Building Plans for the Building. The Community Facility Unit Owner and any tenant or tenants thereof, shall also have an easement, without charge or limitation, to use the Community Facility Sidewalks for any lawful purpose and in conjunction with the use of the Community Facility Unit.

The Condominium shall have a right to access, upon reasonable notice, unless such access is needed in an emergency, in which case no notice is required, to any portion of the Community Facility Unit on the third floor, second floor, first floor or cellar level to service equipment which is necessary for the operation of the residential portion of the Building.

The Community Facility Unit shall be responsible for the cost of removing debris and snow from the sidewalks in front of the Building from the Community Facility Sidewalks. Notwithstanding anything herein to the contrary, the maintenance, repair and/or replacement of

the Residential Sidewalks and any plantings and/or shrubbery located thereon, including the planters in which they are contained, in front of or at the sides of the Building shall be a Residential Common Expense.

In the event of a dispute between the Community Facility Unit Owner and the Condominium as to any issue relating to the Community Facility Unit, the Community Facility Unit Owner or any tenant of the Community Facility Unit Owner and the Condominium, at the sole option of the Community Facility Unit Owner only, the Board of Manager and the Condominium shall be obligated to arbitrate, on an expedited basis, the dispute pursuant to the provisions of Article XV of the By-Laws of the Condominium. The decision of the arbitrator shall be final and binding. In the event that the Community Facility Unit Owner elects not to arbitrate, the Community Facility Unit Owner and the Board of Managers of the Condominium on behalf of all of the Residential Unit Owners may exercise all remedies available to them in equity and at law.

The Community Facility Unit Owner and their respective successors, assigns, invitees, licensees, contractors, employees, agents and tenants shall have such rights of access, storage and use necessary to effectuate the rights of such parties to make alterations, additions, improvements or repairs to Units owned by each, respectively, including without limitation the right to (i) use elevators, stairs and other Building facilities during customary industry practice construction hours; (ii) maintain roll-off refuse containers on the Property and dumpsters adjacent to the Property; (iii) store and maintain tools and materials on the Property; (iv) connect to and use the Building's common electricity, water and other utility services and facilities with the cost thereof being a Common Expense paid solely by all Community Facility Unit Owner as part of its Common Charges; (v) provided an affected Unit Owner consents after prior reasonable notice, which consent shall not be unreasonably withheld, conditioned or delayed to facilitate penetration and entry into Units to permit the extension and provision of Building services to space under construction and (vi) erect and maintain hoists, sidewalk sheds, sidewalk fences and temporary walkways, construction shacks and trailers in the street adjacent to and on the Property.

CHANGES IN PRICES AND UNITS

The offering prices set forth in Schedule A may be decreased or increased only by a duly filed amendment to the Offering Plan when the change of price is an across the board change affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual Purchaser. As set forth in the Notes to Schedules A, offering prices are negotiable. Accordingly, the Sponsor may enter into a Purchase Agreement with a Purchaser to sell one or more Units at prices less than those set forth in Schedules A, without filing an amendment before entering the Purchase Agreement. As a result of the negotiability of offering prices and the right to change them, certain Purchasers may pay or may have paid more or less than other Purchasers under this Plan for similar Units. However, no price change will affect the percentage of Common Interest allocated to a Unit as to which the amount of the offering price was changed nor shall it alter the amount of Common Charges payable by such Unit Owner.

In order to meet the possible varying demands for number and type of Units, or to meet the particular needs of prospective Purchasers, or for any other reason, Sponsor reserves the right to change: (a) the layout of, or number of rooms in, Unsold Units and (b) the size and/or number of Unsold Units, by subdividing one or more separate Unsold Units, by combining two or more separate Unsold Units into one or more Unsold Units, by altering the boundary walls of any Unsold Unit, or otherwise, including, without limitation, the use of any portion of the Common Elements adjacent to such Unsold Units to the extent that such portion is not required to be maintained as Common Elements pursuant to the terms of the Declaration and By-Laws. Such right may be exercised by Sponsor from time to time, both before and after the First Unit Closing, without the consent or approval of any Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner, any mortgagee or any other party. However, Sponsor will first obtain the approval of all governmental authorities, including the Landmarks Preservation Commission, if applicable, having jurisdiction thereof whose approval is required by law. No change will be made by Sponsor in the size or number of Units, their respective percentages of Common Interest, or in the size or quality of Common Elements except by amendment to the Offering Plan and to the Declaration. Unless the affected Purchaser provides a written consent, no material change will be made by Sponsor in Unit size, layout or percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and such Purchaser is not in default.

No material change will be made in the size or quality of Common Elements unless all Purchasers not in default, consent.

If Sponsor changes the size and/or number of Unsold Units, Sponsor will increase or decrease the Common Interests appurtenant thereto accordingly. However, the aggregate amount of the Common Interests of all the Units will always remain at one hundred percent (100%). As a result of such reapportionment, the amount of the Common Charges and the real estate taxes and assessments payable by the owners of the Unsold Units affected thereby will be increased or decreased proportionately, but the amount of the Common Charges and the real estate taxes and assessments payable by the owners of Units unaffected thereby will not vary.

The Plan will be amended to reflect any change in the size of a Unit, number of Units, percentage of Common Interests of Unsold Units or a change in the size or quality of any Common Element. However, the layout and number of rooms in Unsold Units may be changed without prior notice or amendment of this Plan, provided that such change is disclosed in a duly filed amendment to the Offering Plan prior the offer of such changed Unsold Unit.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls, or otherwise, nor may the Common Interest of any Unit be changed, unless the Declaration is amended and such amendment is fully recorded. The Plan will be amended in the event of any such changes. As more particularly provided in the Declaration, Sponsor or its designee, as the owner of an Unsold Unit, will have the right itself to so amend the Declaration to effectuate such change, without the Condominium Board, the other Unit Owners or any mortgagee consenting to, or executing, such amendment. However, no change of a Unit's Common Interest will be made without obtaining the prior written consent of the owner of such Unit.

To the extent permitted by law, if the size or configuration of a Unit is changed in compliance with the Plan, Declaration and/or By-Laws and, in connection therewith, a wall, space or other area forming a part of the Common Elements servicing and benefitting 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.

The Sponsor also reserves the right to substitute for any of the materials specified in either the New Building Plans, the Description of Property and Building Specifications, or elsewhere in the Offering Plan, materials which are of Equal or Better Quality, as determined by Sponsor's general contractor or architect or engineer, in their sole discretion. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment described in this Plan and in the architectural plans on file, but, due to unavailability of materials and supplies or for any other reason, Sponsor may substitute materials, fixtures, appliances and equipment which are equal to or of better quality for any of those set forth in the specifications or otherwise in this Plan. Notwithstanding the above, Sponsor remains obligated to construct the premises in accordance with the plans and specifications set forth in this Offering Plan, and Sponsor shall remain liable for any impermissible deviations therefrom.

Sponsor reserves the right to negotiate all aspects of the purchase price of Units, including, but not limited to, the terms of the financing contingency, if any, decorating allowances, payment of fees otherwise paid by Purchasers, common charge rebates or subsidies, payment of all or part of Purchaser's financing costs, price reductions tied to rental of Units, reduced down payment deposits (but at least \$1,000.00) and extra custom work. Furthermore, Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms.

INTERIM USE AND OCCUPANCY AGREEMENTS

Subject to all applicable Zoning Laws and pursuant to an issued certificate of occupancy, Sponsor or its designee reserves the right, freely and without restriction, to rent or lease vacant Units to Purchasers, both before and after the First Unit Closing. The Sponsor shall not rent any Unit to a non-Purchaser until the Offering Plan has been declared effective and the First Unit Closing has occurred. However, once a Purchase Agreement is signed for a vacant Unit, and for so long as such Purchase Agreement is in effect, such Unit at Sponsor's sole option may only be rented to the Purchaser thereof. Such agreement (an "Interim Use and Occupancy Agreement") will be for such use and occupancy fee, but not to exceed the maximum of such fee legally collectible, and upon such other terms as may be mutually agreed upon. The form Interim Use and Occupancy Agreement is set forth in Part II of the Offering Plan. The term of such Interim Use and Occupancy Agreement, if any, shall be for a period which will expire on the earlier of the date of the closing of such Unit or one year after the execution date of the Agreement. The Interim Use and Occupancy is not subject to any rental protection laws. In the event this Plan is abandoned, the Purchaser may, at any time at his or her sole option, cancel the Use and Occupancy Agreement, if any, and remove from the Building upon thirty (30) days prior written notice to the Sponsor at the address set forth on the cover page of this Plan. Further, in the event of such abandonment, the Property may become subject to rental protection laws as a result of the Property receiving the 421-a Partial Tax Exemption Benefits and any Purchaser who has entered into an Interim Use and Occupancy Agreement will be subject to the benefit of whatever rental protection laws are then in effect. Should Purchaser rescind his or her Purchase Agreement pursuant to any permitted rescission, the Interim Use and Occupancy Agreement shall terminate thirty (30) days thereafter and Purchaser shall be obligated to vacate the apartment no later than that time.

Any person who occupies a Unit pursuant to an Interim Use and Occupancy Agreement shall bear the risk of loss or other casualty with respect to such Unit, which is not otherwise covered by either the Condominium's insurance or the Sponsor's insurance.

An Interim Use and Occupancy Agreement will provide that an uncured default by the Purchaser under this Purchase Agreement will constitute a default under the Interim Use and Occupancy Agreement, entitling the landlord (i.e., Sponsor), at its sole option, to terminate the Interim Use and Occupancy Agreement. The Purchase Agreement shall also contain a similar cross-default provision entitling Sponsor to cancel the Purchase Agreement in the event that the Purchaser fails to cure a default under the Interim Use and Occupancy Agreement within any applicable grace period. However, before the Sponsor may utilize a default under the Interim Use and Occupancy Agreement to declare a default under the Purchase Agreement, the Sponsor must (i) obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the interim occupant or (ii) the interim occupant must have vacated the Unit. The interim occupant must vacate the Unit within five (5) days after any default under the Purchase Agreement which remains uncured after five (5) days. No portion of the rental paid under an Interim Use and Occupancy Agreement will be credited toward the Unit's purchase price.

Sponsor's right and its designee's right to rent or lease any Unsold Unit will not be subject to any right of first refusal in favor of the Condominium Board to lease such Unit from Sponsor or its designee on the same terms offered to the prospective tenant or occupant.

PROCEDURE TO PURCHASE

A Person desiring to purchase a Unit in the Condominium shall be required to execute a Purchase Agreement in quadruplicate, the form of which is contained in Part II, and return it to the Sponsor and/or Selling Agent, together with a check representing the Initial Down Payment in an amount equal to (a) ten percent (10%) of the purchase price, or (b) fifty percent (50%) of the purchase price if the 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). Each Purchaser, who in accordance with the previous sentence, is required to make an Initial Down Payment of ten percent (10%), will also be required to make, in addition to the Initial Down Payment, an additional payment of five percent (5%) of the purchase price of his or her Unit (the "Additional Down Payment") within 120 days after receipt of a fully executed copy of the Purchase Agreement from Sponsor or the Selling Agent or at the time when this Plan is declared effective, whichever is first to occur. No Additional Down Payment shall be required if the Purchaser is a foreign government or other person or entity referenced in (b) of the first sentence of this paragraph and who or which has made a fifty percent (50%) Initial Down Payment as described above. The term "Down Payment," as used in this Plan, refers to both the Initial Down Payment and, if the same has been paid at the time in question, the Additional Down Payment. All such payments shall be made by check drawn on a member bank of the New York Clearing House Association made payable to "D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, as escrow agent". All such checks shall be subject to collection and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be cancelled and of no further force or effect, and to retain any Down Payment and other amounts previously deposited. These Downpayment deposits may be increased for the entire cost of special custom work requested by the Purchaser which is agreed to by Sponsor in its sole discretion and itemized in the Purchase Agreement. D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP shall be the "Escrow Agent" for Sponsor and Purchaser pursuant to the Purchase Agreement and the Offering Plan. Notwithstanding anything herein to the contrary, whether or not the Seller has canceled the Purchase Agreement as provided above, if the Seller has not collected the proceeds of any check for any payment due under the Purchase Agreement, then the Seller may take such actions at law and in equity as may be required in order to collect such payments and any and all costs of collection, including, without limitation, all attorneys' fees and expenses incurred by the Seller in connection therewith.

Purchasers pursuant to this Offering Plan who have not had an opportunity to review the Offering Plan and any filed amendments for at least three (3) business days prior to their executing a Purchase Agreement shall be afforded seven (7) days after delivering an executed Purchase Agreement together with the required deposit to rescind the Purchase Agreement and have the full deposit refunded promptly. Such rescission must be in writing, addressed to the Sponsor, and be postmarked or hand delivered by midnight of the seventh day subsequent to Purchaser's executing and delivering such Agreement. Those Purchasers who execute a Purchase Agreement after having had an opportunity to review the Offering Plan and any filed amendments for not less than three

(3) business days prior to their executing a Purchase Agreement shall not be permitted the aforementioned time period to rescind for any reason.

A deposit in the amount of no more than \$200.00 payable in check or money order to the Sponsor is required of all prospective purchasers in order to obtain a copy of the Plan. The amount of the deposit will either be credited toward the Down Payment of a Unit or returned upon execution of the Purchase Agreement by Sponsor for anyone who purchases a Unit or refunded to anyone who does not purchase a Unit if a copy of the Plan is returned undamaged, but subject to normal wear and tear, together with the original receipt, within thirty (30) days of receipt of a copy of the Plan.

A Purchaser may seek to finance any portion of the Purchase Price through a bank or other lending institution. The obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor or the Selling Agent as to the availability or cost of such financing. Because the Purchaser's obligation under the Purchase Agreement is not conditioned upon obtaining financing, a Purchaser will be obligated to pay the balance of the Purchase Price regardless of the fact that either: (i) such Purchaser fails, or is unable to obtain a satisfactory mortgage commitment, or (ii) once a satisfactory mortgage commitment has been obtained, the same either lapses, expires or is terminated. In the event that a Purchaser fails, neglects or refuses to duly pay the balance of the Purchase Price for any reason, including financing problems, such Purchaser will be in default under the Purchase Agreement.

In accordance with section 71-a(3) of the Lien Law the Sponsor has appointed the law firm of D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, with an address at 345 Seventh Avenue, 23rd Floor, New York, NY 10001, telephone number (212) 564-9800, to serve as escrow agent ("Escrow Agent") for the Sponsor and Purchaser to hold all deposits, down payments or advances, other than the deposit for a copy of the Offering Plan, received by it from Purchasers, either directly or through its agents or employees in trust, whether received before or after the date of Consummation of the Plan (the "Deposit" or "Deposits"). The Escrow Agent shall establish a special segregated escrow account or accounts at Bank Hapoalim, B.M., located at 1120 Avenue of the Americas, New York, New York 10036 (the "Bank"), a bank authorized to do business in the State of New York. The Escrow Account is titled "D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, Escrow Account for 99 Morningside," or a similar name ("Escrow Account"). Within five (5) business days after the Purchase Agreement is executed by all necessary parties and tendered along with the Deposits to Escrow Agent, Escrow Agent shall place the Deposits in the Escrow Account. Purchasers are advised that Purchaser's funds are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000.00 in the aggregate. If a Purchaser makes a Down Payment in excess of \$250,000 for the purchase of a Unit, it is a special risk of this offer that such Deposits will not be federally insured in excess of \$250,000. Additionally, if Purchaser has an additional account at the Bank, the aggregate of

Purchaser's funds at the Bank, including funds in the additional account and the Down Payment, may not be insured in excess of \$250,000.00. Therefore, if a Purchaser has an additional account at the Bank, Purchaser's Down Payment, including a Down Payment that is less than \$250,000.00, may not be insured in part or in its entirety. Furthermore, while the Down Payment is in the non-interest bearing check portion of the Master Escrow Account, the Down Payment may not be fully federally insured, even if the Down Payment does not exceed \$250,000.00. Sponsor and Escrow Agent make no guarantee of the solvency of the Bank. If the limits of federal bank deposit insurance change in any manner in the future, Escrow Agent will have no obligation to make any change to the Escrow Account. Escrow Agent has designated the following partners of the law firm to serve as signatories: John D'Agostino, Esq., Michael J. Levine, Esq., Wayne R. Landesman, Esq., Bruce H. Lederman, Esq., Bettina Miraglia, Esq., Jose M. Rivera, Esq., Brian T. Sampson, Esq., and Jared B. Van Vleet, Esq. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

This escrow account will be interest-bearing and unless the Purchaser defaults, interest will be credited to the Purchaser at closing. The interest rate to be earned will be the prevailing rate from this type of account as stated by the Bank at the time of the initial deposit and as provided thereafter. Interest will begin to accrue as of the date the deposit of the down payment clears and is posted by Bank Hapoalim, B.M. to the escrow account. Notwithstanding anything to the contrary contained herein, unless and until Purchaser has delivered to the Escrow Agent a completed and signed Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), whichever may be applicable, the Down Payment will be deposited in a non-interest-bearing escrow account at the depository. No fees of any kind from the account principal or any interest earned thereon may be deducted. Sponsor shall bear any administrative cost for maintenance of the account.

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

The Form Purchase Agreement is set forth in Part II of the Offering Plan. The relevant escrow trust fund provisions are set forth in Section 16 of the Purchase Agreement, which must be executed by the Escrow Agent. The Escrow Agent is obligated to send notice to the Purchaser once the Deposits are placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the fully-executed Purchase Agreement and Deposits to Escrow Agent, the Purchaser may cancel the Purchase Agreement within ninety

(90) days after tender of the fully-executed Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, New York. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposits were timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

Section 71-a(3) of the Lien Law, as applicable herein, also provides for the following:

- (a) Down payments shall be placed in an interest bearing account if so requested by Purchaser. Such down payment, with any accumulated interest, shall remain the property of the Purchaser, except as otherwise provided by law.
- (b) As an alternative to depositing down payments in escrow as set forth in (a) above, Sponsor may post a bond or indemnity contract with a licensed surety company ensuring return of such monies, which bond or contract is to be delivered to Purchaser. If Sponsor elects to post a bond pursuant to this paragraph (b), an amendment to the Plan which complies with the applicable provisions of the Attorney General's Regulations will be filed disclosing same.
- (c) Down payments will be retained in escrow or bonded as set forth above until: (i) Sponsor performs under the terms of the Purchase Agreement or (ii) Purchaser rescinds, if permitted, or defaults in performance, thereby excusing performance by Sponsor or (iii) release or discharge of Sponsor's liability to refund such down payment or (iv) transfer of title to the Unit to the Purchaser, or (v) release by mutual consent of Sponsor and Purchaser.
- (d) The Purchase Agreement shall contain the following:

"YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE."

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

Under no circumstances shall Sponsor seek or accept release of the Deposits of a defaulting Purchaser until after Consummation of the Offering Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the

Offering Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

The Escrow Agent shall release the Deposits if so directed:

- (a) upon closing of title to the Unit, to Sponsor, pursuant to the terms and conditions set forth in the Purchase Agreement; or
- (b) in a subsequent writing signed by both Sponsor and Purchaser; or
- (c) by a final, non-appealable order or judgment of a court.

If the Escrow Agent is not directed to release the Deposits pursuant to paragraphs (a), (b), or (c) above, and the Escrow Agent receives a request by either party to release the Deposits, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposits. If the Escrow Agent has not received notice of objection to the release of the Deposits prior to the expiration of the thirty (30) day period, the Deposits 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 Deposits within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposits 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 Deposits contained in the Escrow Account with the clerk of the county where the Condominium is located and shall give written notice to both parties of such deposit.

The Sponsor shall not object to the release of the Deposits to:

- (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment thereto; or
- (b) all Purchasers after an Amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

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

Prior to funds being transferred to a new escrow account, or if the Escrow Agent is replaced, the Offering Plan will be amended to provide the same full disclosure with respect to the new account, the new escrow agent and the escrow agreement as was originally provided. A bond, letter of credit or other security may be substituted for the escrow account only after the Department of Law approves in writing the use of such alternate form of security, pursuant to the applicable provisions of the Attorney General's Regulations.

In the event that insufficient funds are raised through the offering or otherwise to effectuate the contemplated transaction, or in the event the Sponsor is unable for any reason to perform in

accordance with the terms of the Purchase Agreement and the Purchase Agreement has been subsequently terminated as set forth above, such monies will be fully returned to Purchaser with any interest. In the event a Purchaser is entitled to rescind his Purchase Agreement, the Purchaser will not receive a refund of any additional escrowed funds for custom work to the extent such funds have been expended or will be expended on costs Sponsor has accrued with respect to custom work. However, should Sponsor abandon this Offering Plan, the Purchase Agreement shall be deemed cancelled, and Sponsor shall, not later than five (5) days thereafter, return in full all monies paid by Purchaser thereunder, including any funds paid for custom work.

As set forth above, the only other time monies received for the purchase of a Unit shall be disbursed from the special account are at the closing of title to a Unit by such Purchaser or upon a default by a Purchaser which is not cured within any time periods permitted, provided that no Deposit to be released pursuant to an uncured default shall be released prior to the Consummation of the Offering Plan. Any withdrawals or disbursement of funds from this special account or accounts shall be made only upon the written approval by a partner in the firm of D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, despite the fact that Bank Hapoalim, B.M. may be a party to an escrow agreement with respect to such account or accounts. The amounts paid by the Purchasers prior to closing will be handled in accordance with the escrow and trust fund provisions of the Section 352-h and Section 352-e (2-b) of the New York General Business Law and the Attorney General's regulations promulgated thereto. If this Offering is not consummated for any reason, Purchaser shall not lose any of his Down Payment.

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

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

Subsequent to the date that the Plan has been declared effective, the Sponsor will fix dates for closing title to all Units for which Purchase Agreements have been executed by serving notice on each Purchaser. The notice shall state the date of the First Unit Closing and set forth the closing date for the respective Unit. Purchasers shall be given not less than thirty (30) days' notice of the closing of title on their Units. This notice period may be waived by Purchasers. The notice shall also provide that the balance of the purchase price shall be due at closing of title. The balance of the cash portion of the purchase price must be paid by cash, unendorsed certified, teller's or cashier's check made payable to the order of Sponsor or as otherwise directed by Sponsor. In all cases, all checks are to be drawn on a member bank of the New York Clearing House Association. The notice to Purchaser shall also specify when Common Charges will be due and payable.

Further, pursuant to the form Purchase Agreement set forth in Part II of the Offering Plan, Purchaser shall be entitled to one reasonable adjournment of up to ten (10) days (hereinafter the "Adjourned Closing Date"), on five (5) days written notice by Purchaser to Seller, provided that Purchaser may not seek an adjournment of any kind based upon any provision set forth in Paragraph number 18(i) of said form Purchase Agreement. Paragraph number 18(i) provides that Purchaser shall accept title (without abatement in or credit against the purchase price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit, including custom work, or the Building or (b) other Units or (c) any recreation facilities or amenities or (d) the landscaped areas or (e) other portions of the Common Elements have not been completed. Minor details referred to in (a) above shall include but not be limited to any items which Sponsor and Purchaser agree to and set forth on the Punchlist Inspection Statement, appearing in Part II of the Plan. The Punchlist Inspection Statement shall survive the closing of title.

If, through no fault of Sponsor, Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date, or the Adjourned Closing Date (as defined in the form Purchase Agreement set forth in Part II of the Plan), and Sponsor does not have the right to, or elects not to, cancel this Agreement as a result of the same, (a) the adjustments for real estate taxes and Common Charges 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 the Purchase Agreement and the Plan, an amount equal to 0.04% of the Purchase Price for the Unit 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.

The notice of closing will be served upon all Purchasers who have executed and delivered a Purchase Agreement for a Unit to the Sponsor or Selling Agent (and whose Purchase Agreements are in effect and not in default). The notice of closing will be served either by personal delivery or sent by registered or certified mail to the address of the Purchaser as set forth in the Purchase Agreement. Notices served by personal delivery shall be deemed complete upon delivery. Service by mailing shall be presumed complete on the fifth day after the date of mailing.

Sponsor anticipates the First Residential Unit Closing to occur on or about July 1, 2020 but said closing may occur sooner should the Building be completed and ready for occupancy earlier. In the event that the First Residential Unit Closing with a temporary or permanent Certificate of Occupancy is delayed twelve (12) months or more beyond July 1, 2020, then all Purchasers who have executed Purchase Agreements and whose Purchase Agreements are still in effect, will be given the right to rescind their Purchase Agreements.

Purchasers should note that even if the First Unit Closing occurs on or before July 1, 2020 (or such other date projected as the date of commencement of the First Year of Condominium 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 floor on which such Units are located. In such case, provided that Sponsor is diligently pursuing completion of construction and the issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right to 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 Total Purchase Price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title in connection with the First Unit Closing on or before twelve (12) months from July 1, 2020, affected Purchasers will be afforded the right of rescission.

If Purchaser defaults under the Purchase Agreement, Sponsor shall notify Purchaser in writing of such default and advise Purchaser that he has thirty (30) days from the mailing date or thirty (30) days after personal delivery of such notice within which to cure such default. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE APPLICABLE PERIOD. "Time is of the essence" means that if such default is not cured within thirty (30) days from the mailing date or thirty (30) days after personal delivery of such written notice, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement. If Sponsor elects to cancel the Purchase Agreement, Sponsor shall notify Purchaser in writing of said cancellation and the monies held by the Escrow Agent, but not more than fifteen percent (15%) or, if applicable, fifty percent (50%) of the total purchase price plus any interest earned thereon, shall be paid over to the Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void. Notwithstanding the above, Sponsor may receive the actual costs incurred for any special custom work requested by Purchaser which is agreed to by Sponsor in its sole discretion and itemized in the Purchase Agreement as a part of its liquidated damages even though the total amount of liquidated damages thereby exceeds fifteen percent (15%) or, if applicable, fifty percent (50%) of the total purchase price. Sponsor hereby waives any right to seek specific performance in the event of a default by Purchaser.

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in successfully defending Sponsor's rights under this Agreement, or in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement to otherwise enforcing Purchaser's obligations hereunder.

The risk of loss from fire or other casualty with respect to the Unit shall remain with the Sponsor until the closing of title for the Unit. The Sponsor, at its sole discretion, reserves the right to either repair or restore such Unit, whereupon Purchaser shall be obligated to close without an abatement in the purchase price, or not repair or restore and grant Purchaser the right to rescind the Purchase Agreement. Sponsor shall make its election to restore or not restore within sixty (60) days of the casualty and promptly notify Purchaser of its decision. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to the Unit, which is not otherwise covered by the Condominium's insurance and/or the

Sponsor's insurance. Additionally, Purchaser shall be solely responsible for any uninsured damage to, or uninsured loss or other condition in, the Unit and Sponsor shall not be obligated to repair any uninsured damages to the Unit or its appliances, fixtures and equipment. Accordingly, Purchaser, or one claiming by or through Purchaser, who takes possession of the Unit prior to the closing of title should obtain insurance coverage for the Unit prior to taking possession, since, despite any loss, Purchaser will remain obligated to purchase the Unit under the terms of this Purchase Agreement, without any abatement in the purchase price. Purchaser should consult with an attorney and/or insurance agent as to his or her insurance needs.

Within thirty (30) days of receiving four (4) copies of a Purchase Agreement, both executed by Purchaser, together with the required Down Payment, the Sponsor must either accept the Purchase Agreement by returning to Purchaser a fully executed copy of the Purchase Agreement or reject the Purchase Agreement by returning to Purchaser the Down Payment tendered. If Sponsor takes no action within said thirty (30) day period the Purchase Agreement shall be deemed null and void. Sponsor reserves the right to request thorough identification and financial information concerning any prospective Purchaser, subject to any limitations and requirements imposed by law. Sponsor reserves the right to reject any prospective Purchaser without cause or explanation, provided that such rejection is not based on race, creed, color, age, sex, disability, marital status, national origin, ancestry, or any other ground proscribed by law, and to refuse to execute a Purchase Agreement for any Unit, or a Purchase Agreement or Purchase Agreements, as the case may be, for more than one Unit to any one person or entity.

At the closing of title to a Unit, and as a condition thereto, the Purchaser shall be required to execute a Power of Attorney to the Board of Managers of the Condominium and to the Sponsor. The Power of Attorney appoints (i) the Board of Managers as attorney-in-fact to acquire, on behalf of all Unit Owners, any Unit the Unit Owner of which wishes to sell or abandon together with the Appurtenant Interests thereto and to deal with any such Units so acquired as they may determine; (ii) the Sponsor, its designee and/or the Community Facility Unit Owner, as attorney-in-fact, to amend the Declaration, the By-Laws, and the Rules and Regulations of the Condominium or any of said documents under certain conditions set forth in the Power of Attorney; and (iii) the Sponsor, as attorney-in-fact, to execute any document to effectuate the transfer, assignment or conveyance by Sponsor, in whole or part, of the transferable air rights and/or development rights which Sponsor has retained for itself, and/or its successors and assigns. The Form of Power of Attorney to be executed is set forth in Part II of the Offering Plan.

Further, 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) will also be required at the time of closing of title to the Purchaser's Unit, to expressly waive any and all immunity from suit by Sponsor and/or the Board of Managers of the Condominium. Such Purchasers at closing will be required to execute the "Waiver of Diplomatic or Sovereign Immunity and Consent to Jurisdiction" set forth as Exhibit A to the Purchase Agreement which is included in Part II of the Offering Plan.

Any conflict between this Offering Plan and the Purchase Agreement will be resolved in favor of the Offering Plan. In no event may the Purchase Agreement contain, or be modified to contain, any provision waiving Purchaser's rights, other than the ability of Purchaser to waive his right to thirty (30) days' notice prior to the closing of title to Purchaser's Unit. In no event may the Purchase Agreement contain, or be modified to contain, any provision abrogating Sponsor's obligations under the Offering Plan or under Article 23-A of the General Business Law. Purchase Agreements are not assignable without Sponsor's prior written consent which may be withheld for any reason.

Sponsor reserves the right to negotiate all aspects of the purchase price of Units, including, but not limited to, the terms of the financing contingency, if any, decorating allowances, payment of fees otherwise paid by Purchasers, common charge rebates or subsidies, payment of all or part of Purchaser's financing costs, price reductions tied to rental of Units, reduced Down Payment deposits (but at least \$1,000.00) and extra custom work. Furthermore, Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms.

Additionally, pursuant to the form Purchase Agreement set forth in Part II of the Offering Plan, Sponsor and Purchaser agree to keep all of the terms and conditions of the Purchase Agreement confidential. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties respective lawyers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in the Purchase Agreement. Any failure by Purchaser to keep the terms and conditions of the Purchase Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth therein.

With regard to any model unit, which Unit or Units ("Model Unit") shall be designated by Sponsor in Sponsor's sole and absolute discretion, such Model Unit shall be delivered by Sponsor to a Purchaser thereof in "AS IS" condition, including but not limited to, normal wear and tear. Sponsor shall have no further obligations with regard to any Model Unit. Additionally, Sponsor shall be under no obligation to repaint or repair anything in a Model Unit, including but not limited to, refinishing the floors in a Model Unit, repairing any appliance in a Model Unit or painting any room in a Model Unit.

Under the terms of the Offering Plan, the purchase of a Unit is subject to the terms, conditions, covenants, easements and agreements set forth in the Correction Zoning Lot Development and Easement Agreement recorded in the Office of the City Register as CRFN #2018000035234. A copy of this Correction Zoning Lot Development Agreement ("Correction ZLDA") is set forth in part II of the Offering Plan. The terms, conditions, covenants, easements and agreements set forth in the Correction ZLDA are a Special Risk of the Offering Plan.

Further, the purchase of a Unit is subject to the terms of that certain Declaration of Zoning Lot Restriction (the "Declaration of Zoning Lot Restriction") by Tracey Silberg and Mark Silberg and 99 Morningside LLC. The Declaration of the Zoning Lot Restriction merges the Property and the parcel of land located at 373 West 123rd Street, New York, New York, (the "Adjoining Property") into one zoning lot for purposes of the Zoning Resolution and facilitates the transfer of

the Excess Development Rights as described in the Correction ZLDA as discussed in greater detail below dated December 27, 2017 and recorded on January 3, 2018 as CRFN 2018000003465.

Each Purchaser and their advisors and/or attorney should read the entire Correction ZLDA which sets forth certain rights and obligations relating to the Property which run with the land and subject to which the Units shall be conveyed. The following is a brief summary of those rights and obligations but is not intended as a substitute for the Purchaser's review of the copy of the Correction ZLDA and other documents set forth in Part II of the Plan.

The Correction ZLDA grants and imposes rights and obligations among the parties thereto, including (i) the transfer to the Property of all excess zoning rights from the Adjoining Property as such excess zoning rights exist today and to the extent they may increase in the future based upon changes in the applicable zoning laws and codes; (ii) a defined light and air easement commencing at a height which is thirty feet above the highest point of the Adjoining Property (the "Lower Limiting Plane") in favor of the Property; (iii) an agreement by the owners of the Adjoining Property to restrict any new building, structure, improvement or roof top equipment installed thereon to the confines of the existing buildings, structures or roof top equipment, (except that the adjoining owner may retain, add to and/or replace the existing mechanical equipment or structures above the height of the roof as they existed on the date of the Correction ZLDA may be installed up to the Lower Limiting Plane); (iv) easements which are either in the favor of the Property or reciprocal between the Property and the Adjoining Properties for the future construction, repair and maintenance, of certain of the Building and the improvements located on the Adjoining Properties; (v) the right and easement of the Sponsor and the Condominium to construct, install and maintain non-permanent protective equipment including, but not limited to, scaffolding and construction sheds, on and encroaching upon the Adjoining Property, as required for the construction of reconstruction of the Building or the future maintenance thereof; (vi) a violation covenant between the owners of the Adjoining Properties and the Condominium, including the obligation to pay all costs for the cure thereof; (vii) agreements relating to the future expansion of the Zoning Lot and the development rights inherent therein; and (viii) provisions setting forth (a) any and all required insurance related to such rights, installations and improvements, and (b) the required future maintenance, repair and replacement of such installations and improvements by the Condominium.

The Correction ZLDA provides that any windows in the Building which abut the Adjoining Property below the Lower Limiting Plane shall be glass block windows. There is no limitation as to the installation of windows in the Building above the Lower Limiting Plane.

ASSIGNMENT OF PURCHASE AGREEMENTS

No assignment or transfer of an executed Purchase Agreement shall be permitted without the prior written consent of Sponsor which may be withheld or delayed for any reason. Sponsor's refusal to consent to an assignment will not entitle a Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP a fee of \$750.00, in advance, for preparation of an assignment and assumption agreement. Any purported assignment by Purchaser in violation of this section shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in the section of the Plan entitled "Procedure to Purchase," and shall be voidable at the option of Sponsor. Notwithstanding anything herein to the contrary, in administering the Sponsor's right to consent to an assignment of a purchase agreement described herein, Sponsor shall not refuse such assignment, or otherwise discriminate against any person or persons by reason of their race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law in the administration of Sponsor's consent right described in this Section.

EFFECTIVE DATE OF PLAN

All Purchase Agreements signed by Sponsor shall be contingent upon Sponsor's declaring the Offering Plan effective pursuant to the requirements and terms of the Plan. These requirements, stated below, must be satisfied within one (1) year of the date the Plan is accepted for filing unless the Plan is amended so as to extend this period. However, any amendment to the Plan is hereby deemed to extend this time period to the same extent that the Plan is extended by such amendment. The closing of title to any Unit may not occur until after the Plan has been declared effective and an amendment has been accepted for filing by the Department of Law substantiating same, and the Condominium Declaration and By-Laws have been duly recorded.

The Plan may be declared effective when Purchase Agreements have been both executed and accepted by a bona fide Purchaser and Sponsor for the sale of four (4) Residential Units, which represent a minimum of at least fifteen percent (15%) of the Units offered under the Plan. Prior to the effectiveness, Sponsor will at all times offer at least fifteen percent (15%) of the total number of anticipated Units in the Condominium to the public. However, if after the Sponsor declares the Offering Plan effective, all Purchase Agreements are rescinded and/or terminated prior to the date of the First Unit Closing, the Sponsor shall re-declare the Offering Plan effective prior to closing on any Units.

The Plan must be declared effective when Purchase Agreements have been both executed and accepted by Sponsor for the sale of nineteen (19) Residential Units, which represents a minimum of at least eighty percent (80%) of the Units offered under the Plan.

The Plan may be abandoned, at Sponsor's sole option, at any time before the amendment substantiating effectiveness is filed and before eighty percent (80%) of the Units have been purchased. The Plan, if abandoned, shall be abandoned by amendment filed with the Department of Law in appropriate form together with a notice of abandonment on form RS-3. Such amendment shall explain the basis for abandonment and must state how any funds received pursuant to the Plan will be distributed. All monies paid by Purchasers pursuant to Purchase Agreements shall be refunded to them in full, with interest, if any, within twenty (20) days of such abandonment.

Once a Plan has been declared effective, Sponsor may not abandon it for any reason other than for: (a) a defect in title which cannot be cured without litigation or cannot be cured for less than a cost which does not exceed an amount equaling one half of one percent (.5%) of the Total Purchase Price set forth on the front cover of the Plan; or (b) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than a cost which does not exceed an amount equaling one half of one percent (.5%) of the Total Purchase Price set forth on the front cover of the Plan; or (d) the taking of any material portion of the Property by condemnation or eminent domain. The aforementioned amount set forth above as a basis for abandonment after effectiveness of the Plan shall exclude any title defects, attorneys' fees, hazardous or dangerous conditions, work orders or determinations of any authority or regulatory association which exist as of the date the Plan is declared effective and either are known to the Sponsor or are a matter of public record.

The Plan will be declared effective by the mailing or personal delivery of written notice to all purchasers. Within five (5) business days after such notice is given an amendment to the Plan will be submitted by Sponsor stating that the Plan has been declared effective. If requested, Sponsor will submit to the Department of Law copies of all Purchase Agreements, together with any amendments or modifications to such Agreements, within five (5) business days after the request is received.

The Plan will not be declared effective based upon Purchase Agreements: (a) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or (b) if the Purchaser was either not afforded at least three (3) business days to review the Plan, and all filed amendments thereto prior to executing a Purchase Agreement, or if he was not permitted seven (7) days after delivering an executed Purchase Agreement and deposit to rescind the Purchase Agreement; or (c) with any Purchaser who is the Sponsor/Selling Agent or the Managing Agent or is a principal of the Sponsor/Selling Agent or the Managing Agent or is related to the Sponsor/Selling Agent or the Managing Agent or to any principal of the Sponsor/Selling Agent or Managing Agent by blood, marriage or adoption or as a business associate, an employee or a shareholder or a limited partner, except that such a Purchaser, other than the Sponsor or a principal of the Sponsor may be included if Sponsor submits proof satisfactory to the Department of Law establishing that the Purchaser is a bona fide Purchaser.

TERMS OF SALE

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

1. Survey made by Empire State Land Surveyor, P.C., dated May 15, 2017, shows the following:
 - (a) Variation between fence on concrete wall and a portion of the northerly record line.
 - (b) Party walls straddle the easterly and westerly record lines. Polity excepts the rights of others to use and maintain the same as a party wall and insures that the building on the land herein may remain for so long as it stands.
 - (c) Fence on retaining wall extends 0.7 feet onto West 123rd Street.
2. Any additional state of facts which updated and accurate surveys would show, providing such surveys do not render title unmarketable;
3. Zoning and building ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, providing same will not be violated by the contemplated structures and use;
4. The Declaration, By-Laws, Maps and Floor Plans of the Condominium to be recorded in the Office of the City Register, as the same may be amended from time to time;
5. Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of construction and rehabilitation of the Building, or construction of the individual Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair or

restoration of the Building or any portion thereof, or of any adjoining Unit or of the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements;

6. Easements, if any, in favor of the other Units to use the pipes, wires, ducts, conduits, cables, public utilities and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units;
7. Revocability of the right to maintain street vaults and other areas, if any, under sidewalks;
8. Any easement or right of use created in favor of any public utility company and/or cable television company for electricity, steam, gas, telephone, water or other service, and the right to use, maintain and repair wires, cables, terminal boxes, lines, service connections, poles, mains, facilities and the like upon, under and across the Property;
9. Service, maintenance and union contracts and agreements, if any, in effect on this date of the First Unit Closing;
10. Encroachments of stoops, areas, cellar steps, doors, ledges, window sills, bay windows, trim, coping, cornices, vaults, chutes, fuel oil lines, gas lines, drainage pipes, standpipes, sewerage pipes, foundations, footings, retaining walls, fences, fire escapes, air conditioning units, canopy and similar projections, if any, on, over or under the Property or the streets or sidewalks or property abutting the Property and rights of governmental authorities and adjoining property owners to require the removal of any such projections, and variations between record lines of the Property and fences, walls, retaining walls and the like, if any;
11. All covenants, declarations, restrictions, reservations, agreements and easements of record, if any, which are still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent residential use of the Residential Units and a legal permitted use of the Commercial Unit at the Property nor prevent the existence of the present structures;
12. Any service contracts to be assumed by the Condominium at the First Unit Closing;
13. Party Wall Agreement dated September 21, 2005 and recorded 3/16/2006 in CRFN 2006000151673;

14. Zoning Lot Certification dated 12/13/2017 recorded on 01/03/2018 in(as) CRFN 2018000003461;
15. Waiver of Declaration of Zoning Lot Restrictions made by Bank Hapoalim, B.M., dated 12/20/2017 and recorded on 01/03/2018 in (as) CRFN 2018000003462;
16. Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination to Zoning Lot Development and Easement Agreement and Release made by TD Bank N.A., dated 11/03/2017 and recorded on 01/03/2018 in (as) CRFN 2018000003463;
17. Waiver of Declaration of Zoning Lot Restrictions made by Mortgage Electronic Registration Services, Inc., dated 11/30/2017 and recorded on 01/03/2018 in (as) CRFN 2018000003464;
18. Declaration of Zoning Lot Restrictions made by Tracy Butler and Mark Silberberg, dated 12/27/2017 and recorded on 01/03/2018 in (as) CRFN 2018000003465;
19. Zoning Lot and Development Agreement dated as of 12/27/2017 by and between Tracy Butler and Mark Silberberg and 99 Morningside, LLC recorded on 01/03/2018 in (as) CRFN 2018000003466 and as corrected by Correction Zoning Lot Development and Easement Agreement dated as of 12/27/2017 and recorded 01/30/2018 as CRFN 20180000035234. The Correction ZLDA grants and imposes rights and obligations among the parties thereto, including (i) the transfer to the Property of all excess zoning rights from the adjoining property located at 373 West 123rd Street, New York, New York (the "Adjoining Property") as such excess zoning rights exist today and to the extent they may increase in the future based upon changes in the applicable zoning laws and codes; (ii) a defined light and air easement commencing at a height which is thirty feet above the highest point of the Adjoining Property (the "Lower Limiting Plane") in favor of the Property; (iii) an agreement by the owners of the Adjoining Property to restrict any new building, structure, improvement or roof top equipment installed thereon to the confines of the existing buildings, structures or roof top equipment, (except that the adjoining owner may retain, add to and/or replace the existing mechanical equipment or structures above the height of the roof as they existed on the date of the Correction ZLDA may be installed up to the Lower Limiting Plane); (iv) easements which are either in the favor of the Property or reciprocal between the Property and the Adjoining Properties for the future construction, repair and maintenance, of certain of the Building and the improvements located on the Adjoining Properties; (v) the right and easement of the Sponsor and the Condominium to construct, install and maintain non-permanent protective equipment including, but not limited to, scaffolding and construction sheds, on and encroaching upon the Adjoining Property, as required for the construction of reconstruction of the Building or the future maintenance thereof; (vi) a violation covenant between the owners of the

Adjoining Properties and the Condominium, including the obligation to pay all costs for the cure thereof; (vii) agreements relating to the future expansion of the Zoning Lot and the development rights inherent therein; and (viii) provisions setting forth (a) any and all required insurance related to such rights, installations and improvements, and (b) the required future maintenance, repair and replacement of such installations and improvements by the Condominium.

20. The lien of any unpaid real estate tax, and the lien of any water charges or sewer rents generally, (which shall be apportioned at closing);
21. Any service variations between tax lot lines and lines of recorded title;
22. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his Unit.

The Sponsor represents that, until it no longer controls the Board of Managers, the Property will be maintained, repaired, cared for and operated in substantially the same condition and manner as it was on the date of the First Unit Closing, subject to strikes, lockouts, labor difficulties, acts of God, fire or other casualty, storm, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which the Sponsor is reasonably unable to exercise control. If the Sponsor is prevented from so maintaining the Property for any of these reasons other than fire or other casualty, the Sponsor will make any repairs subsequent to the First Unit Closing that it was obligated to make as of the First Unit Closing. As set forth in the section of the Plan titled "Effective Date", in the event of a casualty which cannot be repaired for less than a cost which exceeds an amount equaling one half of one percent (.5%) of the Total Purchase Price set forth on the front cover of the Plan (as estimated with respect to the casualty by an insurance adjuster retained by Sponsor) and which occurs after the filing of an amendment declaring the Plan effective and prior to the First Unit Closing and the Sponsor elects not to make repairs, then the Sponsor may, at its option, abandon or withdraw this Offering Plan. In such event all Purchase Agreements will be deemed automatically cancelled and Purchasers in good standing will be refunded their deposits with any interest earned thereon. Upon such refund being made, the Condominium and the Sponsor will be relieved and discharged of all liability under the Plan and Purchase Agreements.

In the event the Sponsor elects to repair and restore the damage to the Building from a casualty occurring before the First Unit Closing, or if the casualty occurs after the First Unit Closing, but before the closing of the damaged Unit, then the following shall be applicable:

The term "Affected Unit" means a Unit that has been directly damaged in the casualty (other than minor damage not rendering the Unit uninhabitable) or is without such essential services as gas, electricity and heat, or no longer has a reasonably adequate means of ingress and egress to the street;

The Purchase Agreements for all Units, other than "Affected Units" (as previously defined), shall remain in full force and effect and the Purchasers thereunder shall pay the full

purchase price at the closing. Such Purchasers shall not be entitled to adjourn the closing nor be allowed any abatement in the purchase price, nor credit against same, nor retain (in escrow or otherwise) any portion of such purchase price pending restoration and repair of the damage to the Building and the Affected Units.

Except as provided in the next paragraph, a Purchaser of an Affected Unit shall not be required to pay the balance due under the Purchase Agreement unless and until (i) the damage to his or her Affected Unit has been substantially repaired as near as reasonably possible to its condition immediately prior to the casualty and (ii) his or her essential services (such as gas, electricity or heat) and a reasonably adequate means of ingress and egress to the street have been restored.

Notwithstanding the foregoing, if the Purchaser is given possession of the Affected Unit under an Interim Use and Occupancy Agreement or otherwise prior to the casualty, such Purchaser shall assume: (i) the risk of loss or other casualty with respect to the Unit, for any loss or other casualty that is not otherwise covered by either the Condominium's insurance and/or Sponsor's insurance to the Unit and (ii) the obligation to repair the uninsured damage, unless the cause of such loss originated outside his or her Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workmen. If the Purchaser is obligated to repair the damage in accordance with the foregoing, then his or her failure to repair the damage shall not excuse him or her from paying the balance due under his or her Purchase Agreement and accepting title to the Unit. The Sponsor and/or the Condominium will in no event be liable to Purchasers under this Plan, and the Sponsor will not be liable to the Condominium, for any damages which result from delay in repairing such casualty.

All personal property located within the Unit on the date the Purchase Agreement is signed that is owned by the Sponsor is included in the conveyance to the Unit Purchaser. All personal property affixed to or located within the Common Elements that is owned by the Sponsor is included in the property transferred to the Condominium by the Declaration.

At the time of the First Unit Closing each mortgagee will (a) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; (b) subordinate the lien of its mortgage to the Declaration of Condominium; (c) release its lien on the Condominium Unit being conveyed.

Prior to the First Unit Closing and the conveyance of a Unit, and as a condition thereof, the Condominium Declaration and By-Laws must be recorded in the New York County Office of the Register of the City of New York together with the filing in said office of a set of as-built floor plans of the Building showing the layout, location and approximate dimensions of the Units and the Unit designations, certified by the Tax Assessor of the City of New York as conforming to the official tax lot number for each such Unit and including an Architect's statement required by Section 339-p of Article 9-B of the Real Property Law of the State of New York certifying that the plans fully and fairly depict the layout, location, Unit designations and approximate dimensions of the particular Unit or Units as built.

CLOSING ADJUSTMENTS WITH THE CONDOMINIUM BOARD

Immediately prior to the First Unit Closing, Sponsor shall apportion the following items with the Condominium Board as of midnight of the day immediately preceding such closing:

- (a) Any Common Charges or other payments to be made in lieu thereof, which are Sponsor's obligation for the period from the First Unit Closing to the end of the month in which same occurs;
- (b) employees' wages, vacation and severance pay, pension and welfare benefits and all other payments or obligations relative to the employees of the Building and/or independent contractors securing the Building, if any;
- (c) fees for assignable permits and licenses, if any;
- (d) charges for gas for the Common Elements, for which Sponsor shall obtain readings;
- (e) charges for electricity for the Common Elements, for which Sponsor shall obtain a reading;
- (f) charges under service and maintenance contracts and concession agreements, if any;
- (g) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed or on the basis of meter readings if applicable, which Sponsor shall obtain;
- (h) supplies on hand at Sponsor's cost (plus sales tax);
- (i) premiums for transferable insurance policies, if any, provided that the amount and the extent of coverage conforms to the disclosures in this Plan in Schedule B as set forth in Part I of the Offering Plan;
- (j) vault charges, if any;
- (k) such other items as are customarily included in closing adjustments in the City of New York;

The Condominium Board shall reimburse the Sponsor in full for any electric, utility or other utility construction deposits or security deposits paid by Sponsor. Such items are not items for closing adjustment.

At the time of the first closing of title to each Unit to a bona fide Purchaser, such Purchaser shall pay into the Working Capital Fund of the Condominium the sum equal to two (2) months of Common Charges for the Unit being purchased at the time of the closing. This fund is to be used for payment by the Board of Managers of any net closing adjustment expenses owed to Sponsor

at the First Unit Closing. The amount of the net closing adjustment owed to Sponsor will be paid to Sponsor by the Board of Managers, without interest, by applying the contribution to Working Capital paid by each Purchaser at the closing of title to each Unit to the terms of a non-interest bearing note due on the first anniversary of the First Unit Closing to be executed by the Board of Managers at the First Unit Closing. The terms and balance of the Promissory Note executed by the Board and Sponsor shall be disclosed in an amendment to the Offering Plan. Sponsor is hereby authorized to endorse the Working Capital contribution checks payable to the Board of Managers over to Sponsor and to apply such payments without any further action of the Board of Managers until the promissory note is paid in full. If the promissory note is not fully paid by the due date from such payments, the Board of Managers will pay the note in full from the Condominium's operating account. The Board of Managers will be entitled to repay the note, in full only, at any time and without penalty from the funds then in the Condominium's operating account to the extent that the Working Capital Fund is insufficient to pay off the promissory note. Sponsor will waive any net adjustments in its favor which would reduce the Working Capital Fund below zero after making provision for the amount of monies that would be generated by the payment of Working Capital contribution for each Unit in the Building. If on the maturity date the sums in the Condominium's operating account are insufficient to pay the sums due pursuant to the promissory note on the maturity date, the Condominium may need to impose a Special Assessment to pay the residue of such note. However, in such event, any future contributions to the Working Capital Fund from Purchasers that purchase a Unit from Sponsor after the maturity date of the Note, shall belong to the Condominium and may be utilized as the Condominium deems appropriate. If the result of the closing adjustment is a net credit in favor of the Condominium, or if any amounts remain after the promissory note has been fully paid, such amounts in the Working Capital Fund may be held or used at any time for working capital, to make repairs or for such other appropriate purposes permitted under the Declaration and the By-Laws as well as determined by the Board of Managers in its sole discretion.

Other than as set forth in "Schedule B, Projected Budget for First Year of Condominium Operation Beginning July 1, 2020," no provision has been made for any Reserve Fund or for any Working Capital Fund other than as set forth above.

CLOSING OF TITLE TO UNITS

At the closing of title to an individual Unit the Purchaser will pay to the Sponsor the balance of the purchase price for the Unit and the Sponsor, pursuant to section of the Plan titled "Terms of Sale," hereinbefore, will deliver to the Purchaser a bargain and sale deed for that Unit with covenants against grantors acts. The form of Unit Deed is set forth in Part II of the Plan.

Closing of title shall take place concurrently with or after the following events have occurred:

- (1) The issuance of a temporary or permanent Certificate of Occupancy for the Building, or, alternatively, the issuance of a temporary or permanent Certificate of Occupancy for the Unit closed. Sponsor shall complete construction and obtain a permanent Certificate of Occupancy for the entire project within two (2) years subsequent to the First Unit Closing or at such sooner time as the temporary Certificate of Occupancy, as same may be renewed, replaced or extended, expires. If, at the time of closing of title to a Residential Unit Sponsor has only obtained a temporary "Class A" residential Certificate of Occupancy covering such Unit, then Sponsor shall place in escrow with its attorney an amount, as determined by an architect chosen by Sponsor, which is sufficient in such architect's opinion to cover the cost of obtaining a permanent "Class A" residential Certificate of Occupancy covering such Unit. Such escrow amount shall be released to Sponsor or its designee upon the obtaining of a permanent "Class A" residential Certificate of Occupancy covering such Unit or the Building. Alternatively, the Sponsor shall have the option of either depositing with an escrow agent an unconditional, irrevocable letter of credit in the amount determined by Sponsor's architect or after the approval by the New York State Department of Law, posting a surety bond in the amount so determined.
- (2) The recordation in the New York County Office of the Register of the City of New York of the Declaration, the By-Laws and the filing in said office of a set of as-built floor plans of the Building showing the layout, location and approximate dimensions of the Units and the Unit designations, certified by the Tax Assessor of the City of New York as conforming to the official tax lot number for each such Unit and including an Architect's statement required by Section 339-p of Article 9-B of the Real Property Law of the State of New York certifying that the plans fully and fairly depict the layout, location, Unit designations and approximate dimensions of the particular Unit or Units as built;
- (3) The discharge of all duly recorded liens affecting the Unit to be closed and its undivided Common Interest and the recording of a partial release which releases such Unit and its undivided Common Interest from such lien, if any, as required by Section 339-r of the Real Property Law;

- (4) The serving by personal delivery or registered or certified mail to the Purchaser written notice of the closing date not less than thirty (30) days prior to closing of title, unless Purchaser elects to waive the thirty (30) day requirement; and the affording to Purchaser of an opportunity to inspect the Unit and the Common Elements; and
- (5) The amending of the Offering Plan by Sponsor with an amendment substantiating that the Plan has been declared effective and confirming that the Units to be closed have been constructed in accordance with the applicable plans and specifications and that Sponsor has satisfied, or will satisfy prior to closing of title, all of the requirements of this section titled "Closing of Title to Units".

At the closing of title to a Unit, Sponsor will execute and deliver to the Board of Managers an instrument assigning to the Board of Managers any manufacturer's warranties with respect to equipment and appliances installed within such Unit. The Board of Managers shall simultaneously execute and deliver to the Purchaser of such Unit an authorization to enforce such warranties on its behalf. At the First Unit Closing, Sponsor will execute and deliver to the Board of Managers an instrument assigning to the Board of Managers any manufacturer's warranties with respect to equipment and appliances installed in Common Elements. A copy of any manufacturer's warranties, to the extent available, will be delivered to the Board of Managers at the First Unit Closing or promptly thereafter.

UNIT CLOSING COSTS AND ADJUSTMENTS

1. General:

The estimated closing costs, expenses and adjustments to be borne by each Purchaser of a Unit will be as set forth below. Such costs are only estimates and are subject to change.

- a. Payment of the cost of fee title insurance, if Purchaser elects to obtain title insurance. Sponsor has previously obtained fee title insurance for the Premises from First American Title Insurance Company, obtaining title insurance from First American Title Insurance Company shall facilitate the closing and avoid unnecessary delays. However, notwithstanding anything herein to the contrary, a Purchaser may elect to obtain title insurance and/or a title report from any other title insurance company and/or abstract company. Purchasers are advised that obtaining title insurance from another title insurance company and/or abstract company may cause a delay of the closing of title to the Unit. If Purchaser elects to obtain title insurance from another title insurance company and/or abstract company, there shall be no additional cost to Purchaser. Fee title insurance rates as quoted by First American Title Insurance Company, as of the date of this Plan shall be discounted by reason of the initial sale of the Unit by Sponsor and are as follows:

The premium for Owner's title insurance is the sum of \$402.00 for the first \$35,000.00 of coverage; \$6.67 per additional thousand dollars of purchase price in excess of \$35,000.00 up to \$50,000.00, plus \$5.43 per thousand dollars of purchase price in excess of \$50,000.00 up to \$100,000.00, plus \$4.36 per thousand dollars of purchase price in excess of \$100,000.00 up to \$500,000.00; plus \$3.98 per thousand dollars of purchase price in excess of \$500,000.00 up to \$1,000,000.00; plus \$3.66 per thousand dollars of purchase price in excess of \$1,000,000.00 up to \$5,000,000.00; plus \$3.25 per thousand dollars of purchase price in excess of \$5,000,000.00 up to \$10,000,000.00; plus \$3.07 per thousand dollars of purchase price in excess of \$10,000,000.00 up to \$15,000,000.00.

Purchasers are required to accept such title as First American Title Insurance Company or any other title insurance company licensed to act as a title agent or insurer in the State of New York will provide, approve and insure and without additional premium, provided that the only liens, encumbrances and conditions affecting title shall be Permitted Encumbrances, as described in the Terms of Sale section of this Plan. As a result, Sponsor is not obligated to cause Purchaser's title company to omit any exception to title if First American Title Insurance Company or any other title insurance company licensed to act as a title agent or insurer in the State of New York is willing to insure Purchaser's title without such exception, at its regular rates and without additional premium, by either (i) omitting same from Purchaser's title insurance policy or (ii) insuring against collection from the Unit. Purchaser will be responsible to pay to the title company the entire premium for

Purchaser's title insurance. In the event there is a delay in the closing of title to a Unit due to clearance of title issues or otherwise as a result of Purchaser utilizing a title company other than First American Title Insurance Company or any other title insurance company licensed to act as a title agent or insurer in the State of New York, Purchaser will be responsible for the additional closing costs as provided for in the Purchase Agreement and in this Section of the Offering Plan.

However, Purchaser may obtain title insurance from any title insurance company or not obtain any title insurance at all, at Purchaser's sole discretion.

Further, with regard to title defects, once the Offering Plan has been declared effective, Sponsor may not abandon it unless such defect in title cannot be cured without litigation or cannot be cured for less than a cost which does not exceed an amount equaling one half of one percent (.5%) of the Total Purchase Price set forth on the front cover of the Plan. See the section of the Plan herein before titled "Effective Date of Plan" for further details in this regard.

- b. Recording fee for recording the deed and power of attorney of approximately \$400.00;
- c. If a purchase money mortgage is obtained from a lending institution, the Purchaser may expect to incur the following costs:
 - 1. Legal fees of the lending institution's attorney;
 - 2. Mortgage title insurance policy costs for a mortgage title insurance policy naming the lending institution as the insured. Mortgage title insurance rates as quoted by First American Title Insurance Company as of the date of this Plan are as follows: a base rate of \$344.00 for the first \$35,000.00 in coverage; \$5.55 per thousand dollars of coverage in excess of \$35,000.00 up to \$50,000.00, plus \$4.54 per thousand dollars of coverage in excess of \$50,000.00 up to \$100,000.00, plus \$3.64 per thousand dollars of coverage in excess of \$100,000.00 up to \$500,000.00; plus \$3.31 per thousand dollars of coverage in excess of \$500,000.00 up to \$1,000,000.00; plus \$3.05 per thousand dollars of coverage in excess of \$1,000,000.00 up to \$5,000,000.00; plus \$2.71 per thousand dollars in excess of \$5,000,000.00 up to \$10,000,000.00; plus \$2.55 per thousand dollars in excess of \$10,000,000.00 up to \$15,000,000.00. Please note that if a mortgage title policy is purchased simultaneously with a fee insurance policy and through the same company, insurance coverage rates shall be discounted;
 - 3. A mortgage recording tax of one and eight-tenths percent (1.80%) of the first ten thousand dollars (\$10,000.00) of the amount of the mortgage executed by the Purchaser and a mortgage recording tax of two and five one-hundredths percent (2.05%) of the amount of the balance of the

mortgage actually executed by Purchaser for mortgages in the amount of less than \$500,000.00. For mortgages of \$500,000.00 or more, the rate is two and one hundred seventy-five thousandths percent (2.175%). Please note the discussion of Mortgage Tax Credit below. Institutional Lenders are required to pay one quarter of one percent (.25%) of the two and five one-hundredths percent (2.05%) tax, thereby reducing Purchaser's cost to one and eight tenths percent (1.80%) less \$30.00, for mortgages less than \$500,000.00 and 1.925% less \$30.00 for mortgages of \$500,000.00 or more;

4. Recording fee of approximately \$650.00 for (i) recording of the Purchaser's Mortgage and the partial release of mortgage and termination of any Uniformed Commercial Code Financial Statement related to the Unit and any underlying Mortgage, construction loan or otherwise, obtained by Sponsor; and (ii) ACRIS service fees of the title company relating to the required filing of real estate transfer tax forms;
 5. Commitment fee or origination fee, appraisal fee, application fee, credit fee, if any, charged by the lending institution;
- d. New York City Real Property Transfer Tax ("NYC Transfer Tax"), which is currently at a rate equal to one percent (1%) of the consideration paid for residential real property if such consideration is \$500,000.00 or less, and one and four hundred twenty-five thousandths percent (1.425%) of the consideration paid for residential real property where such consideration is greater than \$500,000.00. The non-residential rates which are currently at a rate of one and four hundred twenty-five thousandths percent (1.425%) of the consideration paid for such non-residential property where the consideration paid is \$500,000.00 or less, and two and six hundred twenty-five thousandths percent (2.625%) of the consideration paid for such non-residential property where the consideration paid is greater than \$500,000.00. It is customary in real estate transactions involving sales of multi-family buildings or single family homes for the seller to pay these transfer taxes and the transfer taxes discussed in e. immediately below. In condominium transactions, either the seller or the Purchaser can pay these transfer taxes. Despite the New York City and NYS Transfer Taxes (defined below) being a statutory obligation of the Sponsor, the obligation pursuant to the terms of the Offering Plan is assumed by a Purchaser if such obligation is imposed on the Purchaser by the terms of the sale. Under the Offering Plan and the Purchase Agreement, Purchasers are required to pay these taxes as a closing cost. For purposes of paying the NYC Transfer Tax with respect to this project, consideration also includes the amount of NYC Transfer Tax and NYS Transfer Tax (defined below) to be paid for the Unit;
- e. New York State Real Estate Transfer Tax ("NYS Transfer Tax"), which is currently at a rate equal to \$2.00 per each \$500.00 of consideration or part thereof. However, pursuant to revisions to the State Tax Law, Section 1402-a, that apply to

conveyances occurring on or after July 1, 2019 (other than conveyances pursuant to binding written contracts entered into on or before April 1, 2019) that occur in cities in the State of New York with populations of one million or more (including the City of New York), a higher rate of \$3.25 per each \$500.00 of consideration or part thereof shall be applicable to (i) conveyances of residential real property where consideration is \$3,000,000.00 or more, and (ii) conveyances of any other real property where consideration is \$2,000,000.00 or more. For avoidance of doubt, the current rate of \$2.00 per each \$500.00 of consideration or part thereof shall continue to apply with respect to each conveyance of residential real property where consideration is less than \$3,000,000.00, and with respect to each conveyance of any other real property where consideration is less than \$2,000,000.00. For purposes of paying the NYS Transfer Tax with respect to this project, consideration also includes the amount of NYS Transfer Tax and NYC Transfer Tax to be paid for the Unit as well as Purchaser's payment of Sponsor's legal fees as set forth in g. below;

- f. Contribution to the Working Capital Fund in the amount equal to two (2) months of Common Charges for the Unit being purchased at the time of the closing, payable to the Board of Managers;
- g. Legal fee of Sponsor's attorneys in the amount of \$3,000.00 per Unit, payable to D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP provided that an additional fee of \$750.00 per closing shall be due for closings which occur outside the offices of Sponsor's attorneys at the request of the Purchaser, Purchaser's attorney, Purchaser's lender or title company;

Furthermore, a legal fee of \$750.00 shall be payable to Sponsor's attorneys for the work involved in processing any assignment of a purchase agreement or contract of sale. It is noted that no such assignments are permitted without the prior written consent of Sponsor. A legal fee of \$750.00 shall be payable for the work involved as a result of any adjournment by a Purchaser beyond that permitted under any right of adjournment set forth in the Offering Plan. Finally, a legal fee in the amount of \$750.00 shall be paid by Purchaser to Sponsor's attorney's for each cancellation and/or release if prepared by such firm pertaining to other than a termination relating to the mortgage financing contingency, if any;

- h. Real estate taxes from the midnight preceding the date of the closing through the end of the tax payment period within which the closing date occurs, which shall be either a quarter (1/4) of a year or one half (1/2) of a year, provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any real estate taxes which Sponsor would not otherwise have had to pay but for an unauthorized delay in closing of title by Purchaser;

- i. Under the State Tax Law, Section 1402-a, an additional tax of one percent (1%) of the total consideration is payable by the grantee (Purchaser) on each conveyance of residential real property where the consideration for the entire conveyance is \$1,000,000.00 or more (the "Mansion Tax"). However, pursuant to revisions to the State Tax Law, namely, to the addition of Section 1402-b thereto, that apply to conveyances occurring on or after July 1, 2019 (other than conveyances pursuant to binding written contracts entered into on or before April 1, 2019) that occur in cities in the State of New York with populations of one million or more (including the City of New York), the following higher rates for the Mansion Tax shall be applicable: (i) one and one-quarter percent (1.25%) of consideration with respect to each conveyance where such consideration for the entire conveyance is \$2,000,000.00 or more but less than \$3,000,000.00; (ii) one and one-half percent (1.50%) of consideration with respect to each conveyance where such consideration for the entire conveyance is \$3,000,000.00 or more but less than \$5,000,000.00; (iii) two and one-quarter percent (2.25%) with respect to each conveyance where such consideration for the entire conveyance is \$5,000,000.00 or more but less than \$10,000,000.00; (iv) three and one-quarter percent (3.25%) with respect to each conveyance where such consideration for the entire conveyance is \$10,000,000.00 or more but less than \$15,000,000.00; (v) three and one-half percent (3.50%) with respect to each conveyance where such consideration for the entire conveyance is \$15,000,000.00 or more but less than \$20,000,000.00; (vi) three and three-quarters percent (3.75%) with respect to each conveyance where such consideration for the entire conveyance is \$20,000,000.00 or more but less than \$25,000,000.00; and (vii) three and nine-tenths percent (3.90%) with respect to each conveyance where such consideration for the entire conveyance is \$25,000,000.00 or more. For avoidance of doubt, the current rate of one percent (1%) of consideration shall continue to apply with respect to each conveyance where such consideration for the entire conveyance is \$1,000,000.00 or more but less than \$2,000,000.00. Under the terms of the Offering Plan, a Purchaser shall be liable for payment of the Mansion Tax, if applicable, at the closing of title of the Unit being purchased. For purposes of paying the Mansion Tax with respect to this project, consideration also includes the amount of NYS Transfer Tax and NYC Transfer Tax to be paid for the Unit as well as Purchaser's payment of Sponsor's legal fees.

In the event that the taxing authority of the City of New York determines that either the conveyance of more than one (1) condominium Unit to the same Purchaser is taxable at the non-residential rates, then, in such event, (a) the NYC Transfer Tax to be paid by Purchaser shall be one and four hundred twenty-five thousandths percent (1.425%) of the aggregate consideration, as discussed above, where the consideration is \$500,000.00 or less, and two and six hundred twenty-five thousandths percent (2.625%) of the aggregate consideration when the consideration is greater than \$500,000.00, and (b) the higher NYS Transfer Tax rate of \$3.25 for each \$500.00 of consideration or part thereof shall apply where the aggregate consideration is \$2,000,000.00 or more, even if such consideration is

less than the \$3,000,000.00 minimum where such higher rate would be applicable to residential real property.

Purchasers should note that for purposes of this discussion of transfer taxes, "residential real property" shall include a one, two, or three-family house, an individual condominium unit (including an individual Residential Unit hereunder), or a cooperative apartment, that is or may be used, in whole or in part, as a personal residence, and that, as explained hereinabove, the transfer of a Residential Unit with any other unit could potentially trigger the non-residential tax rates.

In the event the City or State of New York shall promulgate a new or additional real estate transfer tax that shall apply to a transaction contemplated hereunder (e.g., a City equivalent of the Mansion Tax), such transfer tax shall be payable solely by the Purchaser.

Furthermore, in the event that the City of New York determines additional transfer taxes are due following an audit of any closed transactions, it shall be the Purchaser's sole obligation, which shall survive the closing, to respond to and defend such audit and pay any additional tax imposed.

In addition to the above costs, each Purchaser of a Unit will be responsible for the fees and expenses of his own attorney, if any. As a result of the variable factors with respect to each Unit, such as purchase price, terms of a possible mortgage commitment, fees of Purchaser's attorney and fees of the attorney representing Purchaser's lending institution, Sponsor suggests that Purchaser review their closing costs with an attorney.

The Purchaser will be required to pay to the Board of Managers Common Charges allocable to his Unit monthly in advance. Common Charges assessed during the month in which title closes shall be adjusted with the Sponsor as of the midnight preceding the closing date, provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any Common Charges which Sponsor was obligated to pay to the Board of Managers as a result of any unauthorized delay in closing of title by Purchaser. The amount of such Common Charges to be assessed against each Unit will be fixed by the Board of Managers. Common Charges to be initially assessed are expected to conform to those shown in Schedule A contained herein.

Notwithstanding anything hereto the contrary, if, through no fault of Sponsor, Purchaser fails for any reason to close title to his Unit on the originally Scheduled Closing Date, or the Adjourned Closing Date (as defined in the form Purchase Agreement set forth in Part II of the Plan), and Sponsor does not have the right to, or elects not to, cancel this Agreement as a result of the same, (a) the adjustments for real estate taxes and Common Charges 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 the Purchase Agreement and the Plan, an amount equal to 0.04% of the Purchase Price of this Unit 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 to 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.

Water and sewer charges shall be adjusted between the Sponsor and the Condominium as of midnight preceding the First Unit Closing.

If the Units have not been separately assessed for real estate tax purposes prior to the First Unit Closing, and such First Unit Closing occurs during a tax payment period, Sponsor will have previously paid the real estate taxes through the end of such tax payment period. For example, if the First Unit Closing occurs on September 1, 2019, Sponsor will have paid the real estate taxes for the Property through December 30, 2019, Sponsor shall place in escrow with the Condominium Board of Managers at the First Unit Closing money sufficient to pay the real estate taxes for six (6) months subsequent to the date of the First Unit Closing. If the real estate taxes have already been paid for all or part of this six (6) month period, then this six (6) month period shall be reduced by the amount of time subsequent to the First Unit Closing for which the taxes have been paid. For example, if the First Unit Closing occurs on September 1, 2019, and real estate tax have been paid through December 30, 2019, then Sponsor shall be required to place an amount equal to three (3) months of real estate into escrow with the Condominium Board of Managers since three (3) months of real estate taxes will have already been paid. Sponsor shall have the right to reduce this escrow on a Unit by Unit basis by requiring each Purchaser to fund into escrow, at such Purchaser's Unit Closing, the amount necessary, on the basis of percentage of Common Interest, to cover the period for which real estate taxes have not been paid for such Unit up to six (6) months from the First Unit Closing or an amount necessary to pay the amount of allocated taxes for the Unit which will be due on the next tax payment date (which in New York City is either July 1st or January 1st). At the option of Sponsor, this funding may occur in addition to Purchaser paying such funds to its mortgagee, or by paying such monies into the escrow held by the Board of Managers. Sponsor shall pay the real estate taxes from this escrow account when they are next due and shall be entitled to reimbursement from any Unit Owner who either did not pay any money into escrow or paid less than was required to cover the real estate taxes attributable to such Unit for the time Purchaser owned the Unit.

Subsequent to this six (6) month period, until a separate assessment for each Unit has occurred, each Unit Owner or its mortgagee shall, on January 1st and July 1st of each year, pay to the Board of Managers, for the purpose of paying such Unit Owner's share of the real estate taxes for the ensuing six (6) months, an amount determined by multiplying such Unit Owner's percentage of Common Interest by the aggregate real estate taxes assessed against the tax lot comprising the Property for the six (6) month time period. At the option of Sponsor, Purchasers may be required to fund at the closing of title to their Unit, their proportionate share of the funds to be escrowed with the Board of Managers for this purpose. The Board of Managers shall keep all such funds in a separate account for the purpose of paying the real estate taxes for the Property when due. Sponsor shall also pay into this special account with respect to any Units owned by it.

At Unit Closings individual Purchasers shall adjust real estate taxes with the Sponsor from the midnight preceding the date of the Unit closing through the end of the tax payment period within which the closing date occurs. However, Sponsor shall be reimbursed by Purchaser for the cost of any real estate taxes which Sponsor would not otherwise have had to pay but for an unauthorized delay in closing of title by Purchaser. If no separate Unit apportionment has yet occurred, such adjustment shall be on the basis of the percentage of Common Interest attributable to such Unit. If a subsequent adjustment need be made when the tax lots are apportioned to correct any discrepancy between the adjustment on the basis of percentage Common Interest and adjustment on the basis of actual apportionment, it shall be made at that time.

2. Mortgage Tax Credit

(a) Section 339-ee(2) of the New York Real Property Law provides as follows:

“In the event the proceeds of a construction mortgage were applied to construction of a unit of a condominium submitted to the provisions of this article, or in the event that a unit submitted to the provisions of this act was subject to a blanket mortgage whose proceeds were applied exclusively to payment of the construction mortgage or to capital expenditures or expenses for the development or operation of the condominium, or to purchase of land or buildings for the condominium provided that such purchase was no more than two (2) years prior to the recording of the declaration of condominium, and a mortgage tax was duly paid on such construction or blanket mortgage in accordance with article eleven of the tax law, then, as each unit is first conveyed, there shall be allowed a credit against the mortgage taxes (except the special additional mortgage recording tax imposed by subdivision one-a of section two hundred fifty-three of the tax law) that would otherwise be payable on a purchase money mortgage, said credit to be in the amount resulting from the product of the purchaser's pro-rata percentage of interest in the common elements and the mortgage tax already paid on the construction or blanket mortgage.”

If Sponsor has paid a mortgage recording tax for a construction loan and/or blanket mortgage on the Property and in the event that a mortgage tax credit becomes available pursuant to the above Section of the New York Real Property Law, then it is specifically understood that such credit shall inure to the benefit of the Sponsor. Accordingly, at closing, each Purchaser electing mortgage financing shall pay an amount equal to the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At closing the Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

(b) In the event the mortgage recording tax credit pursuant to Section 339-ee (2) of the New York Condominium Act is unavailable, Sponsor, at its option, may arrange, in lieu of the mortgage recording tax credit, to have its current or future lenders, as the holders of the loans encumbering the Property (hereinafter “Sponsor's Mortgages”),

assign to a Purchaser's lender, a portion of Sponsor's Mortgages, in an amount equal to the mortgage loan obtained by Purchaser (the "Mortgage Assignment"). If Sponsor chooses to have its lenders deliver a Mortgage Assignment to Purchaser's lender and Purchaser's lender is willing to accept such Mortgage Assignment, then the Sponsor will pay the costs and fees charged by Purchaser's lender, and Purchaser's lender's attorneys, as well as all applicable recording charges to effect the contemplated assignment ("Mortgage Assignment Expenses").

If, at Sponsor's option, the Mortgage Assignment is effected, Purchaser shall, in lieu of paying mortgage recording tax to the State of New York, pay Sponsor, at Closing, an amount equal to the mortgage recording tax which would otherwise have been due by Purchaser ("Mortgage Recording Tax Reimbursement"). Sponsor also reserves the right to direct Purchaser to pay, from the Mortgage Recording Tax Reimbursement, the Mortgage Assignment Expenses. The Mortgage Assignment may require additional coordination between Sponsor's Lender, Purchaser's Lender, Sponsor and Purchaser and purchaser and seller, it may potentially delay the closing. In the event that the Closing is delayed as a result of the coordination of the Mortgage Assignment, the Purchaser shall not be liable for any adjournment fees. It is intended that Purchaser shall not be obligated to pay or incur any expense or sum of money that it would not have paid in the event the mortgage recording tax credit was available.

The entire contents of this Paragraph "2" as well as those in Paragraph 1 above, as same may be revised or amended, shall be deemed to be incorporated into the Purchase Agreement for each Unit.

A numerical example for the costs set forth in this section of the Offering Plan for a typical Residential Unit, such as Unit 5C, with a purchase price of \$1,575,000.00 and a mortgage of \$1,102,500.00 are estimated as set forth below. Tax, insurance and recording rates are subject to change.

1. Title insurance for fee and mortgage, including the simultaneous fee discount \$7,836.00 (\$6,612.00 fee) (\$1,224.00 mortgage);
2. recording costs for deed and power of attorneys \$400.00;
3. mortgage recording tax (including payment to Sponsor pertaining to mortgage tax credit, if any) \$21,193.13;
4. recording cost of mortgage, partial release, UCC Termination Statement and ACRIS filings \$650.00;
5. New York City Real Property Transfer Tax \$22,896.88;
6. New York State Real Estate Transfer Taxes (deed stamps) \$6,428.00;
7. New York State Mansion Tax \$16,067.99;

8. Working Capital Fund Contribution (2 months Common Charges) \$2,569.28;
9. legal fee of Sponsor's attorney (assuming the closing takes place in the office of Sponsor's attorneys, no assignment and no unauthorized delay in closing by Purchaser) \$3,000.00;
10. real estate tax escrow –

For a closing occurring on July 1, 2020, 1st half 2020/2021 real estate taxes will have been paid. Therefore, for 2nd half 2020/2021 real estate taxes, due January 1, 2021, six (6) months of real estate tax escrow would be picked up. For example, for Unit 5C, this amount would be estimated at approximately \$8,484.48 based upon the estimates in Schedule A for the First Year of Condominium operation. It is also noted that a July 1, 2020 closing where the 1st half of 2020/2021 real estate taxes have been paid, Purchaser would have to reimburse Sponsor for six (6) months of real estate taxes. For Unit 5C, based upon the estimates in Schedule A for the First Year of Condominium operation, this amount would equal approximately \$8,484.48.

Other fees which cannot be estimated because they pertain to events outside of Sponsor's control and/or statutory requirement include, purchaser's attorney's fee, lender's attorney's fee, possible commitment fee or loan origination fee, appraisal fee, application fee, credit check fee and monthly Common Charges prospectively from the closing date.

11. Total estimated costs for items 1 to 10 above equal approximately \$98,010.27.

RIGHTS AND OBLIGATIONS OF SPONSOR

No bond or other security has been furnished to secure the performance of the Sponsor's obligations. Although at the time the Offering Plan is accepted for filing the Sponsor will be financially capable of performing Sponsor's obligations, the subsequent ability of the Sponsor to perform its obligations will depend upon Sponsor's financial condition at that time. In the event that Sponsor is unable to perform its obligations pursuant to the Offering Plan, Sponsor shall cease all sales activity and amend the Offering Plan to disclose its current financial condition. The amendment will also provide that Purchasers, will be given, for fifteen (15) days after the presentation of the amendment, a right to rescind their Purchase Agreement by written notice to Sponsor and be refunded all monies paid thereunder, with any interest earned thereon. However, such rescission, as to a Purchaser who first became an occupant of the Building pursuant to a Purchase Agreement, will be conditioned on the cancellation of any interim use and occupancy agreement and surrender of possession of his Residential Unit within fifteen (15) days thereafter.

The project is being financed from Sponsor's own funds and construction loan financing from Bank Hapoalim B.M., having an office at 1120 Avenue of the Americas, New York, New York 10036 (hereinafter the "Construction Lender"). The construction loan closing took place on December 11, 2017. Pursuant to the terms of the construction loan, provided Sponsor is not in default of any loan provision, the Sponsor shall have the right to sell the Units at offering prices that are not less than minimum sales prices negotiated by the Sponsor with the Construction Lender. Sponsor represents that all of the offering prices, as set forth in Schedule A located in Part I of the Offering Plan, are above any proposed minimum sales prices negotiated by Sponsor with the Construction Lender. Further, the Construction Lender has agreed that upon the payment by Sponsor of the greater of the minimum sales or a percentage of gross or net sales proceeds from the closing of each Unit until the loan is paid in full, the Construction Lender will partially release the Unit closed from the lien of the Construction Lender's construction loan. Additionally, based upon the terms of the construction loan, the Sponsor will not have the right to lease any portion of the Property without the consent of the Construction Lender.

Sponsor makes the representations set forth below with respect to certain obligations under the Plan.

1. The Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction of the Units and Common Elements for the authorized and proper work performed and fixtures, material and equipment supplied or installed in said construction.
2. The Sponsor will diligently, expeditiously and at Sponsor's own cost, complete the construction of the Units and Common Elements substantially in accordance with the plans and specifications described herein. If any work still remains to be done to complete such work, provided such work will not prevent the issuance of a permanent Certificate of Occupancy, Sponsor, at Sponsor's own cost and expense, will perform or cause all such work to be performed and will supply or cause all material therefor to be supplied and will

pay for such work and materials and discharge or bond all mechanics' liens which may be filed as a result of the construction of the Units or Common Elements.

The Sponsor reserves the right to substitute for any of the materials or any of the construction procedures specified in either the New Building Plans, the Description of Property and Building Specifications or elsewhere in the Plan, materials which are Equal or Better Quality and design and/or construction procedures which are Equal or Better Quality to the custom for the industry in which the Property is located as determined by Sponsor's general contractor or architect or engineer, in their sole discretion. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment and procedures described in this Plan and in the architectural plans on file, but, due to the possible unavailability of materials and supplies or for any other reason, Sponsor may substitute materials, fixtures, appliances and equipment which are equal to or of better quality and design and/or similar construction procedures for any of those set forth in the specifications or otherwise in this Plan.

The Sponsor also reserves the right, without altering the total amount of space contained in the Building, to change the size, interior layout and location of any Unit or the number of Units, provided such changes are made in accordance with the Section of the Plan titled "Changes in Prices or Units" herein.

Changes will be made in the size or number of Units, their respective percentage of Common Interest, or in the amount or quality of Common Elements, except as otherwise provided herein, only with the consent of all Unit Owners directly affected, and by amendment to the Plan and also by amendment to the Declaration if the Declaration was filed prior to such change. To be directly affected the change in the size of a Unit must be to such Unit Owner's Unit or the change must be to his or her percentage of Common Interest or in the amount or quality of Common Elements which he or she is entitled to use. However, Sponsor shall not be obligated to obtain consent of any Unit Owner for changes made prior to the execution of a Purchase Agreement for the affected Unit or Units, provided such changes are made by amendment to the Offering Plan and to the Declaration if the Declaration was filed prior to such change.

Changes to the size, layout or percentage of Common Interest of a Unit for which a Purchase Agreement has been executed by Purchaser and Sponsor and delivered to the Purchaser or changes in the amount or quality of Common Elements directly affecting or servicing a Unit for which a Purchase Agreement has been executed by Purchaser and Sponsor and delivered to Purchaser shall be made only with the written consent of the Purchaser of such Unit, provided, however, that such Purchaser's consent shall only be required if the Purchaser is not then in default. No material changes to the amount or quality of Common Elements shall be made unless all purchasers in contract consent to such change. Notwithstanding the foregoing, such changes may be made, provided all Purchasers who are not then in default either consent in writing to such changes or are given the right to rescind and receive from Sponsor a return of any deposit or downpayment

for fifteen (15) days from the date of mailing or personal delivery of written notice from Sponsor.

3. The Sponsor, at Sponsor's sole cost and expense, will obtain, prior to the closing of a particular Unit, the issuance of a temporary or permanent Certificate of Occupancy for the Unit closed. Sponsor shall complete construction and obtain a permanent Certificate of Occupancy for the entire project within two (2) years subsequent to the First Unit Closing or at such sooner time as the temporary Certificate of Occupancy, as same may be renewed, replaced or extended, expires. If, at the time of closing of title to a Residential Unit Sponsor has only obtained a temporary "Class A" residential Certificate of Occupancy covering such Unit, then Sponsor shall place in escrow with its attorney an amount, as determined by an architect chosen by Sponsor, which is sufficient in such architect's opinion to cover the cost of obtaining a permanent "Class A" residential Certificate of Occupancy covering that Unit. Such escrow amount shall be released to Sponsor or its designee upon the obtaining of a permanent "Class A" residential Certificate of Occupancy covering such Unit or the Building. Alternatively, the Sponsor shall have the option of either depositing with an escrow agent an unconditional, irrevocable letter of credit in the amount determined by Sponsor's architect or posting a surety bond in the amount so determined. In the event that Sponsor does not obtain an architect's opinion as to the amount to be escrowed, then in such event, the Sponsor shall hold all proceeds of the Unit sale in escrow with an escrow agent until a permanent Certificate of Occupancy covering the Unit or the Building is issued.

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 building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than an 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 an FCO covering the entire Building within two (2) years from the date of issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO 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 of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

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

4. The Sponsor will pay all expenses incurred prior to the establishment of the Condominium in connection with its operation and will bear and pay all costs and expenses incurred in connection with the creation of the Condominium whenever such costs or expenses are incurred, or in connection with the sale of all of the Units held or owned by the Sponsor, except as noted in the section of the Plan titled "Unit Closing Costs and Adjustments," and will pay or have paid, except as otherwise provided in the Plan, all selling expenses of Sponsor, including, but not limited to, advertising and printing costs, architect's fees, attorneys' fees, organization costs, brokerage commissions, engineers' fees, appraisal and any surveying fees and costs.
5. The Sponsor will pay all Common Charges, real estate taxes, special Assessments and other expenses allocable to any Units owned by the Sponsor, so long as Sponsor shall continue to own the same. As set forth in Part I of the Offering Plan, however, Sponsor, where Purchaser has caused an unauthorized delay in closing of title, shall be entitled to certain reimbursement of real estate taxes, Common Charges and interest. Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units. Sponsor's financial obligations to the Condominium will be funded from sales proceeds. If this source proves insufficient Sponsor shall seek funds from the construction lender, if any, or another lender.

Notwithstanding anything herein to the contrary, until title to all Units has been conveyed, the Sponsor or its designee as owner of any Unsold Units, may decide to delay the commencement of Common Charges that Sponsor will, at Sponsor's or Sponsor's designee's sole option and discretion, pay in lieu of payment of each Unit's Common Charges, provided that such "in lieu" payments are less than the Common Charges then due, an amount which equals each Unit's proportionate share (based upon each Unit's Percentage Common Interest) of the total cost necessary to operate the Condominium with the services to be provided under the Offering Plan. In the event that Sponsor or its designee as the owner of all Unsold Units elects to have Sponsor make in lieu payments, Sponsor or its designee shall (i) file an amendment to the Offering Plan prior to the First Unit Closing indicating that the collection of Common Charges will not commence with the beginning of Condominium operations and the anticipated length of such delay period; (ii) notify Unit Owners and file an amendment to the Offering Plan disclosing the expiration of the delay period at least thirty (30) days prior to such expiration; (iii) during any such delay period timely pay all expenses of the Condominium out of the aggregate in lieu

payments, including, but not limited to, insurance premiums; (iv) pay from Sponsor's funds any reserve fund payments required by Sponsor's lenders; and (v) remain obligated to update the budget for the Condominium, as provided in the governing regulations. In addition, Sponsor shall disclose such delay in the collection of Common Charges in the closing notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan as a benefit to subsequent purchasers. Such amendment shall also disclose the anticipated period of delay. Prior to commencing the collection of Common Charges, Sponsor will notify all unit owners by written notice of the expiration of the delay period. Notice shall be given to owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent purchasers. Additionally, Sponsor represents that upon commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved Budget of the Condominium.

6. Prior to the First Unit Closing, all liens affecting the Property shall be paid and satisfied or bonded or the Units being conveyed and their appurtenant Common Interest shall be released therefrom by partial release duly recorded.
7. The Sponsor will promptly correct any patent defects in the construction of the Building and the Units therein, or in the installation or operation of any mechanical equipment therein, due to substantially improper workmanship or materials substantially at variance with the architectural plans and specifications, provided Sponsor is notified of such defects in writing by the Unit Owner as to the Unit affected within sixty (60) days from the date of closing of title to such Unit or, with respect to Common Elements affecting the Unit, that Sponsor is notified by the Board of Managers within six (6) months from the First Unit Closing. If any defect in the Common Elements can only be detected after said period by occupancy of a particular Unit, Sponsor will correct said defect in the construction of the Common Elements, or in the installation or operation of any mechanical equipment therein due to improper workmanship or materials substantially at variance with the architectural plans and specifications, if notified by the Board of Managers within sixty (60) days from closing of title to or first leasing of that particular Unit. Sponsor will also correct any latent defects in the construction of the Building and the Units therein or in the installation or operation of any mechanical equipment therein due to substantially improper workmanship or material substantially at variance with the architectural plans and specifications, provided it is notified of such defects in writing by the Unit Owner as to such Unit within one (1) year from the closing of title to such Unit or is notified by the Board of Managers with respect to Common Elements within one (1) year after the First Unit Closing. However, nothing herein shall be construed to limit any rights which the Attorney General may have under the Martin Act, Executive Law or any other applicable law or regulation. Notwithstanding anything contained herein to the contrary, any work shall be comparable to local standards customary in the particular trade and shall be done in accordance with (i) all applicable codes, and (ii) approved plans and specifications for the Building. Sponsor, in its sole discretion, shall select the method of correcting any defect. On three

(3) days' notice from Sponsor, the Board of Managers and/or the Unit Owner in question shall allow Sponsor, Sponsor's contractors and/or the Managing Agent access to the Building or the Unit in question on any weekday which is not celebrated as a federal or state holiday to inspect and/or correct such defect.

Sponsor shall be deemed to have discharged any obligation it may have with respect to patent or latent defects, as the case may be, if (i) Sponsor is not notified within the time periods specified herein or (ii) the Board of Managers and/or the Unit Owner in question prevents Sponsor, Sponsor's contractors and/or the Managing Agent access to the Building or the Unit in question as provided herein, or (iii) Sponsor shall have corrected the defect in accordance with the practice of the industry as determined by Sponsor's general contractor or architect or engineer, in their sole discretion. Sponsor makes no warranties as to kitchen appliances or other appliances and mechanical equipment in the Unit, except that it will assign to the Purchaser any manufacturer's warranties thereon and any manufacturer's warranties existing for other items in Purchaser's Unit to the extent same are assignable.

Notwithstanding the foregoing, Sponsor will not be responsible for correcting or repairing any latent defects of construction or defects in the 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 Board of Managers or Unit Owners. **In addition, 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 and cracking 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 tile grouting, adjustment of any bi-fold or sliding 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, (xiii) repair of chips, scratches, marks, 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, granite or stone used in kitchens or bathrooms or cracks, variations in tone, finish or color of vanity tops or other marble, granite or stone 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. Sponsor shall be obligated to repair only abnormally chipped stone, Formica and porcelain surfaces, which repair shall be made by grinding the stone, filling the Formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, Formica or porcelain surfaces.

The Housing Merchant Implied Warranty Law (GBL Article 36-B) does not apply to this Offering of the Units and/or the Property.

Except as expressly set forth herein or as provided under applicable law, Sponsor has no obligation to correct or repair any other defect or conditions in the Units, Common Elements or the Building and all other installations, apparatus, fixtures and appurtenances. The foregoing sets forth the entire obligation of Sponsor to correct any defects and none other shall be implied. Sponsor shall have no obligation to repair or replace any defect resulting from the failure by the appropriate Unit Owner or the Board of Managers to properly service or maintain a particular item or items. Additionally, Sponsor shall have no obligation to repair or replace any defect resulting directly or indirectly from work done by any individual or entity retained by the Board of Managers or any Unit Owner(s).

Notwithstanding any provision to the contrary herein, Sponsor shall not be obligated to correct, and shall not be liable to any Purchaser as a result of, (i) any insubstantial variations from the plans and specifications or the description of the Building or a Unit set forth in the Offering Plan or (ii) variations from the plans and specifications or description of the Building or a Unit set forth in the Offering Plan which are neither in violation of applicable building codes, nor require approval of any governmental authority having jurisdiction, provided such variations are of substantially equal or better quality.

With regard to any model Unit, which Unit or Units ("Model Unit") shall be designated by Sponsor in Sponsor's sole and absolute discretion, shall be delivered by Sponsor to a Purchaser in "AS IS" condition, including but not limited to normal wear and tear. Sponsor shall have no further obligations with regard to any Model Unit. Sponsor shall be under no obligation to repaint or repair anything in a Model Unit, including but not limited to, refinishing the floors in a Model Unit, repairing any appliance in a Model Unit or painting any room in a Model Unit.

8. The Sponsor represents that, until it no longer controls the Board of Managers, the Property will be maintained, repaired, cared for and operated in substantially the same condition and manner as it was on the date of the First Unit Closing, subject to strikes, lockouts, labor difficulties, acts of God, fire or other casualty, storm, riots, insurrection, inability to obtain

materials, equipment or labor, governmental restrictions or any other acts over which the Sponsor is reasonably unable to exercise control. If the Sponsor is prevented from so maintaining the Property for any of these reasons other than fire or other casualty, the Sponsor will make any repairs subsequent to the First Unit Closing that it was obligated to make as of the First Unit Closing.

As set forth in the section of the Plan titled "Effective Date," in the event casualty which cannot be repaired for cost of less than an amount equaling one half of one percent (.5%) of the Total Purchase Price set forth on the front cover of the Plan (as estimated by an insurance adjuster retained by Sponsor), occurs after the filing of an amendment declaring the Plan effective but prior to the First Unit Closing and the Sponsor elects not to make repairs, then the Sponsor may, at its option, abandon or withdraw this Offering Plan. In such case all Purchase Agreements will be deemed automatically cancelled and Purchasers in good standing will be refunded their deposits with any interest earned thereon. Upon such refund being made, the Condominium and the Sponsor will be relieved and discharged of all liability under the Plan and Purchase Agreements.

In the event the Sponsor elects to repair and restore the damage to the Building from a casualty occurring before the First Unit Closing, or if the casualty occurs after the First Unit Closing, but before the closing of a damaged Unit, then the following shall be applicable: The Purchase Agreements for all Units, other than "Affected Units" (as previously defined in the section of the Plan titled "Terms of Sale"), shall remain in full force and effect and the Purchasers thereunder shall pay the full purchase price at the closing. Such Purchasers shall not be entitled to adjourn the closing nor be allowed any abatement in the purchase price, nor credit against same, nor retain (in escrow or otherwise) any portion of such purchase price pending restoration and repair of the damage to the Building and the Affected Units.

Except as provided in the next paragraph, a Purchaser of an Affected Unit shall not be required to pay the balance due under the Purchase Agreement unless and until (i) the damage to his or her Affected Unit has been substantially repaired as near as reasonably possible to its condition immediately prior to the casualty and (ii) his or her essential services (such as gas, electricity or heat) and a reasonable means of ingress and egress to the street have been restored.

Notwithstanding the foregoing, if the Purchaser is given possession of the Affected Unit under an Interim Use and Occupancy Agreement or otherwise prior to the casualty, such Purchaser shall assume the risk of loss or other casualty with respect to the Unit which loss or other casualty is not otherwise covered by either the Condominium's insurance or the Sponsor's insurance, and the obligation to repair damage, unless the cause of such loss originated outside his or her Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workmen. If the Purchaser is obligated to repair the damage in accordance with the foregoing, then his or her failure to

repair the damage shall not excuse him or her from paying the balance due under his or her Purchase Agreement and accepting title to the Unit.

The Sponsor and/or the Condominium will in no event be liable to Purchasers under this Plan, and the Sponsor will not be liable to the Condominium for any damages which result from any delay in repairing such casualty.

9. Sponsor shall deliver to The Board of Managers a set of final architectural plans upon completion of the project and, to the extent they exist and are available, any maintenance manuals for the mechanical systems and equipment in the Building.
10. Sponsor shall procure on behalf of and at the expense of the Condominium, prior to the First Unit Closing, the insurance policy(ies) provided for in Schedule B of Part I of the Plan.
11. Sponsor shall be obligated to defend any suits or proceedings arising out of its acts or omissions, and shall be obligated to indemnify the Board of Managers and the Unit Owners against any such suits or proceedings.

Sponsor shall not be liable for or obligated to defend any suits, proceedings or claims (i) as to any Unit arising out of any occurrence taking place on or after the earlier of the closing of title to such Unit or the leasing thereof to, or at the direction of, any Purchaser, or (ii) as to the Common Elements, arising out of any occurrence taking place on or after the date of the recording of the Declaration, except suits, proceedings or claims arising out of acts or omissions of Sponsor or representations made by Sponsor in the Offering Plan. Sponsor shall not be liable for or obligated to defend any suits, proceedings or claims arising out of any occurrence which was prior to the date of the First Unit Closing except suits, proceedings or claims arising out of acts or omissions of Sponsor.

Sponsor's representations under the Offering Plan, all obligations pursuant to the GBL, and such additional obligations under the Offering Plan which are to be performed subsequent to the closing date will survive delivery of the deed.

12. Sponsor shall keep copies of the Plan, Exhibits and documents referred to in the Plan on file at Sponsor's offices for six (6) years from the date the Declaration is recorded.
13. In the event of the dissolution or liquidation of the Sponsor or the transfer of twenty percent (20%) or more of the total number of Units in the Condominium, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those Units under the Offering Plan, applicable laws or regulations.
14. In accordance with Section 339-p of the Real Property Law, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the floor plans filed with the recording of the Declaration are a substantially accurate copy of portions of

the plans of the Building as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction or rehabilitation of buildings.

15. During the time the principal of the Sponsor controls the Board, it is within its sole power to enforce the obligations of the Sponsor pursuant to the Plan and pertaining to the Common Elements. Therefore, Sponsor agrees that during such period it will, in its capacity as the Board of Managers, enforce such obligations when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting of the Unit Owners called for such purpose.
16. Although it is the intent of Sponsor to sell all of the Residential Units, the Sponsor, its successors, assigns or designees, may offer all or any Unsold Units, for lease to contract vendees prior to or after Consummation of the Plan pursuant to Interim Use and Occupancy Agreements or to non-interim lessees after Consummation of the Plan. Purchasers of any such leased Units will be purchasing Units that have been previously occupied. Sponsor will notify purchasers of Units that have been previously occupied prior to the execution of a Purchase Agreement of such occupancy and will set forth the condition in which such Unit will be delivered (including outstanding warranties, if any.) There shall be no obligation of Sponsor or any other offeror of such Unit to decorate, refurbish or in any way repair such Unit.
17. At the closing of title to a Unit, Sponsor will execute and deliver to the Board of Managers an instrument assigning to the Board of Managers any manufacturer's warranties with respect to equipment and appliances installed within such Unit. The Board of Managers shall simultaneously execute and deliver to the Purchaser of such Unit an authorization to enforce such warranties on its behalf. At the First Unit Closing, Sponsor will execute and deliver to the Board of Managers an instrument assigning to the Board of Managers any manufacturer's warranties with respect to equipment and appliances installed in Common Elements. A copy of any manufacturer's warranties, to the extent available, will be delivered to the Board of Managers at the First Unit Closing or promptly thereafter.
18. Sponsor and its designee(s) shall have the right, until the fifth (5th) anniversary of the First Unit Closing and only to the extent Sponsor owns an Unsold Unit in the Condominium, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.
19. Sponsor will use its best efforts to obtain real estate tax exemption benefits for all of the units of the Building pursuant to Section 421-a of the Real property Tax Law. Sponsor, at its sole cost and expense, will file an application for and make all additional necessary filings to obtain such benefits. All documentation supplied or caused to be supplied by Sponsor will be true and complete. As of the date hereof Sponsor has not obtained either

the Preliminary 421-a Certificate of Eligibility or the Final 421-a Certificate of Eligibility. Upon issuance of either the Preliminary or Final 421-a Certificate of Eligibility, the Sponsor shall include a copy of such Certificate of Eligibility in an amendment to the Offering Plan.

20. Sponsor notes that recent amendments to the high-rise facade safety statute (formerly known as Local Law 10 of 1980) (presently known as Local Law 11/98) passed by the City Council and signed by the Mayor of New York City require professional engineers or registered architects to advise the Buildings Department of the City of New York and the owner of a property of any unsafe condition in a building's exterior walls revealed during a Local Law 10 inspection. The amendments also subject all exterior walls to be inspected; previously, only walls fronting on a street were affected by the law.

The revised law also calls for a certification by the registered professional that a wall is either safe or unsafe; the latter declaration by the professional means that an immediately hazardous condition exists and must be corrected within 30 days with the option of a 90 day extension upon application to the Buildings Department. A building is considered either safe with no further action necessary, or fit, but in a condition that warrants a repair and/or maintenance program. In the latter case, the condition must be corrected during the five-year period between mandatory inspections. As a result of the height of the Building, the completed Building will require regular 5-year inspections in accordance with Local Law 11/98. The first inspection will be required five (5) years after the issuance of the first temporary certificate of occupancy for the Building. Thereafter, the Building must be inspected in accordance with NYC Local Law 11/98's five (5) year cycle.

Although not budgeted for the first year of Condominium Operation, the cost of any future additional inspections, if any, required by Local Law 11 and any amendments thereto, shall be a Residential Common Expense of all of the Residential Unit Owners.

Each of the obligations of the Sponsor contained in this section shall be enforceable by any Unit Owner as to his Unit or the Board of Managers on behalf of the Unit Owners as to Common Elements. The representations contained in paragraphs 1 through 19 of this section shall survive delivery of the deed. Sponsor makes no other representation or warranties except as set forth in this Offering Plan, as the same may be amended. However, nothing herein shall be construed to limit any rights which Purchasers may otherwise have pursuant to Article 23-A of the General Business Law, Part 20 of the Regulations promulgated by the Attorney General and the Offering Plan.

Sponsor's Rights of Access

(a) General

As a condition of sales of Units pursuant to this Plan, Sponsor reserves to itself, its successors, assigns, designees, invitees, contractors, agents, employees and tenants any and all easements and rights of access, in and to Units, Common Elements and

Limited Common Elements consistent with the purposes of the Plan and Sponsor's rights and obligations thereunder.

(b) Examples of Specific Easements and Rights of Access Reserved by Sponsor

Without in any way limiting the generality of rights reserved in Paragraph "a" above, such rights reserved to Sponsor and its designee(s) specifically include the following:

- 1) The right to maintain any vacant and Unsold Unit(s) as general, construction and sales and leasing office(s) and/or Model Residential Unit(s) and to maintain personnel at the Property, to post signs, and to conduct other activities connected with promotion, sales or leasing, such as inspection by and display of vacant or leased Units, as well as all Common Elements and Limited Common Elements, to prospective purchasers or lessees;
- 2) Right of access in and to Units, Common Elements and Limited Common Elements for purposes of construction, repair, refurbishment, correction, alterations, finishing, servicing (including but not limited to garbage collection) and similar work;
- 3) Right to show vacant or leased Units;
- 4) Utility and other easements for the benefit of Unit Owners, Common Elements and Limited Common Elements.

Sponsor, Sponsor-designees and any partner of any entity affiliated directly or indirectly with Sponsor shall exercise all rights of access so as to limit, to the extent practicable, unnecessary interference with use of the Property by Unit Owners. Sponsor, Sponsor-designees and any partner of any entity affiliated directly or indirectly with Sponsor agrees to repair damage directly attributable to and caused by Sponsor, Sponsor-designees and any partner of any entity affiliated directly or indirectly with Sponsor or its agents as a result of exercising such rights of access.

Sponsor's Right to Perform Alterations

Sponsor (and its successors, assigns and designees) shall have the right to alter any Unit, Common Element or Limited Common Element subject to filed amended plans and/or specifications, and consistent with the terms of this Plan.

Sponsor, its assignee or designee, the Community Facility Unit Owner and their respective successors, assigns, invitees, licensees, contractors, employees, agents and tenants shall have such rights of access, storage and use necessary to fulfill obligations under the Plan (in the case of Sponsor) and/or to effectuate the rights of such parties to make alterations, additions, improvements or repairs to Units owned by each, respectively, including without

limitation the right to (i) use elevators, stairs and other Building facilities during customary industry practice construction hours; (ii) maintain roll-off refuse containers on the Property and dumpsters adjacent to the Property; (iii) store and maintain tools and materials on the Property; (iv) connect to and use Building electricity, water and other utility services and facilities; (v) provided that an affected Unit Owner consents after prior reasonable notice, which consent shall not be unreasonably withheld, conditioned or delayed, to facilitate penetration and entry into Units to permit the extension and provision of Building services to space under construction, and (vii) erect and maintain hoists, sidewalk sheds, sidewalk fences and temporary walkways, construction shacks and trailers in the street adjacent to and on the Property.

CONTROL BY SPONSOR

Title to all Units which have not been sold by the time of the First Unit Closing will remain with the Sponsor or its designee(s) until such Units shall thereafter be sold to bona fide purchasers. Such sales do not require a right of first refusal to the Board of Managers. Until the first annual meeting of the Condominium, the Board of Managers shall consist of three (3) persons designated by Sponsor. Accordingly, until such first annual meeting, Sponsor will have absolute voting control of the Board of Managers and will thus have control of maintenance, facilities and services to be provided, as well as determining the Common Charges to be paid by Unit Owners. Notwithstanding the above to the contrary, Sponsor, while it maintains voting control of the Board of Managers, will provide levels of maintenance, facilities and services consistent with those set forth in "Schedule B, Project Budget For First Year of Condominium Operating Commencing July 1, 2020." Sponsor shall relinquish voting control of the Board of Managers upon the earlier of (i) the transfer of title to Residential Units, the percentage Common Interest of which, in the aggregate, equals at least ninety percent (90%) or (ii) five (5) years after the First Unit Closing. Following the expiration of Sponsor's initial control period, the Sponsor shall be entitled to designate two (2) of the five (5) members of the Board of Managers. However, Sponsor will call for the first annual meeting of the Unit Owners to elect a new Condominium Board consisting of five (5) managers, within thirty (30) days after the earlier of (i) one hundred twenty (120) days after the date on which seventy-five percent (75%) of all the Units have been conveyed to Unit Purchasers; (ii) the closing of title to Residential Units whose percentage of Common Interest equals, in the aggregate, at least ninety (90%) percent or (iii) two (2) years after the First Unit Closing. Sponsor, during the time there are Unsold Units, will have the right to, and intends to, vote the percentage of Common Interests allocated to such Units, but subsequent to its relinquishing voting control of the Board of Managers Sponsor will not use such vote to elect a particular individual to the Board of Managers which would, by the election of such individual, give Sponsor voting control of the Board. Subsequent to the date that the Sponsor, including any designee thereof, relinquishes control of the Board of Managers, all Board members, other than those members which the Sponsor or its designee have the right to appoint pursuant to the By-Laws, must be owner-occupants of the Condominium who are not related to Sponsor or the principals of Sponsor. In the event that the number of owner-occupants of the Condominium is insufficient to establish a majority of the Board members, then, in such event, pursuant to the By-Laws any owner-occupant shall be entitled to one (1) seat on the Board of Managers. Further, subsequent to the Sponsor calling the first meeting of Unit Owners, the Community Facility Unit Owners shall be entitled to designate one (1) member of the Board of Managers.

As long as the Sponsor or any Sponsor-designee shall continue to own twenty-five percent (25%) of the Common Interests allocated to the Units, but in no event for a period in excess of five (5) years from the First Unit Closing, the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except that Sponsor will consent to replacements to (a) any contingency fund and/or capital replacement reserve provided

for in Schedule B of the Offering Plan for the Property to the extent that the aggregate amount of such fund does not exceed four percent (4.00%) of the budgeted expenses of the Condominium, and (b) Sponsor will consent to replacements to the Major Capital Improvement Replacement Reserve Fund provided for in Schedule B of the Offering Plan and as required by Federal Housing Administration ("FHA") and Fannie Mae guidelines to the extent that the aggregate amount of such funds does not exceed 10.00% of the budgeted expenses of the Condominium, or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient) or (iv) increase the number or change the type of employees from that described in Schedule B of the Offering Plan or (v) provide for new or additional services from those indicated in Schedule B of the Offering Plan, unless the annual cost of all other services being provided is no greater than the total cost of those provided for in Schedule B. As long as the Sponsor or any Sponsor-designee shall continue to own a Unit the Board of Managers may not, without the Sponsor's or Sponsor designee's prior written consent, (i) amend the Declaration or these By-Laws so as to in any way adversely affect the Sponsor or its designees or (ii) interfere with: the offer and sale or leasing of Units at the Property; the operations of sales or leasing offices at the Property; actions necessary for construction, renovation, repair or correction at the Property, as required by Sponsor to comply with applicable laws in construction, renovations or repair of Units. The Sponsor or Sponsor-designee shall have the right to withhold its consent to any of the foregoing actions. However, notwithstanding these restrictions, the Sponsor or Sponsor-designee shall not withhold its consent to the making of capital repairs to the Common Elements or assessment of any Common Charge for expenses required to comply with applicable law or regulation, to remedy any notice of violation or to remedy any work ordered by an insurer.

Members of the Board of Managers will serve without compensation. All officers of the Condominium shall also serve without compensation. Sponsor represents that for as long as it or any of its designees are members of the Board of Managers neither it nor any of its designees will vote for remuneration for either members of the Board of Managers or officers of the Condominium.

Except for a member of the Board of Managers designated by Sponsor or a Sponsor-designee or the Community Facility Unit Owner, a member of the Board of Managers may be removed from office with or without cause by the affirmative vote of Unit Owners owning in the aggregate a percentage of Common Interest in excess of fifty percent (50%) of the Common Interest of the Condominium. A member of the Board of Managers designated by the Sponsor or a Sponsor-designee or the Community Facility Unit Owner may only be removed for cause by the affirmative vote of Unit Owners (including Sponsor and/or any other Holder of Unsold Units and/or the Community Facility Unit Owner) owning in the aggregate, a percentage in Common Interest in excess of fifty percent (50%) of the Common Interest of the Condominium. In the event of such removal, the Sponsor, Sponsor-designee or the Community Facility Unit Owner, as the case may be, shall have the exclusive right to designate a replacement for such removed member of the Board of Managers.

An officer may be removed, with or without cause, by an affirmative vote of a majority of the members of the Board of Managers.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sale or Lease of Unit

Each Unit Owner is free to sell or lease his Unit, except that a Residential Unit Owner must first give to the Board of Managers, on behalf of all other Unit Owners, an opportunity to purchase or lease such Unit at the same price or rental and on the same terms as were offered by the proposed purchaser or lessee, as more specifically provided for in Article VIII, Section 1 of the By-Laws of the Condominium. Any such lease of a Residential Unit shall be substantially in the form for apartment leases prepared by Julius Blumberg, Inc., or the Real Estate Board of New York, Inc., except as otherwise provided in the By-Laws and except for such changes thereto as are recommended by counsel to the Board of Managers.

Notwithstanding the foregoing, the Sponsor, its designee, the Community Facility Unit Owner, or a mortgagee acquiring title to a Unit in foreclosure or by deed in lieu of foreclosure, shall have the right to sell or lease Units owned by the Sponsor, its designee, the Community Facility Unit Owner or such mortgagee without any requirement that the same be offered to the Board of Managers prior to such sale or lease as required pursuant to the aforementioned Article and Section of the By-Laws. The Board of Managers shall be required to cooperate in providing appropriate physical access to any such Unit and related Common Elements, as well as all financial information regarding same.

The Sponsor also hereby reserves the right to lease a Unit to the Purchaser of said Unit prior to the conveyance of title. In addition, after Consummation of the Plan, the Sponsor reserves the right to lease Units to non-purchasers without limitation as to the rental to be charged therefor except such rents shall not be in violation of any applicable law. If, in fact, prior to the sale of a Unit, the Sponsor leases such Unit to any person or entity who does not purchase, the initial purchaser thereof will be purchasing a Unit that has been previously occupied. In all such cases Sponsor will deliver title to such Units at closing free and clear of any tenancy or occupancy. No amount paid as either rent or security under the lease will be credited towards the purchase price. Sponsor also reserves the right to use license agreements in lieu of or in addition to the leases.

Each purchasing Unit Owner, at the closing of title to his or her Unit, shall be required to execute an instrument in the form of that contained in Part II in the section of the Plan titled "Power of Attorney," designating the Board of Managers and their successors, as his or her attorneys in fact, coupled with an Interest, for the purpose of selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or their designee, on behalf of all Unit Owners.

Each Conveyance of Unit by a Unit Owner shall include, as part of the property to be conveyed, the Unit Owner's: (i) Common Interest; (ii) undivided interest in any Unit or Units acquired by the Condominium Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit); and (iii) undivided interest in any other assets of the Condominium. In addition, title to a Unit may not be conveyed unless all unpaid Common Charges and liens

against such Unit, other than mortgages placed on such Unit in compliance with the By-Laws, are paid and satisfied at or prior to closing.

The Condominium Board may not discriminate against any person for a reason proscribed by the laws of the State of New York.

A Unit Owner may, without restriction, make a gift of his Unit to anyone during his lifetime, to devise such Unit by will or to pass same by intestacy.

No residential lease shall be entered into by Sponsor having a commencement date which is prior to the issuance of a temporary or permanent Certificate of Occupancy for the Building, or, alternatively, the issuance of a temporary Certificate of Occupancy for the Unit which permits lawful use of the leased Unit.

With the exception of the Community Facility Unit, no portion of a Unit other than the entire Unit may be leased.

Mortgage of Units

Each Unit Owner is free to mortgage his Unit, provided that any mortgage encumbering a Residential Unit shall be a first mortgage or second mortgage made to a bank, trust, trust company, insurance company, federal savings and loan association, pension fund or other institutional lender, the Sponsor, Sponsor-designee, or to the Seller of such Unit(s). Purchasers pursuant to this Plan, however, if they seek mortgage financing, shall be required to follow procedures set forth in the Purchase Agreement in Part II of the Plan. A mortgage encumbering a Residential Unit may be made to a reputable private lender, other than a lender as above described, provided the same is approved in writing by either the Sponsor, prior to the Sponsor's relinquishing control of the Board of Managers, or the Board of Managers, subsequent to the release of control by the Sponsor. Such approval shall be in the sole and absolute discretion of Sponsor or the Board of Managers as the case may be. The Sponsor, its designee and/or the Community Facility Unit Owner may encumber his Unit with a mortgage or mortgages without being subject to the aforementioned restrictions. Such restrictions also do not apply to Unsold Units. NOTWITHSTANDING THE FOREGOING, IF ANY INITIAL PURCHASER WHO PURCHASES PURSUANT TO THIS OFFERING PLAN SEEKS MORTGAGE FINANCING, SUCH PURCHASER SHALL BE REQUIRED TO FOLLOW THE PROCEDURES FOR MORTGAGE FINANCING SET FORTH IN THE OFFERING PLAN AND THE PURCHASE AGREEMENT. Prior to or simultaneously with the closing of any mortgage transaction, the Unit Owner must satisfy all arrearage for any unpaid Common Charges and assessments owed by such Unit Owner and discharge any liens therefor.

Easements and Right of Access

Each Unit Owner shall have an easement in common with the Owners of other Units to use and maintain all pipes, ducts, cables, wires, conduits, public utility lines or other Common Elements located in other Units and serving his Unit. In addition, each Unit Owner shall have an easement for the continuance of any encroachment by the Unit on any adjoining Unit or on any

Common Element, now existing or which may come into existence hereafter as a result of the settling or shifting of the Building, or as a result of restoration of the Building or a Unit after damage by fire or other casualty, or as a result of condemnation or eminent domain proceedings, or by reason of any alteration made by the Board of Managers to the Common Elements so that any such encroachment may remain undisturbed so long as the Building stands. The Board of Managers, through a designated manager, managing agent, or their employees or other designee shall have a right of access to each Unit to inspect and make repairs to the Unit to prevent damage to the Common Elements, Limited Common Elements or any other Unit.

Use of Units

The Residential Units may be used only for private residential use, except that a Residential Unit Owner may use his Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Such Residential Units may also be used as professional offices by a resident thereof provided such professional use does not violate any zoning law and ordinances and provided further, that the prior written consent of the Board of Managers to such professional use is obtained. In the event that any Residential Unit shall be used for home occupation or professional purposes in conformity with the Declaration and the By-Laws, no patients, clients, or other invitee shall be permitted to wait in any public hallway. No illuminated or other sign may be used in connection with the aforementioned use, excepting only a professional sign, non-illuminated, not larger than the size permitted by the Board of Managers.

A Residential Unit 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 designated officer, director, shareholder, partners, member, fiduciary, beneficiary, principal of employee is designated as the primary occupant of the Residential 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 in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic employees and/or non-paying guests of any of the foregoing.

The Community Facility Unit may be used for Community Facility purposes, including, but not limited to, as a house of worship and related facilities, and residential use with respect to the portion of the Community Facility Unit comprised of a class A residential apartment located on the second floor of the Building or for any other lawful purpose. The Board of Managers does not have the right to approve or change the use of the Community Facility Unit, or any part thereof,

or to apply for or cause any amendment to the Building's Certificate of Occupancy to authorize a different use, except at the request or direction of, or the Community Facility Unit Owner, as applicable. Notwithstanding anything herein to the contrary, the non-residential portion of Community Facility Unit may not be converted to residential use without the prior approval of the Board of Managers.

As previously noted, the Community Facility Unit will be conveyed to the St. Lukes Baptist Church and is intended to be owned by and operated as a church and related facilities. Sponsor notes that due to the Community Facility Unit being utilized as a church and related facilities an excessive amount of noise may emanate from the Community Facility Unit, especially during church services. Further, Sponsor notes that the usage of the Community Facility Unit as a church may result in a large number of people entering and exiting the Community Facility Unit, however, Sponsor notes that the entrances to the Community Facility Unit are located on Morningside Avenue while the main entrances to the residential section of the Building is located on West 123rd Street.

The Community Facility Unit Owner shall also have the right without consent of the Board of Managers, charge or limitation, to install, repair and maintain window protection devices. Such Unit Owner and any tenant of space in the Community Facility Unit shall comply with all the laws, orders, rules and regulations of the governmental authorities having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. Such Unit Owner or their tenants shall obtain and pay for all permits required for such installation and any necessary renewal fees.

Except as set forth above and herein, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted in any part of the Residential Units or Common Elements nor shall any "For Sale," "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted in any Residential Unit therein or adjoining Common Elements, nor shall any Residential Unit be rented for transient, hotel or motel purposes. The right is reserved by the Sponsor, its designee and the Board of Managers, or its agent, to place "For Sale," "For Rent" or "For Lease" or similar signs on any unsold and/or unoccupied Units, and the right is hereby given to any mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee, but in no event will any such sign be larger than one (1') foot by two (2') feet. Additionally, the right is reserved by Sponsor and its designee to maintain and staff one or more vacant and unsold Units in the Building as a sales office and/or model Unit(s). Sponsor and its designee shall have the right to place "For Sale," "For Rent" or "For Lease" signs or similar signs on or in the vicinity of the Building or any portion of the Common Elements without regard to size. Sponsor or its designee shall be responsible for installing and removing such signs.

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 consent of the Board of Managers or the Managing Agent in each instance.

Unless expressly authorized by the Board of Managers in each instance, not less than eighty percent (80%) of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise-reducing material.

No window guards or other window decorations shall be used in or about any Residential Unit, except such as shall have been approved in writing by the Board of Managers or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any exterior glass surfaces of any windows at the Property, excluding the glass surfaces of any windows in the Community Facility Unit, be colored or painted. Notwithstanding anything above to the contrary, a Unit Owner must notify the Board of Managers in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. In addition, the Residential Unit Owner shall install at the Residential Unit Owner's own expense, the required window guards, as previously approved by the Board of Managers, in all windows of the Unit and shall not remove them until permitted by applicable law and in any event, without the full knowledge of the Board of Managers.

No exterior shades, window guards, awnings, ventilators, fans or air-conditioning devices or units shall be used or installed in or about any Residential Unit, unless otherwise required by law, without the prior written approval of the Board of Managers, which approval may be granted or refused at the sole discretion of the Board of Managers, nor shall anything be projected out of any window of any Residential Unit without similar approval. In connection with the individual Unit, each Unit Owner shall be responsible for compliance with all applicable laws relating to the requirement of installing window guards in the Unit.

No exterior of any Residential Unit, including the roof terraces or the windows or doors thereof, patios, if any, or any other portions of the Common Elements shall be painted or decorated by any Owner in any manner, without prior written consent of the Board of Managers or except as provided in the By-Laws.

Plantings on any private terrace shall be contained in boxes of wood, lined with metal or other materials impervious to dampness and standing on supports at least two inches (2") from the balcony or terrace surface, and, if adjoining a wall, at least three inches (3") from such wall. Suitable weep holes shall be provided in the boxes to draw off water. In special locations, such as a corner abutting a wall, plantings may be contained in masonry or hollow tile walls which shall be at least three (3") inches from the wall, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such private terrace, but shall stand on supports at least two inches (2") above such surface. It shall be the responsibility of the Residential Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. There shall be no blockage of drainage on any private terrace by a Residential Unit Owner. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings. The size of such plantings shall be subject to the consent of the Board of Managers.

No personal articles (including, but not limited to, garbage cans, bottles or mats) and no furniture, artwork, equipment or doormats shall be placed or stored in entrances, hallways, stairways, or other Common Elements which are not limited to the exclusive use of a specific Residential Unit Owner. No Residential Unit Owner shall change or alter in any way the design, layout, color scheme or furnishings in entrances, hallways, stairways or other Common Elements, which are not limited to the exclusive use of a specific Residential Unit Owner. Notwithstanding the foregoing, a Residential Unit Owner has the right to change the lock on the door to his Unit or to add an additional lock, provided that such lock conforms in color with the other lock or locks and a copy of the new key is provided to the Board of Managers.

No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his Unit or its appurtenant Limited Common Elements or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Residential Unit Owner's Unit between midnight 12:00 A.M. and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows of a Unit, any dirt or other substances. No clothes, sheets, blankets, or other articles of any kind shall be hung or shaken from any doors, windows or open terraces or placed upon the window sills of the Building.

Except as provided above, no sign, notice, lettering, or advertisement shall be inscribed or exposed on or at any window, door, or other part of the Building, except such as shall have been approved in writing by the Board of Managers, nor shall anything be projected out of any window of the Building without similar approval.

All garbage and refuse from the Building shall be deposited with care in plastic bags or other suitable receptacles intended for such purpose only at such times and in such manner as the Board of Managers may direct. Each Unit Owner shall comply with all requirements of law and regulations of the Board of Managers regarding recycling of trash. All Unit Owners shall separate their trash into "recyclable" and "nonrecyclable" materials. The Board of Managers may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by the Unit Owner for the disposal of designated recyclable materials and the locations where designated recyclable materials shall be deposited. The Board of Managers may also establish other regulations regarding recycling of trash. Any costs incurred

by the Board of Managers in the enforcement against the Unit Owner of recycling requirements imposed by law or by the Board of Managers, including, (but not limited to) legal fees and fines or penalties imposed on the Board of Managers by any government agency shall be payable by the Unit Owner as additional Common Charges.

Water closets and other water apparatus in the Building shall not be used for any purposes other than those for which they were constructed; nor shall any sweepings, rubbish, rags, paper, ashes, or any other article be thrown into the same. Any damage resulting from misuse of any water closet or other apparatus shall be paid for by the Unit Owner causing such damage.

Except for Units owned by Sponsor and/or a Sponsor designee, no bird, reptile, or animal, other than one (1) domesticated dog or cat, shall be permitted, raised, bred, kept, or harbored in the Units unless, in each instance, the same shall have been expressly permitted in writing by the Board or the Managing Agent. Any such consent, if given, shall be revocable at any time by the Board or the Managing Agent in their sole discretion. In no event shall any bird, reptile, or animal, including, but not limited to, domesticated dogs and cats, be permitted on any public portions of the Building, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills, terraces, or other public portions of the Building, or on the sidewalk or street adjacent to the Building. However, notwithstanding the above, no Unit Owner shall be permitted to have a pit bull terrier or similar type dog which has shown vicious propensities without express prior written permission of the Board of Managers. The individual Unit Owners who keep an animal in their Unit shall each indemnify the Board of Managers and hold it harmless against any loss or liability of any kind or character whatsoever arising from or as a result of the Unit Owner having any animal in their Unit. All Unit Owners shall be responsible for immediately cleaning up any droppings from their pets.

Except as provided in the Declaration and By-Laws of the Condominium, no radio or television aerial or satellite dish shall be attached to or hung from the exterior of the Building without written approval of the Board of Managers. The Board of Managers, upon the request of any Unit Owner, shall allow the installation of any hook-up necessary to provide cable television service to the Units.

All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

The agents of the Board of Managers, and any contractor or workman authorized by them, may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Declaration, By-Laws, or Rules and Regulations of the Condominium.

No Unit Owner or any visitor, guest, patient, employee or any client of a Unit Owner shall be allowed in any heating, electrical or mechanical equipment area without the express permission of the Board of Managers.

All damage to the Building or Common Elements caused by the moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such article.

No Unit Owner shall interfere in any manner with any portion of the lighting apparatus which is part of the Common Elements and not part of the Unit Owner's Unit, except that the Owner of the Community Facility Unit may install and use extra equipment in the risers and conduits servicing the Building so long as such Unit Owner reimburses the Board of Managers for the actual costs attributable to such installation and use.

No Unit Owner shall use or permit to be brought into the Building any flammable oils or fluids such as gasoline, kerosene, naphtha, benzine, or other explosives or articles deemed extra hazardous to life, limb, or property without in each case obtaining the written consent of the Board of Managers.

Except as provided above, the Unit Owner shall not be allowed to put his name on any entry to the Building or entrance to any Unit, except in the proper places approved by the Board of Managers for such purposes.

Any damage to the Building or equipment caused by Unit Owners, Unit Owner's family members, their guests, visitors, clients, patients or employees shall be repaired at the expense of the said Unit Owner.

Complaints regarding the management of the Building and grounds or regarding the actions of other Unit Owners shall be made in writing to the Board of Managers.

No Unit shall be used or be occupied in such manner as to obstruct or interfere with the enjoyment of occupants or owners of adjoining Units; nor shall any nuisance or immoral or illegal activity be committed or permitted to occur in or about any Unit or upon any part of the Common Elements.

Certain parts of the Common Elements are intended for use for the purpose of affording pedestrian movement within the Condominium and of providing access to the Units. No part of the Common Elements shall be obstructed as to interfere with its use for the purposes hereinabove recited; nor shall any part of the Common Elements be used for general storage purposes, except maintenance storage; nor shall anything be done thereon in any manner which shall increase the rate of hazard and liability insurance covering said area and improvements situated thereon, except if a use of the Community Facility Unit shall increase the rate of hazard and liability insurance for such area and improvements situated thereon, the Owner of the Community Facility Unit shall pay the increase.

Except as otherwise provided for in the Condominium Declaration and/or By-Laws, the sidewalks, entrances, passages, public halls, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units. No vehicle belonging to a Unit Owner, to a family member of a Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, or agent of a Unit Owner shall be parked in such a

manner as to impede or prevent ready access to any entrance to, or exit from, the Building by another vehicle.

No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

There shall be no playing or lounging in the entrances, passages, public halls, corridors, stairways of the Building, except in recreational areas, if any, or other areas designated as such in the Declaration or by the Board of Managers.

The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the General Common Elements devoted to storage, recreation, or service purposes in the Building.

Nothing shall be done or kept in any Residential Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Board of Managers. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any law.

The agents of the Board of Managers or the Managing Agent, and any contractor or workman authorized by the Board of Managers or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least one (1) day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

The Board of Managers or the Managing Agent shall retain a pass-key to each Residential Unit. No Residential Unit Owner shall change any lock on any door leading into his Residential Unit without the prior written consent of the Board of Managers. As a condition to obtaining such consent, the Residential Unit Owner must provide the Board of Managers with a key to such changed lock for their use. If a Residential Unit Owner fails to provide the Board of Managers with all keys necessary to gain entrance to such Unit promptly after such Unit Owner moves into his Unit, then Sponsor shall be automatically released from any obligation it may have for correcting defects in or making repairs to such Unit. If Sponsor or the Board of Managers must gain access to a Residential Unit for emergency purposes and a Residential Unit Owner has not furnished a key to the Board of Managers as provided in this paragraph, then the affected Residential Unit Owner shall be liable and responsible for any damage to the Common Elements or such Residential Unit caused by Sponsor or the Board of Managers in gaining access to such

Unit. Furthermore, if the Residential Unit Owner is not personally present to open and permit an entry to his Residential 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 of Managers or the Managing Agent, then the Board of Managers or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's property).

If any key or keys are entrusted by a Unit Owner, by any family member thereof, or by his agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Board of Managers nor the Managing Agent shall be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

No Unit Owner or other occupant of the Building shall use any employee of the Condominium or of the Managing Agent for private business or send any employee of the Condominium or of the Managing Agent out of the Building on any private business without the written consent of the Condominium Board except as a real estate broker for the sale or lease of a Unit.

The use of (i) the public or common outdoor roof terraces at the main roof or 3rd floor of the Building, (ii) the multi-purpose room located at the 2nd floor, and (iii) residential bike room located at the cellar level of the Building, by any of the Residential Unit Owners shall be subject to any and all restrictions and/or regulations established by the Board of Managers in its sole discretion.

The use of the gym/fitness room on the 2nd floor of the Building, including any and all exercise and/or gym equipment located therein, shall also be at the sole discretion of the Board of Managers and shall also be subject to all and any guidelines established by the Board of Managers relating thereto. Such guidelines may include, but are not limited to, any medical waiver or consent that a Unit Owner must execute prior to the use of any exercise and/or gym equipment.

Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (1) 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.

Except as permitted under the Declaration and By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the main roofs of the Building.

When leaving the Residential Unit for extended periods of time, Residential Unit Owners and their respective family members, guests, domestic employees, agents, visitors, or licensees shall keep the Residential Unit at a maximum of 80 degrees Fahrenheit from May 15 to October 15 and shall keep the Residential Unit at a minimum of 60 degrees Fahrenheit from October 15 to May 15. Any damage resulting from a Residential Unit Owner's or their respective family members', guests', domestic employees', agents', visitors' or licensees' failure to abide by the provisions of this paragraph shall be borne solely by the Owner of such Residential Unit causing the damage.

No person may carry or smoke any kind of lighted pipe, cigar, cigarette, tobacco, or any other lighted smoking apparatus, equipment or product, including but not limited to electronic cigarettes (hereinafter referred to collectively as "Smoking Apparatus") in any of the common areas of the Building, whether indoor or outdoor, at any time. Though smoking shall be permitted in any Residential Unit or Residential Limited Common Element appurtenant thereto, including a private balcony, terrace, and/or garden, no person may smoke or otherwise burn any Smoking Apparatus in any Residential Unit or Residential Limited Common Element appurtenant thereto in a manner which causes smoke to be a nuisance or annoyance to any other resident of the Condominium.

The Rules and Regulations of the Condominium are set forth in Part II of this Offering Plan as an addendum to the By-Laws. The Rules and Regulations govern the use of the Units and Common Elements and may be amended from time to time by the Board of Managers. However, no amendment of the Rules and Regulations shall be applicable to any Unsold Unit unless agreed to by Sponsor or a Sponsor-designee, as the case may be, or to the Community Facility Unit or the Community Facility Unit Owner unless agreed to by the Community Facility Unit Owner.

Determination of and Liens for Nonpayment of Common Charges

Each Unit Owner shall have an obligation to pay Common Charges, Assessments and Special Assessments or other expenses when due. Common Charges for each Unit which shall include "Shared Expenses" and either "Residential Common Expenses" attributable to the Residential Units only, or "Community Facility Common Expenses" attributable to the Community Facility Unit only, as set forth in "Schedule B, Projected Budget For First Year Of Condominium Operation Beginning July 1, 2020" herein and further defined in the footnotes thereto, and shall be determined by multiplying that Unit's Contributing Share by the total annual net expenses incurred or anticipated to be incurred for those items listed in Schedule B herein, together with the expense of any special repairs, major capital improvements or other expenses deemed by the Board of Managers to be a part of the Common Expenses and to be paid as Common Charges, all in accordance with Article VI, Section 1 of the By-Laws of the Condominium. Common Charges will be established on an annual basis and be paid in equal monthly installments,

due and payable on the first day of each month. The Board of Managers may, in accordance with Article VI, Section 1 of the By-Laws, impose Assessments as it deems necessary, to meet unanticipated or extraordinary expenses, including, but not limited to, expenses incurred for major capital improvements. The Assessment to be paid by each Unit Owner shall also be determined in accordance with the Unit Owner's percentage of Common Interest and/or Contributing Share, whichever is applicable. A Special Assessment with respect to repair or reconstruction after a fire or other casualty, as set forth in Article VI, Section 3 of the By-Laws, is also determined in accordance with the Unit Owner's percentage of Common Interest and/or Contributing Share, whichever is applicable. However, notwithstanding anything in the Condominium Declaration or By-Laws to the contrary, the Community Facility Unit Owner will not be obligated to contribute towards any reserve fund or Assessment for the repair, maintenance and/or replacement of the Residential Common Elements or Residential Limited Common Elements.

Under the provisions of Section 339-z of the Real Property Law of the State of New York, the Board of Managers on behalf of the Unit Owners will have a lien on each Unit for unpaid Common Charges assessed by the Board of Managers. Such lien will be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on a first mortgage of record thereon. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of notice thereof in the Register of the City of New York, County of New York and until all sums secured thereby with the interest thereon shall have been fully paid or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six (6) year period), whichever may be earlier. Such lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Board of Managers to recover the unpaid Common Charges without foreclosing the lien.

On July 22, 1998 the Governor of the State of New York signed Real Property Law Section 339-kk, allowing a condominium's Board of Managers the right to collect rents directly from a "Non-Occupying Owner's rental tenant" ("Tenant"), if the Non-Occupying Unit Owner is not current on his or her common charges, assessments or late fees. In order to collect rents directly from the Tenant, the Unit Owner must fail to make the payment of Common Charges, Assessments or late fees within sixty (60) days of the earliest expiration of any grace period. Prior to collecting the rents the Board shall provide written notice to the Tenant and Unit Owner providing that, commencing immediately and until such time as all payments for all Common Charges, Assessments or late fees are made current, all rental payments are to be made directly to the Condominium Association at the address provided in the notice. Once all Common Charges, Assessments or late fees are current, the Board shall then within three (3) business days, provide notice to the Tenant and Unit Owner of such and that thereafter all future rental payments should be made to the Unit Owner. Should a Unit Owner wish to contest the Board's claim to rental payments he or she shall be entitled to present its supporting facts at the next scheduled Board meeting (which must be held within 30 days of the Board receiving notice of contest). Section 339-kk also allows the Board the option to forgo collecting rents directly from the Tenant so long as a majority of the Board has been elected by and from among the Occupying Unit Owners.

Upon the failure of a Unit Owner to pay Common Charges for the Unit within fifteen days of the same becoming due and payable, the Board of Managers shall have the right to place a lien against the Unit Owner's Unit for the unpaid Common Charges as set forth above. Failure of the Board of Managers to place such a lien shall not constitute a waiver of the right to do so at a later date or with respect to a subsequent failure to pay within the designated time.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale, transfer, or other conveyance made by him of his Unit, with appurtenant Common Elements, in accordance with the Declaration and By-Laws.

All Unit Owners shall be required to comply with the Declaration, By-Laws, Rules and Regulations of the Condominium and with any other requirements duly imposed by the Board of Managers pursuant to the authority granted to them. The Board of Managers shall have the power to impose appropriate sanctions where a Unit Owner is in default. Such sanctions include placing a lien against the Unit Owner's Unit, instituting foreclosure proceedings and filing suit against a Unit Owner.

Repairs

All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors (except the painting of the exterior side of the Unit's entrance door), windows (except the painting of the exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating and/or hot water fixtures and air conditioning units, together with any and all related ductwork and piping attached thereto, inside or outside the Unit(s) or belonging to the Unit Owner(s) and only servicing such Unit(s), shall be at the individual Unit Owner's sole cost and expense or at the sole cost and expense of the individual Unit Owners of the affected Units on an equal basis, excepting as otherwise specifically provided herein. Additionally, the replacement of heating and/or hot water fixtures and air-conditioning units, together with any and all related ductwork and piping attached thereto, outside or inside the Unit(s) or belonging to the Unit Owners(s) and only servicing the Unit(s), shall be at the Unit Owner's sole cost and expense or at the sole cost and expense of the Unit Owners of the affected Units on an equal basis, excepting as otherwise specifically provided herein.

Further, individual Unit Owners shall be responsible for the cost of any permits required in connection with the operation of their individual heating, air-conditioning equipment or other mechanical equipment.

All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, and the painting and decorating of the exterior side of Unit entrance doors and windows shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, excepting to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed (i) by the Board of Managers as a Residential Common Expense, if such Limited Common Element is a Residential Common Element for the exclusive use of all of

the Residential Unit Owners and whether or not it involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, the repair of any leaks, in the roofs of the Building or elsewhere, that constitute Residential Common Elements and which are not caused by the acts or omissions of a Unit Owner, having direct and exclusive access thereto), or (ii) in the event there is more than one (1) Community Facility Unit, by the Board of Managers as a Community Facility Common Expense, if such Limited Common Element is a Community Facility Common Element for the exclusive use of two or more Community Facility Unit Owners and whether or not that it involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, repairs that are not caused by the acts or omissions of a Community Facility Unit Owner, having direct and exclusive access thereto), or (iii) by the individual Unit Owner, whether a Residential Unit Owner (involving a Residential Limited Common Element) or the Community Facility Unit Owner, having direct and exclusive access thereto at his or their sole cost and expense, if involving nonstructural, ordinary maintenance, repairs or replacements, or (iv) by the Board of Managers at the sole cost and expense the individual Unit Owner whether a Residential Unit Owner (involving a Residential Limited Common Element) or the Community Facility Unit Owner, having exclusive use of such Limited Common Element if involving structural repairs or replacements, or (v) at the election of the Board of Managers, by either the Board of Managers or the individual Unit Owner or Unit Owners, but at the sole cost of such Unit Owner or Owners, where such maintenance, repair or replacements result from the Unit Owner's or Unit Owners' negligence, misuse or neglect. The City of New York has no responsibility to maintain the Common Elements of the Condominium. Notwithstanding anything herein to the contrary, the maintenance, repair and/or replacement of the Residential Sidewalks including all plantings, and/or shrubbery, including the planters in which they are contained, in front of or at the sides of the Building or at the roofs of the Building shall be a Residential Common Expense.

Additions, Alterations and Improvements

A non-structural alteration to a Residential Unit or the Community Facility Unit that does not affect the exterior of the Building or the value of other Units may be made by any Residential Unit Owner or the Community Facility Unit Owner without consent of the Board of Managers. Notwithstanding the above to the contrary, Sponsor or its designee or the Community Facility Unit Owner with respect to the Community Facility Unit may also make structural alterations in any Unit owned by it, including the Community Facility Unit, without prior consent of the Board of Managers. No Unit Owner other than the Sponsor or its designee as a holder of Unsold Units or the Community Facility Unit Owner may make a non-structural or structural alteration which affects the exterior of the Building or the value of other Units without prior written approval of the Board of Managers. The Sponsor or its designee or the Community Facility Unit Owner needs no such consent for any of their Units. No Unit Owner other than the Sponsor, or its designee, as a holder of Unsold Units or the Community Facility Unit Owner, may make a structural alteration in a Unit, without the prior written approval of the Board of Managers. The Sponsor, or its designee or the Community Facility Unit Owner needs no such consent for any of their Units. Any approval, if granted, shall provide that such alteration shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with

adequate liability, property damage and worker's compensation insurance (a certificate for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions shall be maintained in their entirety by said Unit Owner who shall also be responsible for any repairs, including structural repairs, to such addition in any event, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration or due to improper design or construction of the structural alteration. Such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration. Such expenses may include, but shall not be limited to, any fees of an attorney and/or fees of an architect/engineer consulted in connection with the request by a Unit Owner for approval of a structural alteration.

The Board of Managers and/or the manager or managing agent shall have a right of access to any Unit for the purpose of inspection, making any repairs or replacements to any of the Common Elements or Limited Common Elements contained in such Unit or elsewhere in the Building, remedying any condition which would result in damage to any other Unit or to the Common Elements or Limited Common Elements, or which would violate the provisions of any mortgage encumbering another Unit, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, or to cure any defaults by a Unit Owner or for any other purposes permitted by the By-Laws.

Insurance

The insurance policies obtained by the Board of Managers shall provide that each Unit Owner shall be an additional insured. These policies shall provide fire and casualty insurance for the Building, liability insurance, water damage legal liability insurance, Board of Managers' and officers' liability coverage and Workers Compensation and New York State Disability insurance. The specific amounts of coverage other than Workers' Compensation and New York Disability Insurance are noted in footnote numbered 11 in the section titled "Schedule B" located in Part I of the Offering Plan.

The insurance coverage does not include any coverage for losses either due to fire, theft or other casualty to the personal property of a Unit Owner contained within the Unit or a Limited Common Element or the cost of living elsewhere if a Unit is greatly damaged. Nor does it include liability coverage for a Unit Owner for occurrences within a Unit or a Limited Common Element appurtenant to a particular Unit. Unit Owners should consult their insurance agent as to the availability of this insurance and any additional coverage which might be recommended.

Miscellaneous

In certain instances the Sponsor or its designee as the holder of Unsold Units and/or the Community Facility Unit Owner, are not required to obtain the approval of the Board of Managers or meet requirements imposed upon other Unit Owners. Included among these are the right to use Units as models and display "For Sale," "For Rent" or "For Lease" signs, or similar signs, the right to transfer or lease a Unit without offering the Board of Managers the right of first refusal, the right

to alter a Unit without obtaining the prior consent of the Board of Managers, but only in accordance with the other terms of this Plan, and the right to amend the Declaration without a vote for the sole purpose of filing the Floor Plans as required by Section 339-p of the Real Property Law. For as long as the Sponsor or its designee owns title to one or more Units, and in the case of the Community Facility Unit Owner, the Rules and Regulations of the Condominium, By-Laws or Declaration may not be amended in a manner which would, in the sole discretion of Sponsor or its designee, or in some cases the Community Facility Unit Owner, adversely affect the Sponsor or its designee or the Community Facility Unit Owner in any way, unless the Sponsor or its designee or the Community Facility Unit Owner gives its written consent to such an amendment.

RIGHTS AND OBLIGATIONS OF BOARD OF MANAGERS AND SUMMARY OF BY-LAWS

Principal provisions of the By-Laws are summarized herein. It is suggested that Purchasers make reference to the full By-Laws, a copy of which is set forth in Part II of the Plan.

Board of Managers

Under the By-Laws of the Condominium, the affairs of the Condominium will be managed by a Board of Managers consisting of five (5) persons. The Unit Owners shall hold annual meetings and at each such meeting they shall elect members of the Board of Managers. Each Unit Owner, including the Sponsor or its designee, shall be entitled to cast one vote for each .0001% of interest in the Common Elements attributable to their Unit(s) on all matters put to a vote at all meetings of the Unit Owners except that, when voting for the election of members of the Condominium Board, each Unit Owner: (i) shall be entitled to one vote for each .0001% of Common Interest attributable to his Unit per member to be elected, and (ii) shall not have the right to cumulate his votes in favor of any one or more members to be elected. If Units are owned by more than one person or entity as joint tenants, tenants by the entirety or as tenants in common, the persons or entities owning said Unit shall agree among themselves and cast the votes for their Unit.

The Board of Managers of the Condominium for the period terminating upon the earlier of (i) one hundred twenty (120) days after the date on which seventy-five percent (75%) of all of the Units have been conveyed to Unit Purchasers; (ii) the closing of title to Residential Units whose percentage of Common Interest equals, in the aggregate, at least ninety percent (90%) or (iii) two (2) years after the First Unit Closing, shall be selected by the Sponsor. During this period the Board of Managers will consist of three (3) individuals designated by Sponsor. The three individuals designated by Sponsor will be Guido Subotovsky, Hugo Subotovsky and Peter Boboris, all of whom are employees of the Sponsor and/or affiliates of Sponsor and therefore related to Sponsor. These individuals will resign as board members upon the termination of the aforesaid period and the Sponsor will call for the first annual meeting of the Unit Owners to elect a new Condominium Board consisting of five (5) Managers, with four (4) members elected by the Residential Unit Owners (including Sponsor or its designee as to its Unsold Units) and one (1) member appointed/elected by the Community Facility Unit Owner within thirty (30) days after the expiration of the aforementioned period. Thereafter, elections to the Condominium Board will be held at the regular annual meeting of Unit Owners. However, regardless of the total number of Managers, the Community Facility Unit Owner shall always maintain the right to designate one (1) Manager. The calling of the first annual meeting to elect a Condominium Board does not require Sponsor to surrender control of the Board. Sponsor control provisions are set forth in the next paragraph. The annual meetings shall be held on or about the anniversary of the date of the first annual meeting. A special meeting of the Unit Owners shall be called by the President of the Condominium as directed by the Board of Managers or upon a petition signed by a majority of the Unit Owners having been presented to the Secretary.

Each of the members of the five (5) member Condominium Board will serve until the next regular annual meeting of Unit Owners and until a successor is elected and qualified. Members of the Board of Managers, except for those members designated or elected by the Sponsor, to be eligible for election, must be either a Unit Owner, the principal or officer of a Unit Owner, or the spouse of a Unit Owner. Except for a member of the Board of Managers designated by Sponsor or a Sponsor-designee or the Community Facility Unit Owner, Managers may be removed from office, with or without cause, by the affirmative vote of Unit Owners owning, in the aggregate, a percentage of Common Interest in excess of fifty percent (50%) of the Common Interest of the Condominium. A member of the Board of Managers designated and/or elected by the Sponsor or a Sponsor-designee or the Community Facility Unit Owner may only be removed for cause by the affirmative vote of Unit Owners (including Sponsor and/or any other Holder of Unsold Units and/or the Community Facility Unit Owner) owning in the aggregate, a percentage in Common Interest in excess of fifty percent (50%) of the Common Interest of the Condominium. In the event of such removal, the Sponsor, Sponsor-designee or the Community Facility Unit Owner, as the case may be, shall have the exclusive right to designate a replacement for such removed member of the Board of Managers.

As long as the Sponsor or a Sponsor designee shall continue to own: (i) Units representing ten percent (10%) or more in Common Interest, allocated to the Residential Unit, the Sponsor or Sponsor-designee shall have the right to elect or designate at least three (3) of five (5) members of the Board of Managers or in any event a majority of the members of the Board of Managers for up to five (5) years subsequent to the First Unit Closing; or (ii) at least one (1) Unit but less than ten percent (10%) in Common Interest, the Sponsor or Sponsor-designee shall have the right to elect or designate at least one (1) of the five (5) members of the Board of Managers and in any event the right to elect or designate a number of members of the Board which equals one (1) less than a majority of the Board. Subsequent to the date that the Sponsor, including any designee thereof, relinquishes control of the Board of Managers, all Board members, other than those members which the Sponsor or its designee or the Community Facility Unit Owner have the right to appoint pursuant to the By-Laws, must be owner-occupants of the Condominium who are not related to Sponsor or the principals of Sponsor. In the event that the number of owner-occupants of the Condominium is insufficient to establish a majority of the Board members, then, in the event, pursuant to the By-Laws any owner-occupant shall be entitled to one (1) seat on the Board of Managers. The Unit Owners may transact such other business at such meetings as may properly come before them. All members of the Board of Managers shall serve without compensation, and the Sponsor represents that, for as long as it or any of its designees are members of the Board of Managers, neither it nor any of its designees will vote for remuneration for either members of the Board of Managers or officers of the Condominium.

The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, including but not limited to, determination of the Common Charges, including the Shared Expenses to be paid by the Community Facility Unit Owner, adoption of rules and regulations covering the details of the Property, opening of bank accounts, purchasing, leasing or otherwise acquiring Units, selling, leasing or mortgaging of Units owned by the Board of Managers and generally managing or supervising the Condominium property as

provided in the Declaration and By-Laws. The Common Expenses shall include such amounts as the Board of Managers deems proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for capital replacements and to make up any deficit in the Common Expenses for any prior year. The Board, in its discretion, may delegate such managerial powers as it sees fit to the officers of the Condominium. The Board of Managers is authorized to employ for the Condominium, a Managing Agent on such terms as the Board of Managers may deem proper. As set forth in the Plan, in the section titled "Management Agreement and other Contractual Arrangements," at or immediately prior to the First Unit Closing the Board of Managers shall enter into a management agreement with Livingston Management Services, LLC for a term of at least one (1) year, commencing on the date of the First Unit Closing, at an annual fee of \$27,000.00 being payable in twelve (12) equal monthly installments.

In order to limit the liability of the Unit Owners, the members of the Board of Managers, the Managing Agent, if any, and any officers of the Condominium, any contract or other commitment shall be made by the Board of Managers or the Managing Agent or an officer of the Condominium, as the case may be, only as agent for the Unit Owners. The members of the Board of Managers, the Managing Agent or the officer, as the case may be, shall have no personal liability on any such contract or commitment (except as Unit Owners), and the liability of any Unit Owner on any such contract or commitment shall be limited to such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners. The Board of Managers and the officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify the members of the Board of Managers and the officers of the Condominium against any liability or claims except those arising out of the bad faith or willful misconduct of the members of the Board of Managers or the officers of the Condominium, but the liability of any Unit Owner on account of such indemnification shall be limited to such proportionate share thereof as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners.

Officers

The principal officers of the Condominium shall be: The President, the Vice-President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. Other than an officer designated by the Sponsor, Sponsor's designee, or the Community Facility Unit Owner, the President and the Vice President each must be both a member of the Board of Managers and either a Unit Owner, the principal or officer of a Unit Owner, or the spouse of a Unit Owner. Other officers need not be either a Unit Owner, principal or officer of a Unit Owner or the spouse of a Unit Owner or a member of the Board of Managers. The Board of Managers may appoint an Assistant Treasurer and an Assistant Secretary, and such other officers as in its judgment may be necessary. All officers shall serve without compensation from the Condominium. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Board of Managers and of Unit Owners. The Vice President shall take the place of the President in his or her absence. The Secretary shall be empowered to take and keep minutes of all meetings

and to keep the books and records of the Condominium. The Treasurer shall be responsible for the funds of the Condominium and for accurately keeping the financial records and books of the Condominium. The Board of Managers, in its discretion, shall delegate such powers to the officers as it sees fit to execute agreements, contracts, deeds, leases and checks etc. on behalf of the Condominium.

Repairs

All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors, (except painting the exterior side of a Unit entrance door) windows (except painting exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating and/or hot water fixtures and air conditioning together with any and all related ductwork and piping attached thereto, inside or outside the Unit(s) or belonging to the Unit Owner(s) and only servicing such Unit(s) shall be at the individual Unit Owner's sole cost and expense or at the sole cost and expense of the individual Unit Owners of the affected Units on an equal basis, excepting as otherwise specifically provided herein. Additionally, the replacement of heating and/or hot water fixtures and air-conditioning units, together with any and all related ductwork and piping attached thereto, outside or inside the Unit(s) or belonging to the Unit Owner(s) and only servicing the Unit(s), shall be at the Unit Owner's sole cost and expense or at the sole cost and expense of the Unit Owners of the affected Units on an equal basis, excepting as otherwise specifically provided herein.

Further, individual Unit Owners shall be responsible for the cost of any permits required in connection with the operation of their individual heating, air-conditioning or other mechanical equipment which only services their Unit.

All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, and the painting and decorating of the exterior side of Unit entrance doors and windows shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, excepting to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed (i) by the Board of Managers as a Residential Common Expense, if such Limited Common Element is a Residential Common Element for the exclusive use of all of the Residential Unit Owners and whether or not it involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, the repair of any leaks, in the roofs of the Building or elsewhere that constitute Residential Common Elements and which that are not caused by the acts or omissions of a Unit Owner, having direct and exclusive access thereto), or (ii) in the event there is more than one (1) Community Facility Unit, by the Board of Managers as a Community Facility Common Expense, if such Limited Common Element is a Community Facility Common Element for the exclusive use of two or more Community Facility Unit Owners and whether or not it involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, repairs that are not caused by the acts or omissions of a Community Facility Unit Owner, having direct and exclusive access thereto), or (iii) by the individual Unit Owner, whether a

Residential Unit Owner (involving a Residential Limited Common Element) or the Community Facility Unit Owner, having direct and exclusive access thereto at his or their sole cost and expense, if involving nonstructural, ordinary maintenance, repairs or replacements, or (iv) by the Board of Managers at the sole cost and expense of the individual Unit Owner whether a Residential Unit Owner (involving a Residential Limited Common Element) or the Community Facility Unit Owner, having exclusive use of such Limited Common Element if involving structural repairs or replacements, or (v), at the election of the Board of Managers, by either the Board of Managers or the individual Unit Owner or Unit Owners, but at the sole cost of such Unit Owner or Owners, where such maintenance, repair or replacements result from the Unit Owner's or Unit Owners' negligence, misuse or neglect. Notwithstanding anything herein to the contrary, the maintenance, repair and/or replacement of the Residential Sidewalks including all plantings and/or shrubbery, including the planters in which they are contained, in front of or at the sides of the Building and at the roofs of the Building shall be a Residential Common Expense.

The Board of Managers and Managing Agent shall have a right of access to any Unit for the purpose of making any repairs or replacements to any of the Common Elements contained in such Unit or elsewhere in the Building, or to remedy any condition which would result in damage to any other Unit or to the Common Elements, or which would violate the provisions of any mortgage encumbering another Unit, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof.

Additionally, the Board of Managers, their servicemen, consultants and/or repairmen, shall have an easement by means of the shortest distance and/or route from the service entrances to the Building and through the public staircase in, on, over and across the Residential Units, Residential Common Elements, Residential Limited Common Elements and General Common Elements, including, but not limited to, the main roofs or other applicable roofs of the Building and/or private terraces, for the sole purpose of maintaining, cleaning, repairing and/or replacing (i) any windows of the Building; (ii) the exterior facade of the Building; and (iii) any mechanical equipment, including but not limited to, air-conditioning equipment and/or window washing equipment, located on such roofs of the Building which services or is for the benefit of one or more of the Units. Such easement in favor of the Board of Managers, their servicemen, consultants and/or repairmen, shall include the right to temporarily remove any fencing or other improvements located on and/or which demarcate any such roof areas.

Insurance

The Board of Managers shall be required to obtain and maintain the following insurance: Fire insurance with extended coverage, insuring the Building, including all of the Units and all fixtures installed therein by the Sponsor and any property customary to the servicing and general occupancy, (but not including furniture, furnishings, equipment or other personal property supplied or installed by Unit Owners), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an aggregate amount to be determined by the Board of Managers but in no event to be less than the greater of the agreed upon replacement cost of the

Building, including the above noted items, but exclusive of footings and foundations and without deduction for depreciation, as approved by a fire insurance company or a qualified insurance broker or the amount of insurance necessary to avoid the effects of co-insurance. All such policies shall provide that adjustment of loss, if over \$100,000.00, shall be made by the Board of Managers with approval of the Insurance Trustee, if any. Additionally, the net proceeds of such adjustment, if \$100,000.00 or less, shall be payable to the Board of Managers, and if more than \$100,000.00 shall be payable to the Insurance Trustee, if any, to be applied for the purpose of repairing, restoring or rebuilding the Building unless otherwise determined by the Unit Owners. At the First Unit Closing, the fire insurance coverage of the Building as set forth in Note 11 of the Projected Budget for the First Year of Condominium Operation shall be \$25,000,000.00. Said coverage shall be maintained while Sponsor is in control of the Board of Managers.

The Board of Managers shall have the right to select an Insurance Trustee as such term is defined in Article XII, Section 5 of the By-Laws of the Condominium.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units. The standard mortgagee loss payable clause shall be attached to all policies.

The cost of all such insurance and the fees and expenses of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a Common Expense.

The Board of Managers shall also obtain and maintain to the extent obtainable: (i) worker's compensation and disability benefits insurance for Condominium employees, if any, (ii) boiler and machinery insurance; (iii) public liability insurance covering each member of the Board of Managers and each Unit Owner in such limits as the Board of Managers may deem proper, and covering all claims for bodily injury or property damage arising out of any occurrence in the Common Elements, including any of the sidewalks in front of the Building, or the Units, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit. The Board of Managers shall review such limits once each year. The public liability insurance will also cover cross-liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of at least \$1,000,000.00, covering all claims for bodily injury with respect to any one occurrence.

If, by reason of the occupancy or use of any particular Unit, the rate of fire or liability insurance for the Property shall be increased, such Unit Owner shall (if such occupancy or use continues for more than thirty (30) days after written notice from the Board of Managers specifying the occupancy or use) become liable for the additional insurance premiums incurred by the Condominium as if such additional premium constituted an assessment.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that all such policies contain waivers of subrogation and further provide that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

In the event of a fire or other casualty which destroys or substantially damages less than seventy-five percent (75%) of the Building the insurance proceeds shall be dedicated to the repair and/or renovation of the Building and the Units, but not the repair or replacement of any improvements made by individual Unit Owners. If the cost of such repair exceeds the insurance proceeds available the excess cost shall constitute a Common Expense and Unit Owners may be accordingly assessed an amount which shall be in proportion to their respective Common Interests.

In the event of a fire or other casualty in which more than seventy-five percent (75%) of the Building is destroyed or substantially damaged, repairs and/or restoration will be made if Unit Owners whose percentage of Common Interest, in the aggregate, is at least seventy-five percent (75%) of the Total Common Interest, affirmatively vote for such a course of action. If no such affirmative vote is given then the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor.

Notice of Meetings; Reports to Unit Owners

Notice of the annual meeting of Unit Owners or of any special meetings of Unit Owners shall be given by the Secretary, as directed by the Board of Managers, to all Unit Owners not less than ten (10) days or more than thirty (30) days before such meeting. Minutes of all meetings of Unit Owners and of all meetings of the Board of Managers shall be kept by the Board, together with records of all actions taken by the Board and the financial records of the Condominium. The Board shall retain an independent certified public accountant to prepare an annual report of the receipts and expenditures of the Condominium, which report shall be promptly sent to each Unit Owner.

Severance of Ownership Prohibited

Each conveyance of a Unit by a Unit Owner shall include as part of the property to be conveyed, his undivided interest in the Common Elements, together with his interest in any Unit or Units acquired by the Board of Managers from Unit Owners electing to sell or lease such Unit or at a foreclosure or other judicial sale involving such Unit or Units, in accordance with the provisions of the By-Laws, all of which are interests appurtenant to his Unit.

Right of First Refusal; Units Acquired or Leased by Board of Managers

In administering the right of first refusal granted to the Board of Managers with respect to any sale or lease of a Unit not owned by Sponsor or its designee or the Community Facility Unit Owner, the Board shall be required to exercise such rights, if at all, within twenty (20) days of its receipt of written notice from a Unit Owner of the Unit Owner's intention to sell or lease the Unit to a bona fide grantee or lessee. Notice of the decision to exercise or waive such right must be

given to the Unit Owner within five (5) days after the exercise of such decision and in any event within said twenty (20) day period by certified or registered mail. Failure of the Board to either exercise such right or to give notice of the exercise of such right within the time periods provided above shall constitute a waiver of the right of first refusal.

In the event the Board does exercise its right of first refusal, the acquisition or lease of the Unit may be made from the working capital and Common Charges or, if such funds are insufficient, the Board of Managers may assess each Unit Owner, other than the offering Unit Owner, in proportion to each Unit Owner's percentage of Common Interest or may borrow money to finance such acquisition. The sole security which may be given for any funds so borrowed is the Unit to be acquired. The Board of Managers may also assess each Unit Owner, as provided above, for the cost of paying the Common Charges or rent and the maintenance of such Unit. In the event any Units are acquired or leased by the Board of Managers the title or lease shall be held by the Board on behalf of all Unit Owners in proportion to their percentage of Common Interest and any sale or lease of such Unit shall be made by the Board on behalf of all Unit Owners in proportion to their percentage of Common Interests. Such Unit, while owned or leased by the Board of Managers, may be used for any purpose for which it could be used by an individual Unit Owner. In no event, however, may the Board of Managers at any meeting of Unit Owners vote the votes appurtenant thereto.

Each Unit Owner, at the closing of title to his Unit, shall be required to execute an instrument in the form of that contained in Part II in the section of the Plan titled "Power of Attorney", designating the Board of Managers and their successors, as his attorneys in fact, coupled with an interest, for the purpose of selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or their designee, on behalf of all Unit Owners.

Review of Real Estate Tax Assessments

It shall be the responsibility of the individual Unit Owners, at their sole cost and expense, to review the real estate tax assessments of their Units and, if they so desire, to take any steps necessary to review and/or challenge such assessments. Notwithstanding the foregoing, if proceedings are pending for the reduction of real estate taxes on the land and building for the tax year in which the First Unit Closing occurs, the Condominium will continue such proceedings with the attorney previously employed by the Sponsor. Sponsor shall have the sole right to negotiate and settle all claims in connection with said proceedings. The cost of such proceedings, including legal fees, and (in the event taxes are reduced) any refund shall be apportioned between the Sponsor and the respective Unit Owners according to the ownership of the Property during respective portions of the tax year. Any refund attributed to a Unit, and all apportioned expenses incurred in connection with obtaining such refund, shall belong to and be incurred by the Unit Owner receiving said refund. Any refund covering a period prior to the First Unit Closing and all expenses incurred in connection with the obtaining of such refund, shall belong to and be incurred by the Sponsor alone.

Amendments to Condominium Declaration and By-Laws

The By-Laws of the Condominium may be modified or amended by the affirmative vote of Unit Owners owning not less than sixty-seven percent (67%) of the Units and whose percentage of Common Interest, in the aggregate, equals or exceeds sixty-seven percent (67%). However, for as long as Sponsor or its designee owns title to one or more Units, the By-Laws, including the Rules and Regulations of the Condominium, may not be amended in a manner which would adversely affect the Sponsor or its designee in any way, in the sole discretion of Sponsor or its designee, unless the Sponsor or its designee gives its written consent to such an amendment. Additionally, the By-Laws, including the Rules and Regulations of the Condominium, may not be amended or modified in any way so as to adversely effect the Community Facility Unit or the Community Facility Unit Owner without the prior written consent of the Community Facility Unit Owner.

The Condominium Declaration may be amended by an affirmative vote at a duly held meeting by Unit Owners owning not less than sixty-seven percent (67%) of the Units and whose percentage of Common Interest equals, in the aggregate, at least sixty-seven percent (67%), provided, however, that (i) no such amendment shall adversely affect the lien of any mortgage without the written consent of the mortgagee; (ii) no such amendment may increase the percentage of Common Interests allocated to any Unit or Units without the written consent of the mortgagee of such Unit, or Units, if any; (iii) no amendment may change the percentage of Common Interests allocated to any Unit, or Units, without the written consent of such Owner; and (iv) no amendment shall adversely affect the Sponsor or its designee or the Community Facility Unit Owner, without the prior written consent of Sponsor or such designee or the Community Facility Unit Owner, as the case may be.

Termination

The Condominium may be terminated by withdrawing the Property from the provisions of the New York Condominium Act, by an affirmative vote of not less than eighty percent (80%) of Unit Owners in number and whose percent of Common Interest equals, in the aggregate, not less than eighty percent (80%) and the affirmative vote of Eligible Holders of first mortgages on Units to which not less than sixty-seven percent (67%) of the votes of Units subject to mortgages held by such Eligible Holders are allocated. The Sponsor shall not cast the votes of any Unsold Units it holds for such withdrawal unless votes equaling eighty percent (80%) in number and of the Common Interest have been so cast or unless at least eighty percent (80%) in number and in Common Interest of all other Unit Owners have voted to terminate. If the Unit Owners vote to terminate the Condominium the Property shall be subject to an action for partition by any Unit Owner or lienor and the net proceeds of the sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided that no Unit Owner shall receive any payment until there has first been paid out of such Unit Owner's share of the net proceeds all liens on his Unit.

REAL ESTATE TAXES

Each Unit will be taxed as a separate tax lot for real estate tax purposes. 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. The City of New York subdivides tax lots into separately assessed lots as of July 1st of every year. Accordingly, depending upon when the Declaration and By-Laws are recorded, there can be a delay of up to a year and several months until a separate assessment can be obtained.

If on the date of the First Unit Closing each of the Units shall not have been separately assessed as an independent tax lot, then until such time as said independent tax assessment shall be made and in effect each Residential Unit Owner and the Community Facility Unit Owner, including Sponsor, shall be nonetheless responsible for the cost of their proportionate amount of the aggregate real estate tax for the Property as determined by their percentage of Common Interest, multiplied by the aggregate real estate taxes assessed against the entire Property as apportioned to all the Residential Units or the Community Facility Unit.

In the event the Units have not been separately assessed as independent tax lots at the First Unit Closing, Sponsor shall place in escrow at such time an amount equal to the unpaid real estate taxes for the shorter period of (i) six (6) months from the First Unit Closing or (ii) the period from the First Unit Closing until the Units are separately assessed. Sponsor will pay the real estate taxes from this escrow account as they become due and payable. However, at Unit closings individual purchasers shall adjust real estate taxes with the Sponsor from the midnight preceding the date of the Unit closing through the end of the tax period within which the closing date occurs. If no separate Unit apportionment has yet occurred, such adjustment shall be on the basis of the percentage of Common Interest attributable to such Unit. If a subsequent adjustment need be made when the tax lots are apportioned to correct any discrepancy between the adjustment on the basis of actual apportionment, it shall be made at that time. Should tax lots not be apportioned by the end of the tax period in which a Unit closing occurs, Sponsor shall be entitled to reimbursement from the Unit Owner for taxes as they are paid. Such reimbursement shall be per such Unit Owner's percentage of Common Interest.

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

The Sponsor's estimate of the project real estate taxes for the Units to be levied by New York City during the First Year of Condominium operation is based upon an estimate provided by Paul Korngold, Esq., of Tuchman, Korngold, Weiss, Liebman & Lindemann, LLP, Sponsor's real estate tax counsel ("Sponsor's Special Tax Consultants"), and information available to the Sponsor at the date of this Plan.

The estimates of real estate taxes without 421-a Benefits due for each Unit for the First Year of Condominium operation commencing July 1, 2020 and ending June 30, 2021 ("First Year") are based upon the 2020/2021 tax year which shall commence July 1, 2020. Estimates of real estate taxes due for the Units are based upon (i) the projected taxable assessed valuation of all of the Units upon one hundred percent (100%) completion of the construction which is assumed to be prior to January 5, 2020 for the 2020/2021 tax year; (ii) the projected apportionments of the assessed valuations to the Units, and (iii) projected tax rates for the 2020/2021 tax years. The estimated taxable assessed valuations as apportioned to all of the Units and the projected tax rates have been projected by Sponsor's Special Tax Consultants. A copy of Sponsor's Special Tax Consultant's letter is set forth in Part I of the Offering Plan.

As stated above, Sponsor's projection of real estate taxes for all of the Units for the First Year of Condominium operation is based upon a projection by Sponsor's Special Tax Consultants, who estimated the taxable Assessed Valuation of the entire Property upon one hundred percent (100%) completion of construction.

Upon 100% completion of construction, assumed to be prior to January 5, 2020 for projection purposes, the projected post-construction projected taxable assessment as apportioned to all of the Residential Units is projected as \$3,400,000.00 for the 2020/2021 tax year. Sponsor's Special Tax Consultants has also projected the tax rate to be 12.8% for the 2020/2021 tax year.

Real Estate Taxes payable during tax year 2020/2021 by all of the Residential Units without 421-a Benefits, are projected as follows:

2020/2021 Actual Assessed Valuation	
(Residential Unit only):	\$ 3,400,000.00
Estimated Taxes Payable @ 12.8 % Tax Rate:	\$ 435,200.00

It is the 2020/2021 tax year taxable assessment of all of the Residential Units upon which real estate taxes for the First Year of Condominium operation have been based.

The Property is presently classified in Tax Class 2. Class 2 (more than ten (10) Units), primarily residential, held in cooperative or condominium ownership. Increases in valuation regarding this classification are limited to no more than forty-five percent (45%) per annum to increases in valuation due to additions or improvements to existing property. RPTL Section 1805(5). Pursuant to RPTL Section 1805(6) such "physical" increases are limited to forty-five percent (45%) of the market value of such improvements in properties with more than eleven (11) residential units.

Sponsor notes that, the Actual Assessed Valuation of the Property, is the amount which, barring a major improvement or alteration to the Property, will be phased in over five (5) years at twenty percent (20%) per year. Real Estate Taxes for the Property will be based upon the lower of either the actual or transitional assessment which is in effect for the First Year of Operation. Since the Property is vacant and being newly constructed into "Class A" apartments and non-residential space and construction has already commenced, it can be expected that the Actual Total Assessed

Valuation will for subsequent tax years due to such construction. See below for an additional discussion of the total changes in assessed valuation and real estate taxes for the Property due to the construction to be completed by Sponsor.

See the “Estimate of Post Construction Assessment and Counsel’s 421-a Real Estate Opinion” set forth in Part I of the Offering Plan.

Based upon the above assumptions and the projected assessments and tax rates, the aggregate real estate taxes without 421-a Benefits for all Residential Units for the First Year of Operation is projected to be approximately \$435,200.00.

Another assumption of the projected real estate taxes is that each Unit will be assessed in direct proportion to each Unit’s percentage of Common Interest as it bears to either the aggregate percentage of Common Interest of all Units in the aggregate or in the aggregate percentage of Common Interest of the Residential Units or Community Facility Unit as the case may be. No warranties are made that the assessments of the individual Residential Units will be arrived at in a manner stated above. The Department of Finance of the City of New York may arrive at individual Unit assessments (or the apportionment of the entire value of the Property) which are different from those projected by Sponsor’s Special Tax Consultants and may use a methodology which varies from that set forth herein. For example, the City of New York may apportion the total tax due for the Property among the individual Unit Owners in proportion to the relative value of each Unit as indicated by the Offering Prices set forth in the initial Offering Plan or any amendment to the Offering Plan. In such event, Sponsor makes no representation as to what Purchase Prices the City would use.

There can be no assurance that there will not be a further increase in the assessed valuation of the Units comprising the Property and/or an increase in the tax rate above those projected for tax years 2019/2020, 2020/2021 or subsequent years.

If on the date of the First Unit Closing each of the Units shall not have been separately assessed as an independent tax lot, then until such time as said independent tax assessment shall be made and in effect each Residential Unit Owner and the Community Facility Unit Owner, including Sponsor, shall be nonetheless responsible for the cost of their proportionate amount of the aggregate real estate tax for the Property as determined by their percentage of Common Interest, multiplied by the aggregate real estate taxes assessed against the entire Property as apportioned to all the Residential Units or the Community Facility Unit, as the case may be.

In the event the Units have not been separately assessed as independent tax lots at the First Unit Closing Sponsor shall place in escrow at such time an amount equal to the unpaid real estate taxes for the shorter period of (i) six (6) months from the First Unit Closing or (ii) the period from the First Unit Closing until the Units are separately assessed. Sponsor will pay the real estate taxes from this escrow account as they become due and payable. However, at Unit closings individual purchasers shall adjust real estate taxes with the Sponsor from the midnight preceding the date of the Unit closing through the end of the tax period within which the closing date occurs. If no separate Unit apportionment has yet occurred, such adjustment shall be on the basis of the

percentage of Common Interest attributable to such Unit. If a subsequent adjustment need be made when the tax lots are apportioned to correct any discrepancy between the adjustment on the basis of actual apportionment, it shall be made at that time. Should tax lots not be apportioned by the end of the tax period in which a Unit closing occurs, Sponsor shall be entitled to reimbursement from the Unit Owner for taxes as they are paid. Such reimbursement shall be per such Unit Owner's percentage of Common Interest.

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

NO REPRESENTATION OR WARRANTY IS MADE AS TO THE AMOUNT OF THE ASSESSED VALUATION OF THE PREMISES OR AN INDIVIDUAL CONDOMINIUM UNIT OR THE TAX RATE THAT WILL BE IN EFFECT AT ANY TIME OR THE AMOUNT OF REAL ESTATE TAXES WHICH WILL BE DUE. There is also no assurance that the New York City property taxing authority will allocate taxes among the Units in proportion to their respective Common Interests. If they are not so allocated, Unit Owners having the same Common Interests may pay different amounts of real estate taxes.

A Unit Owner who feels that the assessed valuation for his or her Unit is excessive, shall have the right to apply directly to the appropriate municipal agency or court for review of such assessed valuation. Such proceedings shall be at the sole cost and expense of the Unit Owner electing to undertake the same and the results from such proceedings may or may not affect the assessed valuation of any other Unit which is not the subject of such proceeding. Currently, there are no tax certiorari proceedings pending.

The Condominium Board, if necessary, will execute any documents and papers required for such proceedings, provided that: (a) the Unit Owner indemnifies the Condominium Board against all claims, cost and expenses (including attorneys' fees and disbursements); (b) the Condominium Board has not already commenced such proceeding on behalf of all Unit Owners; and (c) such Unit Owner is current on all his or her Common Charges and Special Assessments.

The Condominium Board is authorized to act as agent for Unit Owners (who have given appropriate written authorization) to commence, pursue and settle proceedings to reduce real estate tax assessments on behalf of such Unit Owners. Any Unit Owner authorizing the Condominium Board to act on his or her behalf shall indemnify the Condominium Board against all costs, claims and expenses (including attorneys' fees) resulting from such proceedings.

Neither the Sponsor, nor any other party associated with this offering makes any assurance, representation or warranty that such application for review, if undertaken, shall result in a modification of the tax assessment, or if such modification is granted, as to the amount thereof.

The projections of real estate taxes due for each of the Residential Units set forth in Schedule A, located in Part I of the Offering Plan, for the anticipated First Year of Condominium

Operation (which coincides with the estimated assessment of the Property upon one hundred percent (100%) completion of Sponsor's construction to the Building), is an estimate only. The estimate may vary due to future changes in the assessment guidelines and procedures of the Department of Finance of the City of New York and future increases in the tax rates for the City of New York. In the event such projections for real estate taxes increase due to future changes in the assessment guidelines and procedures of the Department of Finance of the City of New York and future increases in the tax rates for the City of New York, Sponsor shall amend the Plan to set forth the revised estimates. HOWEVER, SAID AMENDMENT SHALL NOT AFFORD ANY PURCHASER THE RIGHT TO RESCIND HIS OR HER PURCHASE AGREEMENT.

As stated above, Sponsor's projection of real estate taxes for all of the Units for the First Year of Condominium operation is based, in part, upon a projection by Sponsor's Special Tax Consultants, who estimated the Actual Total Assessed Valuation of the entire Property as of the First Year of Condominium operation and as of one hundred percent (100%) completion of construction.

See the "Notes to Schedule A," located in part I of the Plan and the "Estimate of Post-Construction Assessment" set forth in Part I of the Plan for further details in this regard.

421-a Partial Tax Exemption Benefits

The Sponsor shall use its best efforts to obtain, at its sole cost and expense, partial tax exemption for the Condominium pursuant to Section 421-a of the Real Property Tax Law of the State of New York, Section 11-245 of the Administrative Code of the City of New York and the Regulations issued pursuant thereto by the City of New York ("RPTL"). Sponsor notes that in order to qualify for 421-a Benefits the project must receive a temporary certificate of occupancy for all residential portions of the Building on or before December 31, 2019. Any change in the status of the application for 421-a Benefits will be disclosed in an amendment to the Offering Plan.

It is the opinion of Sponsor's 421-a Counsel, Tuchman, Korngold, Weiss, Liebman & Lindemann, LLP, as stated in its Real Estate Tax Opinion, dated November 1, 2018 that the Building, to be constructed, will be eligible for 421-a Benefits. A copy of Counsel's 421-a Tax Exemption Opinion is set forth in Part I of the Offering Plan and made a part hereof.

Based upon (i) the written opinion of Tuchman, Korngold, Weiss, Liebman & Lindemann, LLP, dated November 1, 2018, and (ii) Sponsor's representation that it has purchased the required number of Negotiable Certificates (as defined hereinafter), the Units of the Building, to be constructed, will qualify for 421-a Benefits.

The application for the Preliminary Certificate of Eligibility for 421-a Benefits has been filed with HPD. Such application included the Negotiable Certificates issued by HPD. Since the Project will be owned as a condominium, the application for a Final Certificate of Eligibility must be filed with HPD prior to the first taxable status date following completion of construction. The final application must also be completed within ninety (90) days of the issuance of a Permanent Certificate of Occupancy or a Temporary Certificate of Occupancy covering all residential space

in the Project. Both the Preliminary and Final Certificates of Eligibility must be filed with Real Property Assessment Bureau of the New York City Department of Finance prior to the commencement of benefits. As of the date hereof Sponsor has not obtained either the Preliminary 421-a Certificate of Eligibility or the Final 421-a Certificate of Eligibility. Upon issuance of either the Preliminary or Final 421-a Certificate of Eligibility, the Sponsor shall include a copy of such Certificate of Eligibility in an amendment to the Offering Plan.

Sponsor will keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided. Upon closing Sponsor will make all tax benefit documents available to the Board of Managers for inspection and copying for the life of the benefits.

There were major changes to the 421-a law and regulations in the year 2007. Subsequent changes to the law affecting construction commencing after December 31, 2015 are not relevant here. The major changes relate to the cap on the maximum exempt assessed value and the requirement to provide 20% of the units for affordable housing for projects located in the Geographic Exclusion Area. There is also a requirement to pay prevailing wages to buildings with 50 or more units, a requirement that is not relevant here. This project is located in the Geographical Exclusion Area. Projects anywhere in Manhattan are deemed to be in the Geographical Exclusion Area and are not eligible for 421-a tax exemption benefits unless they include construct an affordable housing. The law, however, allows a project to obtain eligibility for 421-a tax benefits without including affordable housing even if it is located in the Geographic Exclusion Area if the applicant obtains negotiable certificates. These negotiable certificates (the "Negotiable Certificate") are issued by HPD to a low income housing developer who has built off-site low income housing elsewhere in the City. Each negotiable certificate entitles a unit of up to 1,200 net square feet to receive 421-a Benefits even though such Unit is located in the Exclusion Zone. The Sponsor has acquired 24 negotiable certificates to meet the eligibility requirements without building any onsite affordable housing units.

For new buildings commencing construction after July 1, 2008 and prior to January 1, 2016, the maximum exemption (the "cap") shall be restricted to \$65,000 of assessed value per dwelling unit. For every tax year commencing after 2008, there is an inflation factor of 3% compounded and added to the cap. Thus for the 2019 /2020 tax year, the maximum exemption shall be set at \$89,976 per unit. However, the exemption cap will apply only for tax years starting in 2020/2021 since the construction of the Building will not be completed by the taxable status date of January 5, 2019.

The cap for the upcoming years is set forth as follows:

Tax year	Exemption Cap
2019/2020	\$89,976
2020/2021	\$92,675

Tax year	Exemption Cap
2021/2022	\$95,456
2022/2023	\$98,319
2023/2024	\$101,269
2024/2025	\$104,307
2025/2026	\$107,436
2026/2027	\$110,659
2027/2028	\$113,979
2028/2029	\$117,398
2029/2030	\$120,920
2030/2031	\$124,548
2031/2032	\$128,284
2032/2033	\$132,133
2033/2034	\$136,097

Briefly, the statute and regulations promulgated thereunder by HPD provide that a Property which qualifies for the benefits shall, subject to the exemption cap mentioned above, receive one hundred percent (100%) exemption on any increase in assessed valuation in effect during the tax year preceding commencement of construction for the period of construction (but for no more than a three (3) year construction period) and fifteen (15) tax years thereafter. The real estate taxes on the Project will be partially exempted in declining percentages during the fifteen (15) years following completion of construction as set forth below:

Year Following Completion of Construction	Percentage of Value Which is Exempt
1-11	100%
11-12	80%
12-13	60%
13-14	40%
14-15	20%
16	0%

These percentages of exemption will be diminished to the extent that the commercial, community facility and accessory use space ("Accessory Use Space") exceeds twelve percent (12%) of the aggregate floor area of the Project. In the event the Accessory Use Space exceeds twelve percent (12%) of the aggregate floor area of the Project, the exemption will be diminished by that percentage by which the Accessory Use Space exceeds twelve percent (12%) of the aggregate floor area. Based upon calculations provided by Sponsor it is anticipated that there will be no "excess" percentage.

When issued, this preliminary certificate of eligibility will be valid for tax years 2016/2017, 2017/2018 and 2018/2019. Sponsor makes no representation as to how long it will take for HPD to issue a final 42 I-a certificate of eligibility.

In addition multiple dwellings which satisfy all of the requirements of the law and receive a Preliminary Certificate of Eligibility shall be exempt from real property taxes, other than assessments for local improvements, upon any increase in assessed valuation over the prior assessed valuation during the statutorily defined period of construction, or for a period of three years, whichever is less, provided that taxes shall be paid in each year for the remaining tax that shall be due. Based upon your commencement date, the construction years will be deemed to be 2016/2017, 2017/2018 and 2018/2019. The first of the fifteen declining years will be 2019/2020. The initial budget year will encompass the 2020/2021 tax year.

Under the 421-a program, real estate taxes shall be based initially on the assessed value on the property for the year prior to commencement of construction multiplied by the current tax rate. This tax is sometimes known as the mini-tax. Since work commenced during the 2015/2016 tax year, the mini-tax will be determined by multiplying the allocated 2014/2015 assessed value of \$245,308 by the then current tax rate subject to the exemption cap. The taxes will increase in future years as the 421-a exemption declines and the exemption cap goes into effect.

Since the construction of the Building will be not completed by January 5, 2019 but will be complete prior to January 5, 2020, there will be a cap on 421-a exemption benefits commencing with the 2020/2021 tax year. Assuming the tax rate is approximately \$12.80 per one hundred dollars of assessed valuation for all units for 2020/2021, the initial estimated total real estate taxes for the residential units in this building after the 421-a exemption benefits are implemented for the budget year commencing on July 1, 2020 would be \$172,248.00 (which is comprised of the 2020/2021 tax year when the taxable assessed value is estimated to be \$3,400,000.00).

However, in the event the assessed value as determined by the New York City Department of Finance exceeds our estimate and exceeds the cap on exemptions or the allocated increase in assessed value in any particular unit exceeds the cap, there will be a real estate tax higher than set forth above and in preparing your Schedule A we remind you that the total exemption set forth herein cannot be apportioned equally and each individual tax lot is subject to the cap thus resulting in an exempt value that is less than it would had been if the building had been a single tax lot rental building. This is likely to affect the larger units in the building so that the 421-a tax savings to the larger units may be disproportionately less than the smaller units and the total mini-tax for all units will be higher than the number set forth above. We point out there is a 421-a discrepancy between a one lot residential building and a condominium building with separate tax lots so that purchasers will understand that it is not permissible to assume the 421-a exemption benefits are distributed in exact proportion to the common interests.

As required by the 421-a Rules and Regulations issued by the New York City Department of Housing, Preservation and Development ("HPD") if the Offering Plan has not been declared effective for filing within fifteen (15) months after HPD's issuance of the final 421-a Certificate of Eligibility, then the Building and all Residential Units therein as they become occupied shall

become rent stabilized and subject to the rent stabilization laws applicable thereto for the entire period during which the Property is receiving 421-a tax benefits. As of such date, the Sponsor must register the Building and all Residential Units as they become occupied with the New York State Department of Housing and Community Renewal ("DHCR").

NOTE: THE OFFER FOR SALE OF CONDOMINIUM UNITS PURSUANT TO THIS OFFERING PLAN IS NOT CONTINGENT UPON THE PROPERTY RECEIVING 421-a BENEFITS.

As stated above, Sponsor's projection of real estate taxes for all of the Units for the First Year of Condominium operation is based, in part, upon a projection by Paul Korngold, Esq., who estimated the Actual Total Assessed Valuation of the entire Property as of the First Year of Condominium operation and as of one hundred percent (100%) completion of construction.

See the "Notes to Schedule A," located above and the "Estimate of Post-Construction Assessment and Counsel's 421-a Real Estate Opinion" in Part I of the Plan for further details.

Veteran Property Tax Exemption

In accordance with Section 458(a) of the New York State Real Property Tax Law, a Unit Owner who is also a qualified veteran, the spouse of qualified veteran or the unmarried surviving spouse of a qualified veteran may be entitled to an exemption on the general municipal portion of their real estate taxes.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

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

As fully set forth in the tax opinion by D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, counsel to the Sponsor ("Sponsor's Counsel"), in Part I of this Plan (the "Tax Opinion"), under present law, a Residential Unit Owner will, for Federal income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid under sections 163 and 164. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the Tax Opinion. These deductions may also affect an individual Residential Unit Owner's liability for the alternative minimum Federal income tax. Each individual Residential Unit Owner will, for New York State and New York City income tax purposes, be entitled to similar deductions for the mortgage interest and real estate taxes paid during the taxable year. It is the opinion of Sponsor's Counsel that a Residential Unit Owner who itemized his deductions and whose Unit is used by him for residential purposes will, for Federal income tax purposes, be entitled to a deduction limited to \$10,000.00 (\$5,000.00 in the case of a married individual filing a separate return) for real estate taxes incurred with respect to his Unit in the year paid under section 164. The Federal limitation on the deduction for real estate taxes applies in the aggregate to state and local income taxes paid as well. Thus, the maximum amount a Residential Unit Owner may deduct for real estate taxes and state and local income taxes combined is \$10,000.00 (\$5,000.00 in the case of a married individual filing a separate return). Though the foregoing limitation is in effect as of the date of filing of the Offering Plan, neither Sponsor nor Sponsor's Counsel make any representation as to whether the same will be in effect, or what the Internal Revenue Code or state or local tax code will provide, at any time in the future, as such applicable law is subject to change without notice.

Once the Building is converted to condominium ownership, the affairs of the Condominium will be governed by a Condominium Board. Common Charges will be borne by all Unit Owners and assessed and collected by the Condominium Board. Under present law, the exact tax status of the Condominium Board is uncertain and no opinion has been rendered with respect to it. The Federal income tax consequences to the Condominium Board with respect to the receipt of the Common Charges and of the expenditure of Condominium funds will depend on whether the Condominium Board:

- (i) is treated as a conduit,
- (ii) qualifies and elects to be taxed under section 528, or
- (iii) is treated as a corporation.

If the Condominium Board is treated as a conduit, it will not be subject to tax. Rather, items of income, expenses, credits and deductions will be attributed to each Unit Owner in proportion to his Common Charges. Thus, for example, interest earned on funds reported by the Condominium Board would be taxed to the Unit Owners. There appear to be no judicial precedents directly supporting such treatment and the position of the Internal Revenue Service (the "Service"), which is described more fully below, appears to be that a condominium management association is an association taxable as a corporation.

If it satisfies the requirements of section 528, the Condominium Board may elect to be exempt from Federal income tax on the Common Charges. Generally, those requirements are:

- (i) The condominium management association must be organized and operated solely to provide for the acquisition, construction, management, maintenance, and care of association property;
- (ii) Sixty percent (60%) or more of the gross income of the condominium management association for the taxable year must consist of assessments from residential unit owners ("Exempt Function Income");
- (iii) Ninety percent (90%) or more of the expenditures of the condominium management association for the taxable year must be for the acquisition, construction, management, maintenance, and care of the condominium management association's property;
- (iv) No part of the net earnings can inure to the benefit of private individuals other than by the acquisition, construction, management, or maintenance of the condominium management association's property or by rebates of excess assessments;
- (v) The condominium management association must annually elect to be treated as a condominium management association; and
- (vi) Substantially all (at least eighty five percent (85%)) of the square footage of the units must be used for residential purposes.

Under the Treasury regulations issued pursuant to section 528, a condominium management association must qualify annually for the election under section 528, and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of section 528 will depend on the particular facts and circumstances prevailing in the taxable year at issue.

A condominium management association meeting the requirements of section 528 and electing to be exempt from Federal income tax on Exempt Function Income would be taxable at a rate of thirty percent (30%) on the amount by which its other income exceeds the amount of allowable deductions that are directly connected with the production of such income. Such an

association, however, would not be allowed certain deductions that are available to corporations that are not taxable under section 528.

If the Condominium Board either cannot qualify (and for the purposes of the Plan, Sponsor has assumed that it will not qualify) or chooses not to elect the benefits of section 528, certain published rulings of the Service implicitly state that a condominium management association will be treated as an association taxable as a corporation. Consequently, unless a valid election pursuant to section 528 has been made, it appears that the Condominium Board would be taxable on that portion of the Common Charges which exceeds the deductible expenses paid or incurred by the Condominium Board for the operation of the Condominium property. The Condominium would also be taxable on income derived from the interim investment of the Common Charges, on income from nonresidential leases of Common Elements, and on income from the operation of facilities that are available to outsiders, net of deductible expenses related to the production of such income.

If the Condominium is treated as a corporation for Federal income tax purposes, the Condominium Board might still contend that a portion of the Common Charges that it receives should not be includible in its gross income. For example, published rulings of the Service indicate that assessments collected by a condominium management association and expressly designated for use for specified capital improvements that are owned in common, and which are not commingled with funds collected for operating expenses or as contingency reserves, should not be included in the gross income of a condominium management association. No part of such an assessment may, however, be expended by the condominium management association for the benefit of an individual owner.

In addition, in connection with assessments for ordinary operating expenses, such as the Common Charges, a condominium management association may not have any taxable income if the expenses of the condominium management association with respect to managing, operating, and replacing the common elements of the Condominium either equal the assessment or any excess amount is annually returned to unit owners or applied to the next year's assessment. Based on the facts in existence at the present time, it appears that the Condominium Board is unlikely to have a substantial amount of income other than the Common Charges.

If section 528 is not applicable, moreover, the Service has noted that a condominium management association may be eligible for the tax treatment afforded to certain cooperatives under Subchapter T of the Code. However, there is very little guidance with respect to the applicability of these provisions to an association managing residential condominium units since generally only farming cooperatives avail themselves of these provisions.

If the Condominium Board makes additional assessments to cover the amounts of any Federal, New York State, or New York City tax liability incurred, such additional assessments may also be taxable to the Condominium.

The Sponsor's counsel have not opined whether the Condominium will or will not qualify as a "Condominium Management Association" under Section 528 of the Internal Revenue Code of 1986, as amended, and for the purposes of the Plan have assumed that it will not qualify.

Therefore, the possible income tax consequences to the Condominium of not qualifying as a "Condominium Management Association" has been set forth in Part I of the Offering Plan as a special risk of the offering of the Units hereunder. An estimate of the possible income tax due from the Condominium is not included as a projected expense in Schedule B of the Plan. However, in the event that an income tax is due from the Condominium, the amount of Common Charges payable by each Unit Owner will increase.

The foregoing summary is for informational purposes only and Sponsor's counsel expresses no opinion with respect to the likelihood of which method of taxation will be applied to the Condominium.

EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF THE PLAN AND OF RESIDENTIAL UNIT OWNERSHIP.



D'AGOSTINO, LEVINE, LANDESMAN,
LEDERMAN, RIVERA & SAMPSON, LLP

345 7TH AVENUE, 23RD FLOOR, NEW YORK, NEW YORK 10001

TEL: 212.564.9800 FAX: 212.564.9802
DLPARTNERSLAW.COM

JOHN D'AGOSTINO
MICHAEL LEVINE*
WAYNE R. LANDESMAN*
BRUCE H. LEDERMAN*
BETTINA M. MIRAGLIA◊
JOSE M. RIVERA*
BRIAN T. SAMPSON
JARED B. VAN VLEET

* Also Admitted in NJ
◊ Also Admitted in CT
◻ Also Admitted in MA
★ Also Admitted in FL

SPECIAL COUNSEL
SUSAN M. SCHARBACH*◊
NATLEE REISEN
KELLYANN S. MONAGHAN

ERIC R. GARCIA
CHRISTOPHER M. TARNOK
JONHAROLD A. CICERO
CHRISTOPHER L. PALLADINO*
TARA M. SHAMROTH*
ERICA NAZARIAN
LINA A. MELENDEZ★
JANE S. JEONG

COUNSEL'S INCOME TAX OPINION LETTER

December 23, 2019

The Board of Managers of
"99 Morningside"
a Condominium located at
375 West 123rd Street
New York, New York 10027

Re: **Offering Plan for Condominium
Ownership of Premises
"99 Morningside"
a Condominium located at
375 West 123rd Street
New York, New York 10027**

Gentlemen/Mesdames:

You have requested our opinion concerning (i) the availability of certain deductions for Federal, New York State and New York City income tax purposes (but not for purposes of the New York City earnings tax on non-residents) to persons who purchase Residential Units for private residential use ("Residential Unit Owners") under the Plan and (ii) the proper treatment by the Condominium Board for such income tax purposes of the Common Charges paid or borne by all Unit Owners. Except where otherwise indicated herein, the terms used in this opinion have the same meanings as in the Plan.

The Board of Managers of
 “99 Morningside,” a Condominium
 December 23, 2019
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The condominium units of “99 Morningside” will be organized under the laws of the State of New York for the purpose of providing for the management, maintenance and care of a multistory mixed-used building to be newly constructed at 375 West 123rd Street, New York, New York 10027. The newly constructed building will contain twenty-two (22) Residential Units and one (1) Community Facility Unit. The By-Laws of the Condominium provide that in addition to the status conferred upon the Condominium Board pursuant to the provisions of the New York Condominium Act, to the extent permitted by applicable law, the Condominium Board is deemed to constitute an unincorporated association for all purposes under the provisions of the General Association Law of the State of New York.

In this connection, we have reviewed the Plan, relevant sections of the Internal Revenue Code of 1986, as amended (“Code”), the New York State Tax Law, the New York City Administrative Code (“Tax Law”), the regulations (“Regulations”) promulgated thereunder and such other materials as we deemed relevant as they exist as of the date hereof, and we have assumed that the closing under the Plan will occur in 2019 pursuant to said Code, Tax Law and Regulations as they currently exist.

I. Deductions for Mortgage Interest and Real Estate Taxes

A Unit Owner will own his Unit and its Appurtenant Interest in the Common Elements in fee simple absolute. Accordingly, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will be individually liable for the payment of such real estate taxes. A Unit Owner, pursuant to the terms of the Offering Plan, may also mortgage such Unit(s) and become individually liable for the payment of any finance charges or interest on such mortgage indebtedness.

In our opinion, a non-corporate Residential Unit Owner who itemizes his deductions will be entitled to a deduction in computing his taxable income for Federal income tax purposes for bona fide mortgage interest incurred with respect to his Unit in the year paid provided that (a) the indebtedness is incurred in acquiring, constructing or improving the Unit, (b) the indebtedness is secured by the Unit, (c) the indebtedness does not exceed \$750,000.00, or \$375,000.00 in the case of a married individual filing a separate return, and (d) the Unit is a “qualified residence.” Interest paid on indebtedness that refinances indebtedness incurred to acquire, construct or improve a Unit is similarly deductible. A Unit will be a “qualified residence” if it is either (i) the Owner’s “principal residence” within the meaning of Code Section 121 or (ii) a residence as defined by Code Section 280A(d)(1) that the Owner selects as a qualified residence. Thus, a single taxpayer or a married couple filing a joint return may have two, and only two, qualified residences. In the case of a married couple filing separate returns, each taxpayer may take into account a single “qualified

The Board of Managers of
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residence," unless by written agreement they consent to one of them taking into account a principal residence and one other residence. Under Section 461(g) of the Code, no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (other than points paid in certain cases).

In our opinion, a Residential Unit Owner who itemizes his deductions and whose Unit is used by him for residential purposes will, for Federal income tax purposes, be entitled to a deduction limited to \$10,000.00 (\$5,000.00 in the case of a married individual filing a separate return) for real estate taxes incurred with respect to his Unit in the year paid under Section 164 of the Code. The Federal limitation on the deduction for real estate taxes applies in the aggregate to state and local income taxes paid as well. Thus, the maximum amount a Residential Unit Owner may deduct for real estate taxes and state and local income taxes combined is \$10,000.00 (\$5,000.00 in the case of a married individual filing a separate return).

It is also our opinion that each Unit Owner whose Unit is used in an active profession and/or trade or business, other than the rental of such Unit, in which the Unit Owner materially participates, will, for Federal income tax purposes, be entitled to a deduction for the full amount of real estate taxes incurred with respect to his Unit in the year paid under Section 164 of the Code.

Other rules are applicable to a Unit Owner if the Unit is to be used in a trade or business or is to be held for rental. In these cases, the Tax Reform Act of 1986 will have broad impact, and no opinion is offered as to the consequences to such a Residential Unit Owner.

It is also our opinion that each Residential Unit Owner will, for New York State and New York City income tax purposes, be entitled to the same deduction which is allowed for Federal income tax purposes for the mortgage interest and real estate taxes paid during the taxable year. Section 615 of the New York State Tax Law; Section 11.1715 of the Administrative Code of the City of New York. However, in the case of a Residential Unit Owner whose New York State or New York City adjusted gross income exceeds \$100,000.00, the amount of such deduction may be reduced by up to twenty-five percent (25%) of such deduction.

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

The Board of Managers of
"99 Morningside," a Condominium
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It should be noted that our opinion as to the availability of deductions to a Unit Owner with respect to mortgage interest and real estate taxes in connection with his or her Unit used in an active profession and/or trade or business, other than the rental of such unit, is based on the assumption that such owner will have "at risk" within the meaning of Section 465 of the Code, in such profession, trade or business, an amount equal to, or in excess of his losses in connection with said profession, trade or business, including such deduction.

II. Common Charges

Common Charges will be borne by the Unit Owners and assessed and collected by the Board of Managers ("Condominium Board").

Under Section 528, added to the Code by the Tax Reform Act of 1976, some Condominium Boards may be eligible to be exempt from tax on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met. However, because of certain tests for qualification, including the composition of the Condominium Board's receipts and expenditures, and because of certain ambiguities in the language of Section 528 which are not clarified by the legislative history, rulings or regulations, it is not presently possible to determine the application of Section 528 to the Condominium. Accordingly, while a Section 528 election may be contemplated, it is not possible at this time to express an opinion as to the Section's applicability and we assume for the first year of operation that the Condominium will not qualify under Section 528.

If the Condominium qualifies as a condominium management 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, common charges, 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 condominium management association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% 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

The Board of Managers of
"99 Morningside," a Condominium
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property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must annually elect to be treated as a condominium management association, and (6) at least 85% 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.

Despite the information contained in Schedule A, the Description of the Property and Building Specifications and the Plot and Floor Plans to the Plan, we cannot affirmatively opine that the Property will or will not qualify as a condominium management association under Section 528 of the Code. Our inability to affirmatively opine is due to the uncertainty of the current state of the law as to what floor space specifically qualifies as total square footage for residential purposes (i.e., stairwells, lobby; terraces, etc.). Accordingly, we cannot opine as to whether the Condominium will or will not be eligible to elect to be created as a condominium management association under Section 528 of the Code.

Even if the Condominium Board were eligible to make a Section 528 election, it would still be subject to tax on any income not received as assessments or other such payment from Unit Owners; thus, if the Condominium Board realized interest income from funds on deposit, such interest may be taxable to it.

If an election under Section 528 is not in effect for the taxable year, the tax status of the Condominium Board will be governed by the rules in effect prior to the enactment of Section 528 ("existing law").

Under existing law, the tax status of the Condominium Board is uncertain. The By-Laws provide that the Condominium Board will act as the agent of the Unit Owners. Thus, the Condominium Board may take the position that it is simply a conduit for receipts and payments of the Unit Owners for whom it acts as agent and not a separate entity. In such case, the Unit Owners would themselves be taxable on any interest or similar income which is earned from investments of the amounts which are assessed and collected from the Unit Owners and/or held as reserve funds.

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

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

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

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

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

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

Thus, this opinion does not deal with tax consequences which may result from ownership of a Unit in connection with the Unit Owner's trade or business, other than set forth herein, or for purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not deal with the tax consequences which may arise if Units or Limited Common Elements are acquired and/or leased by the Condominium Board. It is also to be noted that under certain circumstances an owner of any Residential Unit, by virtue of such ownership, may be deemed to become a resident of New York City and that this opinion does not deal with the circumstances under which this may occur, or with the income, estate or other tax consequences that may arise therefrom. Thus, each person contemplating the purchase of a Unit is strongly advised to consult his own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

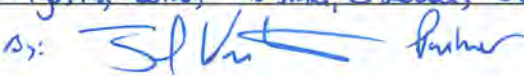
In our opinion, Unit Owners will be entitled to income tax deductions. However, this opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change and based upon the current financial status of the country, most likely will change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause Unit Owners not to be entitled to income tax deductions.

The Board of Managers of
 "99 Morningside," a Condominium
 December 23, 2019
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We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan.

Very truly yours,

D'AGOSTINO, LEVINE, LANDESMAN, LEDERMAN,
 RIVERA & SAMPSON, LLP

D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson LLP
 By:  Partner

TUCHMAN, KORNGOLD, WEISS, LIEBMAN & LINDEMANN, LLP

COUNSELORS AT LAW

6 EAST 45TH STREET

SEVENTH FLOOR

NEW YORK, N. Y. 10017

(212) 687-3747

FAX: (212) 599-4459

PAUL J. KORNGOLD

DONALD LIEBMAN

ERIC LINDEMANN*

BRETT J. GOTTLIEB

YUHTYNG T. PATKA**

GRACE A. BETANCOURT

PHILIP M. PLATZ***

* ALSO ADMITTED IN CT

** ALSO ADMITTED IN CT & NJ

*** ALSO ADMITTED IN NJ

November 1, 2018

99 Morningside LLC
 40 Fulton Street, 12th Floor
 New York, New York 10038

Re: 99 Morningside Avenue
 Block: 1950, Lot 1
Manhattan

Dear Sir or Madam:

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

You have requested our opinion concerning the real property tax assessment to be levied upon the captioned premises as well as the taxes for the budget year for the first year of condominium operation which you have advised us will be the period September 1, 2019 through August 31, 2020 as well as the first post construction tax year which will be the period July 1, 2020 through June 30, 2021 (tax year 2020/2021). You have advised us that the project will consist of the construction of a new multiple dwelling to be structured as a condominium which will contain twenty-three residential condominium units plus a community facility unit. **This letter estimates the assessed value and real estate taxes only for the residential units.**

In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. This information includes your purchase prices and your estimated construction costs. You have also supplied us with a square footage analysis of the project as well as the estimated square footage contained in both your offering plan proposed Schedule A and the square footage analysis contained in the 421-a application. You have advised us that you anticipate construction will be completed in September of 2019.

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

99 Morningside LLC

November 1, 2018

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

1. The current claimed standard of assessment used by the Real Property Division of the New York City Department of Finance is 45% of value;
2. The estimated cost of the construction;
3. The potential capitalized net income of the property if operated as a rental; and
4. Tax Assessments of comparable properties.

Real Estate Tax Assessments in New York City are made on a fiscal year basis running from July 1st of any one year to the next succeeding June 30th. The status of the building on January 5th of any one year is the basis of the assessment for the fiscal year beginning that July 1st. The final assessment roll containing the final 2018/2019 assessed values was published on May 25, 2018 and showed the following values:

Block/Lot	Actual Assessed Value	Transition Assessed Value	Tax Class
1950/1	\$3,455,100	\$3,322,306	2

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore the prices that you set in your offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The residential condominium units will be designated as tax class 2 property and will pay on the class 2 tax rate. The 2017/2018 class 2 residential tax rate has been set at \$12.719 for each \$100 of assessed valuation. The 2018/2019 tax rate will not be set until later this year.

Real Property Tax Law Section 1805 provides for the creation of a transition assessment system within the City of New York. Under the transition assessment system, the usual increase in the actual assessed value of a property between one year and the next is phased in over a five year period in equal installments. The five year phase in does not apply to new construction or other increases due to physical improvements to the property. Increases due to such physical improvements or new construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the

99 Morningside LLC
November 1, 2018
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actual assessed valuation or the transition assessed valuation. We believe that there will be a substantial increase in value in the future as a result of the new construction which will be placed on the assessment roll immediately and not subject to the five year phase in. Due to the fact that we anticipate there will be an increase in assessed valuation due to the construction, we are not projecting a transition assessed value, although in future years after construction has been completed, increases in assessed value will likely result in the taxable assessment being based on a phased-in transition assessed value.

On June 25, 2015 the New York State Legislature passed legislation extending property tax abatements for homeowners in New York City cooperatives and condominiums through June 30, 2019 at the rate of 17.5% with buildings with average assessments greater than \$60,000 per unit and a greater percentage for buildings with a lesser average per unit. The law makes additional changes from the original abatement law which may eliminate such abatement benefits for units which are not the primary residence of the owner. The law further limits the benefits to a maximum of three units in the building, one of which must be the primary residence of the owner. Buildings which receive a 421-a tax exemption are not eligible for this tax benefit. It is set forth later in this letter that this building may receive 421-a tax benefits. In addition the current coop-condo abatement law is scheduled to expire after the 2018/2019 tax year and it is unknown at this time if the law will be renewed. Therefore, in predicting the taxes on this building we have not given any consideration to this tax benefit. Unit owners are advised to beware of various filing deadlines that may be included in any renewed law as well as possible changes in the level of abatement and eligibility.

We caution you that it is possible that there will not be an official apportionment of the assessment for the tax liability among the units until such time as an official apportionment of the assessed value is made and becomes effective.

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

Predicated upon the foregoing, it is our opinion that for the initial budget year commencing September 1, 2019, we estimate that the total actual assessed value of the residential units for 2019/2020 (which covers the first ten months of the initial budget year) will be \$3,000,000 and we have utilized that number in estimating the real estate taxes for the first ten months of the initial budget year. For the final two months of the initial budget year and for the post construction 2020/2021 tax year, we estimate that the assessed value will be \$3,400,000.

99 Morningside LLC
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Therefore assuming the class 2 tax rate increases to \$12.80 for each \$100 of assessed valuation, we make the following estimates of the real estate taxes **prior to any tax exemptions or abatements** for the initial budget year September 1, 2019 through August 31, 2020 and the post construction tax year July 1, 2020 through June 30, 2021:

September 1, 2019 through June 30, 2020 (10 months of the 2019/2020 Tax Year)

Assessed Value	Tax Rate	Tax (10 Months)
\$3,000,000	12.80%	\$320,000

July 1, 2020 through August 31, 2020 (2 months of the 2020/2021 Tax Year)

Assessed Value	Tax Rate	Tax (2 Months)
\$3,400,000	12.80%	\$72,533

July 1, 2020 through June 30, 2021 (Post Construction tax Year)

Assessed Value	Tax Rate	Tax
\$3,400,000	12.80%	\$435,200

Initial Residential Budget Year R.E Tax Before Exemptions	\$392,533
Post Construction Residential R.E Tax Before Exemptions	\$435,200

You have also requested our opinion as to the eligibility of the above referenced property to receive a 421-a real estate tax exemption. The 421-a Tax Exemption program was enacted pursuant to Section 421-a of the Real Property Tax Law of the State of New York ("421-a"), Section 11-245 of the Administrative Code of The City of New York and has been implemented through regulations promulgated by the New York City Department of Housing Preservation and Development ("HPD"). The law is designed to encourage construction of new multiple dwellings by offering an exemption from real estate taxes for a period of years. The exemption covers the increase in assessed valuation resulting from construction of a new building over the prior assessed valuation on the property and eliminates for a period of years any taxation on that increase in assessed valuation. The exemption does not eliminate all real estate taxes.

99 Morningside LLC
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You have advised us that (1) prior to the commencement of construction and on a date three years prior to commencement, the property met the underutilization requirements of the regulations, (2) all work will be performed in accordance with law and that all required filings have or will be made with the Department of Buildings and all agencies having the appropriate jurisdiction, (3) construction has commenced and you expect construction to be completed in September of 2019.

You have further advised us as to the square footage breakdown between the units and your breakdown indicates that the nonresidential space shall occupy less than 12% of the aggregate floor area since the community facility unit will not be included in the 421-a application. The 421-a law requires a reduction in benefits in the event that more than 12% of the project is deemed to be non-residential footage. Based upon information given as set forth in your application for a preliminary 421-a certificate of eligibility, this limitation will not apply in this project.

The 421-a rules and regulations define Commencement of Construction in part as follows:

"Commencement of construction" shall mean the date upon which excavation and the construction of initial footings and foundations commences in good faith. An architect or professional engineer licensed in the State of New York shall certify that such construction commenced on such date and that such construction was thereafter completed without undue delay. Notwithstanding the foregoing, construction shall not commence prior to issuance by the Department of Buildings of either (i) a building or alteration permit for the construction of an entirely new multiple dwelling, the footprint of which consisted entirely of vacant and unimproved land upon such date, or (ii) an alteration permit for the construction of a new multiple dwelling above, and on an entirely separate tax lot from, one or more existing structures which are to be retained, provided that only the floor area attributable to the new multiple dwelling, and any eligible commercial, community facility or accessory use space within such new structure shall be eligible for benefits under the Act. Any such new multiple dwelling shall comply with all other applicable statutory and regulatory requirements.

As a part of the preliminary 421-a application, such certification must be provided to HPD. Your architect has made the required certification on the form prescribed by HPD indicating construction commenced 12/21/2015.

The 421-a rules and regulations define Completion of Construction as follows:

Completion of construction. "Completion of construction" shall mean the date upon which either a Temporary Certificate of Occupancy is issued for all residential areas in the multiple dwelling or a Permanent Certificate of Occupancy is issued for the entire building.

Local Law 107 of 2005 requires that all 421-a projects use Energy Star appliances, water heaters and boilers. Regulations are now in effect which mandate that you comply with these Energy Star requirements.

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421-a tax exemption benefits are available only to new multiple dwellings which cannot be used for Hotel or Single Room Occupancy purposes. We have been advised that this project will meet these requirements since it will not be used for Hotel or single room occupancy purposes.

There are certain construction requirements to be eligible for 421-a tax exemption benefits. Special requirements exist for building with at least 100 units. Since this building will contain less than 100 units, these restrictions do not apply. Additional requirements are placed on buildings where there were previously existing residential units 30 days prior to the commencement of construction. You have furnished us with proof that there were no residential units on this property 30 days prior to commencement of construction, thus these requirements are not applicable.

421-a tax exemption benefits are not available if the project receives exemption benefits under any other law. These units will not receive any other exemption and thus remain eligible for 421-a tax benefits.

To be eligible for 421-a partial tax exemption, the land upon which an eligible project is located must have been vacant, predominantly vacant, under-utilized, or improved with a non-conforming use on the operative date. The operative date shall be thirty-six months prior to the commencement of construction, if construction commences on or after August 1, 1981. "Predominantly vacant" land is a plot of land on which not more than fifteen percent (15%) of the lot area contained enclosed, permanent, improvements. Fences, sheds, garage attendant's booths, pier bulkheads, lighting fixtures and similar items, or any improvement having an Actual Assessed Value of less than \$2,000 shall not constitute an enclosed, permanent improvement. Here, we have been advised that construction commenced on December 21, 2015 which was during the 2015/2016 tax year. Thus three years prior to that date was the 2012/2013 tax year. A review of the 2012/2013 tax roll reveals the following:

Block/Lot	Land Assessed Value	Building Assessed Value	Total Assessed value
1950/1	\$42,959	\$1,585	\$44,544
1950/2	\$29,123	\$1,086	\$30,209
1950/102	\$31,598	\$1,178	\$32,776

Thus this project passes the site eligibility test as predominantly vacant.

There were major changes to the 421-a law and regulations in the year 2007. Subsequent changes to the law affecting construction commencing after December 31, 2015 are not relevant here. The major changes relate to the cap on the maximum exempt assessed value and the requirement to provide 20% of the units for affordable housing for projects located in the Geographic Exclusion Area. There is also a requirement to pay prevailing wages to buildings with 50 or more units, a requirement that is not relevant here. This project is located in the Geographical Exclusion Area. Projects anywhere in Manhattan are deemed to be in the Geographical Exclusion Area and are not eligible for 421-a tax exemption benefits unless you

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construct an affordable housing project. The law, however, allows you to obtain eligibility for 421-a tax benefits without doing an affordable housing project even if you are in the Geographic Exclusion Area if you obtain negotiable certificates. These certificates are issued by HPD to a low income housing developer who has built off-site low income housing elsewhere in the city. You have advised us that you have acquired 24 negotiable certificates to meet the eligibility requirements without building any onsite affordable housing units. Based on the square footage numbers certified by your architect Ariel Aufgang on January 4, 2016, you have acquired an adequate number of these certificates so that you will not be subject to the Geographic Exclusion Area Limitation requiring affordable housing units. However, you will be subject to the exemption cap.

The exemption cap will apply only for tax years starting in 2020/2021 since you do not expect to complete construction by the tax status date of January 5, 2019. For new buildings commencing construction after July 1, 2008 and prior to January 1, 2016, the maximum exemption (the "cap") shall be restricted to \$65,000 of assessed value per dwelling unit. For every tax year commencing after 2008, there is an inflation factor of 3% compounded and added to the cap. Thus for the 2020/2021 tax year, the maximum exemption shall be set at \$92,675 per unit.

The cap for the upcoming years is set forth as follows:

Tax year	Exemption Cap
2020/2021	92,675
2021/2022	95,456
2022/2023	98,319
2023/2024	101,269
2024/2025	104,307
2025/2026	107,436
2026/2027	110,659
2027/2028	113,979
2028/2029	117,398
2029/2030	120,920
2030/2031	124,548
2031/2032	128,284
2032/2033	132,133
2033/2034	136,097

As of the date of this letter, your application for a 421-a preliminary certificate of eligibility is presently being prepared for filing. When issued, this preliminary certificate of eligibility will be valid for tax years 2016/2017, 2017/2018 and 2018/2019. You will also be required to pay a fee equal to 4/10 of 1% of the total development cost. After completion of your project you will be required to submit an application for a final certificate of eligibility within 90 days after the earlier of (1) the issuance of a temporary certificate of occupancy for all residential units or (2) a

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permanent certificate of occupancy. As part of that application process you will have to pay an additional fee to HPD of 4/10 of 1% of the excess total development cost if your CPA in his certification to HPD as part of the final application finds that the actual development costs exceeded the estimated costs. We offer no opinion as to how long this will take for HPD to issue a final 421-a certificate of eligibility. If either the preliminary or final 421-a certificate are issued after taxes are paid, 421-a benefits will be retroactive resulting in either a credit or refund to the party who paid the taxes.

The 421-a tax exemption that is applicable to this project will last for a period of up to fifteen years as set forth below:

Year	Percent of Increased Assessed Valuation Which is Exempt
1-11	100%
12	80%
13	60%
14	40%
15	20%
16	0%

In addition multiple dwellings which satisfy all of the requirements of the law and receive a Preliminary Certificate of Eligibility shall be exempt from real property taxes, other than assessments for local improvements, upon any increase in assessed valuation over the prior assessed valuation during the statutorily defined period of construction, or for a period of three years, whichever is less, provided that taxes shall be paid in each year for the remaining tax that shall be due. Based upon your commencement date, the construction years will be deemed to be 2016/2017, 2017/2018 and 2018/2019. The first of the fifteen declining years will be 2019/2020 so the initial budget year will encompass both 2019/2020 and 2020/2021 tax years.

Under the 421-a program, real estate taxes shall be based initially on the assessed value on the property for the year prior to commencement of construction multiplied by the current tax rate. This tax is sometimes known as the mini-tax. Since work commenced during the 2015/2016 tax year, the mini-tax will be determined by multiplying the allocated 2014/2015 assessed value of \$245,308 by the then current tax rate subject to the exemption cap. The taxes will increase in future years as the 421-a exemption declines and the exemption cap goes into effect.

Since you have now advised us that construction will not be complete by January 5, 2019 but will be complete prior to January 5, 2020, there will be a cap on 421-a exemption benefits commencing with the 2020/2021 tax year. Assuming the tax rate is approximately \$12.80 per one hundred dollars of assessed valuation for all units for 2019/2020 and 2020/2021, the initial estimated total real estate taxes for the residential units in this building after the 421-a exemption benefits are implemented for the budget year commencing on September 1, 2019 would be \$54,874 (which is comprised of ten months from the 2019/2020 tax year when the assessed value prior to 421-a exemption is estimated at \$3,000,000 with no 421-a exemption cap and two months from the 2020/2021 tax year when the assessed value is estimated to be \$3,400,000 with a 421-a exemption cap). For the 2020/2021 post construction tax year, the taxes after 421-a benefits would be \$172,248.

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However, in the event the assessed value as determined by the New York City Department of Finance exceeds our estimate and exceeds the cap on exemptions or the allocated increase in assessed value in any particular unit exceeds the cap, there will be a real estate tax higher than set forth above and in preparing your Schedule A we remind you that the total exemption set forth herein cannot be apportioned equally and each individual tax lot is subject to the cap thus resulting in an exempt value that is less than it would had been if the building had been a single tax lot rental building. This is likely to affect the larger units in the building so that the 421-a tax savings to the larger units may be disproportionately less than the smaller units and the total mini-tax for all units will be higher than the number set forth above. We point out there is a 421-a discrepancy between a one lot residential building and a condominium building with separate tax lots so that purchasers will understand that it is not permissible to assume the 421-a exemption benefits are distributed in exact proportion to the common interests.

In accordance with the requirements set forth in the Real Estate Finance Bureau Memorandum of June 24, 2014, we hereby inform you of the following :

1. There is an expanded Geographical Exclusion Area (GEA) in the City of New York for projects commenced prior to January 1, 2016. This property is now in this GEA. However for the reasons set forth previously in this letter, due to the fact that you have obtained negotiable certificates, you will not have to provide any affordable units to qualify for 421-a tax benefits.
2. The requirement to pay all building service employees a "prevailing wage" will not affect this property since there are fewer than 50 dwelling units in the 421-a building.
3. The sponsor will be exempt from the statutory requirement to register any of the dwelling units as rent stabilized with the New York State Division of Housing and Community Renewal provided the plan is declared effective and consummated within 15 months of the issuance of the final 421-a certificate of eligibility. In the event the plan is not declared effective and consummated within 15 months of the issuance of the final 421-a certificate of eligibility, all of the dwelling units will be required to register the dwelling units as rent stabilized with the New York State Division of Housing and Community Renewal.
4. The sponsor intends that the building shall be exempted from the statutory obligation to register the units as rent-stabilized by reason of its condominium status.
5. That if, prior to consummation, sponsor rents any residential unit (or portion thereof) to any person other than an interim lessee, sponsor is obligated to abandon the offering plan in accordance with the provisions of 13 N.Y.C.R.R. §§ 20.1(1)(2) and 20.5(g).

421-a tax benefits are not automatic. An application must be made to the Department of Housing Preservation and Development. This application must contain supporting documentation such as copies of all city permits and approvals, and an accountant's certification. All information contained in a 421-a application must be true and complete and a substantial filing fee must be paid to HPD. The application is subject to an audit after the certificate of eligibility has been issued. These benefits may be revoked if an application contains false information.

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Based upon our previous experience with such proceedings, we have issued the within letter with the specific understanding that we make no warranties that such exemptions will be forthcoming.

Our firm has an extensive practice in real estate tax review matters and in ICIP, 421-a and J-51 tax exemption/ tax abatement applications, and we currently represent the owners of more than 3,000 buildings in the City of New York, and file applications for correction of the tax assessments and tax exemptions/tax abatements on these properties. This firm and its predecessors have been engaged in such practice for a period of approximately 50 years. Additionally, the writer was the chairman of the Law Committee of the Associated Builders and Owners of Greater New York, a past director of both the New York State Builders Association and the Associated

Builders and Owners of Greater New York, a past member of the Tax Certiorari and Condemnation Committee of the Bar Association of the City of New York, and is a director and former President of the Real Estate Tax Review Bar Association, a specialized Bar dealing with real estate tax assessment matters.

Based upon our previous experience with such proceedings, we have issued the within letter which the specific understanding that although we believe the condominium units will be eligible for 421-a real estate tax benefits, our opinion is not a guarantee that such benefits will be available. In no event will we, as Sponsor's real estate tax counsel, be liable if there are changes in the facts on which we have relied in issuing this opinion, or if there are changes in the applicable statutes, rules and regulations of the City of New York, decisional laws or administrative agency rulings, interpretations and policies on which we have relied which cause this opinion to be inaccurate. Interested parties should be aware that the estimate of the initial budget year real estate tax and post construction assessments and taxes covers a period into the future. Neither we nor any person can guarantee what the real estate taxes will be at any future date. As stated above, changes in law or policies of government agencies may radically change the opinions expressed herein. We accept no responsibility for any derivation in the estimate of future assessed values and taxes.

The opinion expressed herein is that of the undersigned, and does not purport to express the opinion of the New York City Department of Housing Preservation and Development, the New York City Department of Finance or any city or government agency. Those Departments' opinions may result in substantially different total taxes for the initial and first post construction budget years. This opinion letter is given as of the date hereof and we disclaim any obligation to you or any unit purchaser of any change which hereafter may be brought to our attention. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

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

Paul J. Korngold
Paul J. Korngold, LLP

By: Paul J. Korngold

WORKING CAPITAL FUND

At the time of the first closing of title to each Unit to a bona fide Purchaser, such Purchaser shall pay a sum equal to two (2) months Common Charges for the Unit being purchased, to the Board of Managers for its working capital (the "Working Capital Fund"). This fund is to be used for payment by the Board of Managers of any net closing adjustment expenses owed to Sponsor at the First Unit Closing. The amount of the net closing adjustment owed to Sponsor will be paid to Sponsor by the Board of Managers, without interest, by applying the two (2) months' Common Charges paid by each Purchaser at the closing of title to each Unit to the terms of a non-interest bearing note due on the first (1st) anniversary of the First Unit Closing to be executed by the Board of Managers at the First Unit Closing. Sponsor is hereby authorized to endorse the two (2) months Common Charge checks payable to the Board of Managers over to Sponsor and to apply such payments without any further action of the Board of Managers until the promissory note is paid in full. If the promissory note is not fully paid by the due date from such payments, the Board of Managers will pay the note in full from its general funds. The Board of Managers will be entitled to prepay the note, in full only, at any time and without penalty. Sponsor will waive any net adjustments in its favor which would reduce the Working Capital Fund below zero after making provision for the amount of monies that would be generated by the payment of the two (2) months' Common Charges for each Residential Unit in the Building. If the result of the closing adjustments is a net credit in favor of the Condominium, or if any amounts remain after the promissory note has been fully paid, such amounts in the Working Capital Fund may be held or used at any time for working capital, to make repairs or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Board of Managers in its sole discretion.

For such period as Sponsor retains control of the Board of Managers, the Working Capital Fund shall not be used to reduce estimated Common Charges.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND.

RESERVE FUND

Other than as set forth in Schedule B located in Part I of the Plan, no provision has been made for any Reserve Fund. If additional funds are required for capital expenditures such as renewal or replacement of building components or systems or to remedy major building defects, it may be necessary to increase Common Charges or make Assessments on Unit Owners.

For such period as Sponsor retains control of the Board of Managers, the Reserve Fund shall not be used to reduce estimated Common Charges.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND.

MANAGEMENT AGREEMENT AND OTHER CONTRACTUAL ARRANGEMENTS

Management Agreement

At or prior to the First Unit Closing, the Condominium Board (the "Board") will enter into a management agreement with Choice NY Property Management LLC (the "Managing Agent"), having an office at 254 West 31st Street, New York, New York 10001. The Sponsor and its principals and not affiliated with the Managing Agent.

The management agreement (the "Management Agreement") will commence as of the earlier of the date that the Managing Agent commences services at the Building or the date of the First Unit Closing and as its initial term shall continue in force for three (3) years. Upon the expiration of the initial three (3) year term, the agreement will renew for successive one (1) year terms upon the same terms and condition set forth in the Management Agreement, unless canceled by either party, with or without cause, upon sixty (60) days' notice prior to the expiration of the current renewal date. In the event that the Condominium cancels the Management Agreement prior to the end of the current term, the Condominium shall owe the Managing Agent the sum of forty percent (40%) of the remaining management fee then owed.

During the first year of the Management Agreement, the Managing Agent will receive a monthly fee of \$2,250.00 per month during, the second year of the Management Agreement the Management fee shall increase to \$2,362.50 per month, and during the third year of the Management Agreement the management fee shall increase to \$2,480.63 per month, and in subsequent years in which the Management Agreement is renewed the annual management fee shall increase by five percent (5%). Such fee will be paid by the Board and will be charged to all Unit Owners as a Common Expense. However, the Managing Agent will be entitled to collect from each Unit Owner other than the Sponsor, its designee or any other owner of an Unsold Unit or the Community Facility Unit Owner, the following fees:

- i. \$600.00 for processing of purchase or lease applications;
- ii. \$75.00 for processing each standard consumer report procured by Agent as part of the lease application process;
- iii. \$250.00 for processing of lease renewals;
- iv. \$200.00 for coordination and assistance with financing or refinancing of residential mortgages;
- v. \$250.00 for attending a closing;
- vi. \$350.00 for an appearance to assist with collection if Agent is required or is requested to appear by the Unit Owner's attorney;

- vii. \$50.00 for assisting with collections that require the involvement of an attorney;
- viii. \$300.00 for assisting with Unit Owner's decorative alterations and \$700.00 for assisting with alterations requiring a building permit; and

Pursuant to the proposed Management Agreement, the duties and services to be rendered by the Managing Agent include, among others:

- a. Managing Agent shall employ in its own name all off-site personnel. All other on-site personnel for the efficient discharge of Managing Agent's duties shall be contracted for by the Condominium through a staffing agency procured by Managing Agent and which may be Managing Agent or an affiliate of Managing Agent. All on-site personnel shall be approved by the Condominium in accordance with the Condominium's annual operating budget. Managing Agent shall procure and maintain adequate worker's compensation, disability and other insurance and fringe benefits, as may be customary or as may be required by applicable law and insurance requirements, in the name of and at the expense of Managing Agent, covering all of Managing Agent's employees. All of the on-site employee salary expenses shall be reimbursable expenses (hereinafter "Reimbursable Expenses"). Managing Agent shall bond all employees and provide to the Condominium proof of such bonding together with proof of all legally required employee related insurance (i.e. workers compensation).
- b. Bill for and collect monthly assessments, special assessments, and all other monies due from the Unit Owners and request, demand, collect, and receive any and all charges or rents that may at any time be or become due to the Condominium and with the Board's authority, to take such action in the name of the Condominium by way of legal process or otherwise as may be required for the collection of delinquent monthly assessments. Such costs incurred, legal and otherwise, shall be paid by the Condominium. Managing Agent shall be in charge of all collections except to the extent that the collection of a specific account has been turned over to legal counsel. All monies collected by Managing Agent shall, upon receipt, be deposited in a mutually agreed upon bank account in the name of the Condominium.
- c. Oversee the maintenance of the common areas, appurtenances, and recreational facilities in accordance with industry standards.
- d. Work with all vendors hired or retained by the Condominium. The Condominium understands and agrees that it shall require each and every vendor hired or retained by the Condominium to:
 - i. Have general liability coverage of at least \$1,000,000.00 including products and completed operations;

- ii. Name the Condominium and Choice NY Property Management, LLC as additional insured on all liability policies (general liability, automobile liability, excess liability);
- iii. Issue an insurance certificate with a subrogation waiver for all liability and worker's compensation policies; and
- iv. Have a current valid business license.

In the event that the Condominium or Board chooses to waive the above requirements for any vendor, the Board and Condominium agrees to fully indemnify and hold Managing Agent, its members, officers, directors, employees, attorneys, and Managing Agents harmless from any and all claims, damages, losses and expenses, attorney's fees, costs of the Condominium arising out of or relating to all actions and omissions of such vendors and vendor's products.

- e. 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 having jurisdiction thereof (hereinafter collectively the "Law"). If failure to promptly to comply with the Law would or might expose the Condominium or Managing Agent to liability or loss of services, Managing Agent may cause any order or violation to be cured without prior approval of Condominium and without regard to the anticipated cost of such action(s). Managing Agent shall use reasonable efforts from the time of its receipt to notify Condominium, in writing, of all such orders, notices, or requirements, and violations of any Law. Condominium shall be responsible for all costs necessary to comply with any order affecting the Building. Notwithstanding anything set forth in this Agreement to the contrary, Condominium understands and agrees that:
 - i. In no event shall Managing Agent be liable for the failure of Condominium, Unit Owners, or any occupant of the Building to comply with the Law, the Condominium Documents, and any House Rules; and
 - ii. Managing Agent does not have the authority to provide and shall not be responsible for providing legal advice to the Condominium regarding the interpretation or application of the Law, Condominium Documents, or House Rules.
- f. Managing Agent shall negotiate, procure, and present to Condominium for approval and execution, contracts for the following services: fuel, oil, water, utilities, insurance, landscaping, trash removal, security, extermination, elevator,

fire sprinkler, HVAC, fire extinguisher, other required repair and maintenance services, and any other services that Condominium deems advisable or necessary. Managing Agent shall monitor whether such services contracts are fully and adequately performed by Condominium's third party vendors. Managing Agent shall recommend the institution of a new service vendor or litigation with a service vendor with whom Condominium has a service contract who fails to perform its contractual duties. Condominium shall be responsible for the timely payment of such contracts directly to such third party vendors. The Parties acknowledge and agree that: i) Managing Agent shall not be in default hereunder or incur any liability to the Condominium, if any such breach or liability is caused by the Condominium's failure to timely respond (within a reasonable period of time) to a service contract timely submitted to the Condominium by Managing Agent; ii) Condominium's failure to pay such service contracts as they become due and payable; and iii) for any negligence or intentional act of any third party vendor with whom Condominium enters into such service contracts.

- g. Purchase all supplies on behalf of Condominium as shall be necessary or proper to maintain and operate the Building. Managing Agent shall not place any single order or for the Condominium in excess of Five Thousand Dollars (\$5,000.00) to any one party, unless specifically authorized by the Board, its designated parties, or if already included in the operating budget of the Condominium. However, emergency repairs, immediately necessary for the preservation and safety of life and property, or required to avoid suspension of a necessary service to the Condominium, may be made by Managing Agent irrespective of the cost limitation imposed by this paragraph or otherwise. Notwithstanding this authority as to emergency, Managing Agent will, if at all possible, confer with the Board or its designated parties regarding such expenditures.
- h. Interact with Condominium's insurance Managing Agents and brokers for the purchase and/or renewal of insurance policies and in making any claims thereunder.
- i. Review all bills received for services, work, utilities, and supplies ordered in connection with maintaining and operating the Building; provide a voucher system and prepare checks for the Board's execution for the payment of all such bills as well as payroll, payroll taxes, union dues, ground rent (if any) and mortgage interest, mortgage amortization, water charges, sewer rent, assessments, real estate taxes, utilities, insurance premiums, monthly contracted charges, corporate income and other taxes and governmental charges assessed against the Condominium, or the Building as and when the same shall become due and payable, provided that Condominium's operating account has sufficient funds to meet such obligations.

- j. Consider and, when reasonable, attend to complaints of Unit Owners, and lawful tenants, subtenants, and occupants. If the Managing Agent shall deem any such complaint unreasonable, Managing Agent shall advise the Board of the complaint and the reason(s) for Managing Agent's opinion that the complaint is unreasonable.
- k. Set up and maintain in good order a separate, accurate income and operating expense statement maintained on an accrual basis (other than books of account maintained by the Condominium's accountants) and maintain orderly files containing common charge records, insurance policies, leases and subleases, correspondence, receipted bills and vouchers, and all other documents and papers pertaining to the Building or the operation thereof.
- l. On or about the twentieth (20th) day of each month, render or cause to be rendered regular, monthly statements for the preceding month, detailing the amounts collected and disbursements made on behalf of and for the account of Condominium on an accrual basis, supported by disbursement vouchers and other documentation of the disbursements on behalf of the Condominium.
- m. Cooperate with the Condominium's accountants in performing the annual audit of the books of account of the Condominium including the annual report of the operations of the Condominium for the year then ended. A copy of each such annual report shall be sent by the Managing Agent to each Unit Owner.
- n. Cooperate with the Condominium's accountants in their preparation and filing of federal, state, city and any other income and other tax returns required by any governmental authority.
- o. Prepare an operating budget for consideration by the Board prior to the last meeting of the Board held in each fiscal year of Condominium, setting forth the anticipated income and expenses for the Condominium for the ensuing year, a comparison of said budget to the income and expenses of the preceding and current years, and any required explanations with respect thereto subject to receiving the appropriate input from the Condominium and the information from the accountant for the Condominium.
- p. When requested by the Board:
 - i. Arrange for a suitable meeting place for Board meetings, annual meetings and special meetings of the Board and Unit Owners;
 - ii. Draft and send notices to the Board and Unit Owners of Board Meetings, annual meetings, and special meetings of the Board;
 - iii. Prepare agendas for Board Meetings, annual meetings, and special meetings of the Board and Unit Owners; and

- iv. Cause a representative of Managing Agent to attend Board meetings, including one (1) annual meeting of the Board and Unit Owners. Managing Agent's representative shall take and prepare minutes of such meetings.
- q. Send out all letters and reports as the Board may request. At the Condominium's election and expense, Managing Agent shall coordinate the production and distribution of periodic newsletters.
- r. Accept applications and references from all prospective Residential Unit Owners and tenants of such Residential Unit Owners; obtain credit and other reports relating to prospective Residential Unit Owners and tenants; and schedule such interviews as required. Managing Agent is authorized to utilize an outside service to assist in processing such applications. Managing Agent shall assist Condominium's attorneys when required.
- s. Coordinate the moving in and out of Unit Owners and tenants and, as far as possible, arrange the dates thereof so that there shall be a minimum of disturbance to the operation of the Building and of inconvenience to other Unit Owners and tenants.
- t. Accept applications from Residential Unit Owners for review and approval by the Board to perform alterations to their Residential Units.
- u. Cooperate with the Condominium's tax certiorari attorneys in ascertaining the tentative assessed valuation of the land on which the Building is located and the Assessment of the Building, in notifying Condominium of such assessments, and in the preparation of an application for correction of the assessed valuation to be filed by the Condominium's attorneys with the Tax Commission of the City of New York.
- v. Managing Agent shall have the authority to prepare and secure signs to the Building with Managing Agent's name thereon provided that Managing Agent presents the proposed signage to the Board and the Board approves such signage, which approval shall not be unreasonably denied.

The annual certified financial statement with respect to the Condominium will not be prepared by the Managing Agent. Such statement will be prepared by an independent certified public accountant engaged by the Board whose fees are to be paid by the Board and charged to the Unit Owners as a Common Expense.

All expenses incurred by the Managing Agent in performance of its duties will be reimbursed by the Board and charged to the Unit Owners as a Common Expense. In addition, the Board will indemnify the Managing Agent against any claims or liabilities in connection with acts properly performed by it pursuant to the instructions of the Board or for personal injury or property damage not resulting from the Managing Agent's negligence or failure to comply with its obligations under the Management Agreement.

The Board will maintain general and umbrella liability insurance with limits not less than \$1,000,000 in the aggregate. Additionally, the Board shall maintain worker's compensation and New York State Disability insurance to the extent the Condominium has employees.

Other Contractual Agreements

It is anticipated that a union, resident, full-time superintendent, two (2) union full-time porters and union doorman and/or concierge attendants will be retained by the Condominium subsequent to the First Unit Closing. Projected wages and other benefits are set forth in Schedule B in Part I of the Plan.

Sponsor has reserved the right, prior to the First Unit Closing, to modify, renew and replace any existing agreements and to enter into new agreements that will be binding on the Condominium Board, provided that there will be no material increase in the estimated Common Charges for the "Projected Budget for the First Year of Condominium Operation."

The current service contracts which are anticipated to be effective at the date of the First Unit Closing or service contract projections pertaining to the Building are as follows:

- a) HVAC maintenance service - the cost to service the HVAC systems will be a Residential Common Expense. The cost of such service has been estimated by the proposed Managing Agent for the Building at \$30,000.00 per year including sales tax.

Further, any air-conditioning equipment, including any piping and/or ductwork related thereto, which only services a particular Unit shall be the sole cost and responsibility of the individual Unit Owner. This responsibility includes all maintenance, repair and/or replacement of such equipment, piping and/or ductwork and any permits or code compliance required by any applicable law.

- b) Exterminating Services - the cost of such services in the residential portions of the Building, which is a Residential Common Expense, has been estimated by the proposed Managing Agent for the Building at \$2,500.00 per year, including sales tax.

An estimate for exterminating in the Community Facility Unit has not been projected since it shall be the responsibility and cost of the Owner of the Community Facility Unit to arrange for such services in that Unit.

- c) Elevator maintenance service - the cost of such service for the two (2) passenger elevators of the Building, which is a Residential Common Expense, has been estimated by the proposed Managing Agent for the Building at \$20,000.00 per year, including sales tax.

- d) Fire Alarm System maintenance - the cost of maintaining the fire alarm system at the Building, which is a Residential Common Expense, has been estimated by the proposed Managing Agent to be \$3,500.00 per year, including sales tax.
- e) Compactor maintenance - the cost of maintaining the compactor at the Building, which is a Residential Common Expense, has been estimated by the proposed Managing Agent to be \$1,500.00 per year, including sales tax.
- f) Landscaping - the cost of maintaining the landscaping at the Building, which is a Residential Common Expense, has been estimated by the proposed Managing Agent to be \$6,000.00, including sales tax.
- g) Gym/fitness room and multi-purpose room maintenance - the cost of maintaining the gym/fitness room and multi-purpose room at the Building, which is a Residential Common Expense, has been estimated by the proposed Managing Agent to be \$2,500.00, including sales tax.

IDENTITY OF PARTIES

Sponsor

The Sponsor of the Offering Plan is 99 Morningside LLC, a limited liability company formed pursuant to the laws of New York on March 5, 2014.

The only principals of sponsor are Mr. Guido Subotovsky and Mr. Hugo Subotovsky (collectively "Principals of Sponsor"), who have been active for many years, and continue to be active, in the development and management of real property. The Principals of Sponsor maintain offices at the principal office of Sponsor as set forth below.

Mr. Guido Subotovsky and Mr. Hugo Subotovsky have been collectively involved as the developers of multiple properties consisting of almost 1,000 residential apartments.

The Sponsor's principal office is located at c/o Azimuth Development Group LLC, 40 Fulton Street, 12th Floor, New York, NY 10038.

Sponsor, its principals and affiliates are current in their obligations with respect to all of the offerings stated below.

There have been no prior felony convictions of Sponsor, or any principals of Sponsor or any individuals who own and/or control a ten (10) percent or more equity interest in the Sponsor; and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor or any individuals who own and/or control a ten (10) percent or more equity interest in the Sponsor that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Prior to this offering, neither the Sponsor nor Principals of the Sponsor have been a principal, nor have they had any prior public offerings in the State of New York, nor do they currently own ten percent (10%) or more of the unsold units in any other condominium, cooperative or homeowners association except that:

- 1) Guido Subotovsky has been a principal of the sponsor of the following offerings:
 - (a) Morris Avenue Condominium, AG file no. NA12-0137 (accepted March 5, 2013);
 - (b) Bedford-Webster Condominium, AG file no. NA14-0003 (accepted March 11, 2014), and
 - (c) 231 W. 26th Street Condominium, AG File No. CD17-0127 (accepted 9/12/17).

- (d) 316 East 91st Street Condominium, AG File No. NA18-0169 (accepted 3/12/19).
- 2) Hugo Subotovsky has been a principal of the sponsor of the following offerings:
 - (a) Hudson Shores HOA, AG File No. H00-0006 (accepted July 18, 2000); and
 - (b) 231 W. 26th Street Condominium, AG File No. CD17-0127 (accepted 9/12/17).
 - (c) 316 East 91st Street Condominium, AG File No. NA18-0169 (accepted 3/12/19).

Selling Agent

The Selling Agent for this offering is Halstead Property Development LLC, a licensed real estate brokerage firm which has offices at 831 Broadway, New York, New York 10003. The principals of the Selling Agent have been involved with the development and marketing of numerous luxury condominium and cooperative projects in New York City for over twenty (20) years. The Selling Agent, and/or the principals or officers thereof, have no financial interest in the Property or the Sponsor, except that they are to be paid a fee for their services. There have been no prior convictions, injunctions, or judgments against the Selling Agent or the principals or officers thereof that may be relevant or material to the Offering Plan or any offering of securities generally.

Architects

The Sponsor's Architect for the project is Aufgang Architects LLC, located at 74 Lafayette Avenue, Suffern, New York 10901. Aufgang Architects LLC, and/or the principals thereof, have been providing architectural services in excess of ten (10) years.

Ariel Aufgang, a registered architect in the State of New York and a principal of Aufgang Architects LLC, prepared the report which Sponsor has adopted as Sponsor's "Description of Property and Specifications." Aufgang Architects LLC, and the principals thereof, have no financial interest in the Property, the Sponsor or the Selling Agent, or any other party interested in this transaction, except for the fees for services rendered in connection with such report and other architectural services. Aufgang Architects LLC, and/or the principals thereof, have been providing architectural services in excess of ten (10) years.

Counsel to Sponsor

The Sponsor has retained the law firm of D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, 345 Seventh Avenue, 23rd Floor, New York, New York 10001, to represent it in the preparation and consummation of the Offering Plan. Jared Van Vleet, Esq., a

partner of the firm drafted the Declaration, the By-Laws, this Plan, the form of Purchase Agreement, the form of deed and all other documents necessary in connection with the formation of the Condominium, and is advising the Sponsor in connection with all legal matters incidental thereto. No separate counsel has been retained to represent the Condominium. It is suggested and expected that each Purchaser will consult and be represented by his own counsel in connection with this Offering.

D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, and/or the members thereof, have no financial interest in the Property, the Sponsor or the Selling Agent, except that they are to be paid a fee for their services.

Managing Agent

The Managing Agent for the Property for the first year subsequent to the First Unit Closing will be Choice NY Property Management LLC, which has a place of business at 254 West 31st Street, 6th Floor, New York, NY 10001. The Managing Agent or the principals thereof have been involved in the management of several Cooperatives, Condominiums and Rental properties in the greater New York metropolitan area consisting of approximately 200 properties. Choice NY Property Management LLC and/or its principals have been engaged in the management of Cooperatives, Commercial and Rental Properties for more than twenty-five years. Some of the properties that Choice NY Property Management LLC has managed is as follows:

1790 3rd Avenue, New York, NY;
 302 E 96th Street, New York, NY;
 50 Greenpoint Avenue, Brooklyn, NY;
 180 East 93rd Street, New York, NY;
 69 East 125th Street, New York, New York;
 206 Front Street, Brooklyn, New York; and
 526 West 111th Street, New York, NY.

REPORTS TO UNIT OWNERS

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

- (a) The financial statement of the Condominium prepared by a certified public accountant or public accountant by March 15th of each calendar year or the prior fiscal year; such statement shall be certified while the Sponsor is in control of the Board of Managers;
- (b) A prior notice of the annual Unit Owner's meeting;
- (c) A copy of the proposed annual budget, if any, of the Condominium within ten (10) days prior to the date set for adoption thereof by the Board of Managers. While the Sponsor is in control of the Board of Managers, it shall be Sponsor's obligation to deliver to all Unit Owners a proposed annual budget which shall be certified as to its adequacy by an expert experienced in the management of condominium, cooperative and/or rental properties.

DOCUMENTS ON FILE

Copies of this 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 under this Plan or shall have participated in the offering of such Unit, at the office of Sponsor during convenient weekday hours and shall remain available for such inspection for a period of six years from the date of the First Unit Closing. The Sponsor shall, at the time of the First Unit Closing, deliver to the Board of Managers a copy of all documents filed with the appropriate recording office.

GENERAL

A. Each Unit Owner shall be required to comply with and abide by the Declaration, the By-Laws and the Rules and Regulations of the Condominium made in accordance therewith and to pay the Common Charges levied by the Board of Managers. Such obligations shall be enforceable by the Board of Managers by foreclosure of the statutory lien against the Unit for the amount of any such unpaid Common Charges or by suit to collect the same by action for damages, by injunction or by other appropriate relief.

B. There are no lawsuits or other legal proceedings pending, the outcome of which could materially affect this Offering, the Purchasers of Units, the Property, Sponsor's capacity to perform all its obligations under the Plan, the Condominium or the operation thereof. As set forth in Special Risk 46, the St. Luke Action was commenced, settled and discontinued without prejudice prior to the filing of the Offering Plan. The settlement agreement by the parties to the St. Luke Action acknowledges that all differences have been resolved. It is Sponsor's belief that the terms of the settlement agreement do not materially affect the offering, the Property and/or Sponsor's capacity to perform all of its obligations under the Offering Plan and/or the operation of the Condominium.

C. To the best of Sponsor's knowledge, the Property located at 375 West 123rd Street, New York, New York 10027 was not the subject of a prior public offering.

D. The Declaration and By-Laws of the Condominium located in Part II of this Plan are made part of this Offering Plan.

E. Annexed to the By-Laws are the Rules and Regulations of the Condominium which shall apply until amended by the Board of Managers.

F. This Plan contains an accurate summary of the pertinent provisions of the various documents referred to herein and copies thereof are on file with the Sponsor for inspection purposes. Any information, data, or representation not referred to in this Plan and not contained in the various documents mentioned herein, must not be relied upon. This Plan does not omit any material fact or contain any untrue statement of a material fact. No person has been authorized by the Sponsor to make any representation which is not expressly contained herein.

G. Sponsor hereby represents that neither it, nor any of its agents, will refuse to sell or offer, or will otherwise discriminate against any person or persons by reason of their race, religion, color or place of national origin in the sale, transfer or lease of Units described in this Plan.

H. This Plan may not be changed or modified orally.

I. Sponsor reserves the right to revise, from time to time, the terms and conditions upon which Units are to be sold and to otherwise revise this Plan, including revisions affecting the rights, obligations and liabilities of Sponsor, Purchasers or prospective Purchasers without

obtaining the consent of Purchasers or others. However, Sponsor may neither unilaterally cancel an outstanding Purchase Agreement, except as therein provided, such as in the case of an uncured default, nor unilaterally change the purchase price or the payment terms contained in such a Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to this Plan. In the case of a material revision adversely affecting the rights, obligations or liabilities of then-existing Purchasers or reducing the undertakings or obligations of Sponsor, such Purchasers will be given, for fifteen (15) days after the presentation of the amendment, a right to rescind their Purchase Agreements by written notice to Sponsor and be refunded, except as provided for in the Plan, all monies paid thereunder, with any interest earned thereon. However, such rescission, as to a Purchaser who first became an occupant of the Building pursuant to a Purchase Agreement, will be conditioned on the cancellation of any interim use and occupancy agreement and surrender of possession of his Residential Unit within fifteen (15) days thereafter.

J. Sponsor hereby represents that neither it nor any of its agents has entered into a contract or agreement to sell a Unit and no deposits or advances of funds have been received or will be accepted, as of the date the Offering Plan is accepted for filing by the Department of Law.

RESERVATION OF AIR AND DEVELOPMENT RIGHTS

As against all other Unit Owners, their successors, assigns and/or heirs, and the Board of Managers, the Sponsor, its successors and assigns, shall have the exclusive right to cause any part or all transferable air rights and/or development rights pertaining to the Property, which Sponsor is herein reserving for itself, its successors and assigns, to be conveyed, transferred or otherwise assigned to any other premises, "zoning lot," "development" or "enlargement" as those prior three terms are now defined in the Zoning Resolution of the City of New York, as amended, and Sponsor hereby binds itself, its successors and assigns from transferring, assigning, or surrendering in whole or in part any transferable air rights and/or development rights, if such transfer, assignment or surrender shall make illegal the erection, existence or restoration or use of the Building at the time of the recordation of the Condominium Declaration or as will allow any party, including Sponsor as the holder of Unsold Units to build on or directly above the land and/or expand the Building, except the Board of Managers of the Condominium subsequent to Sponsor relinquishing control of the Board of Managers, and in such event, any construction shall be made only in accordance with the Condominium's Declaration and By-Laws. As used herein, "transferable air rights and/or development rights" shall be defined to include all such rights which exist under the current Zoning Resolution of the City of New York, as amended, and any further rights which result from future amendments to the Zoning Resolution. As stated above, the Sponsor will not build any further on or above the Property. Based upon the approved New Building Plans for the construction of the Building, currently there are no usable excess transferable air rights and/or development rights.

The Sponsor, its successors and assigns, herein have the right to cause the Board of Managers and all of the Unit Owners to take such action and execute, acknowledge, deliver and record, at the sole cost and expense of Sponsor, and/or its successors and assigns, in the Register's Office of the County of New York in the City of New York and elsewhere, if required by law, such instruments and documents, including, but not limited to (i) lease(s), zoning lot agreement(s), declaration(s), and/or grant(s) of such Unit Owner's and such Board's interests, if any, in the Property with respect only to any transferable air rights and/or development rights for the purpose of confirming the ownership of Sponsor and/or its successors and assigns; (ii) any amendment to the Condominium Declaration which the Sponsor and/or its successors and assigns deems necessary or appropriate to effectuate its rights under and for the purposes set forth in the Condominium Declaration.

Failure of the Unit Owners and Board of Managers to comply with the terms of the Condominium Declaration shall result in liquidated damages payable by the Board of Managers to the Sponsor, and/or its successors and assigns, as the case may be, in an amount equal to the purchase price to be paid to Sponsor and/or its successors and assigns for the transfer, assignment or surrender of such transferable air rights and/or development rights.

As a result of Sponsor's reservation of transferable air rights and/or development rights, the Building may not be expanded without the purchase of said rights from Sponsor. Additionally, the transfer of such development rights to adjoining premises may allow the owner of an adjoining premises to build a bigger and/or taller structure than permitted as of right under the Zoning Resolution and therefore block views of the Units being offered pursuant to the Offering Plan.

**SPONSOR'S STATEMENT OF
BUILDING CONDITION**

GENERAL

Sponsor represents that, to the best of its knowledge, the Description of Property and Specifications hereinafter set forth in Part II of the Plan, which Sponsor hereby adopts, accurately summarizes the general nature of the systems, materials, equipment, appliances and fixtures to be contained in the Building on completion of construction. Sponsor represents that Sponsor has no knowledge of any material defects or need for major repairs to the Property except as set forth in the Description of Property and Building specifications. However, Sponsor reserves the right to substitute in place thereof, without prior notice or amendment to the Plan, systems, materials, equipment, appliances and fixtures of equal or better quality. Sponsor further reserves the right to make all decisions relative to construction methods, practices and designs. In addition, Sponsor will, by the First Unit Closing or within a reasonable period thereafter, cure or cause to be cured all violations of record against the Property as set forth in the Plan.

The Description of Property and Specifications set forth in Part II of the Plan was prepared by Ariel Aufgang of the architectural firm of Aufgang Architects LLC, and is included in this Plan in reliance upon the expertise of such firm.

PART II

THIS DOCUMENT IS A LEGALLY BINDING DOCUMENT AND SHOULD BE READ CAREFULLY BY EACH PROSPECTIVE PURCHASER AND SHOULD BE REVIEWED BY EACH PROSPECTIVE PURCHASER'S ATTORNEY BEFORE EXECUTING IT.

**PURCHASE AGREEMENT ("Agreement")
99 Morningside Condominium ("Condominium")**

Purchaser's Name: _____

Social Security No.: _____

Address: _____

Telephone No.: _____

Additional Purchaser's Name: _____

Social Security No.: _____

Address: _____

Telephone No.: _____

Unit Number: _____

Percentage Interest in Common Elements: _____

*Aggregate Down Payment (not including custom work**):

a) Initial Down Payment (10%) (50% if applicable***) \$ _____

b) Additional Down Payment (5%) \$ _____

Balance Due at Closing \$ _____

Total Purchase Price*** \$ _____

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

* The term "Down Payment," as used herein, refers to both the Initial Down Payment and, if the same has been paid at the time in question, the Additional Down Payment. The Additional Down Payment is due on the earlier to occur of (i) _____ (which is one hundred twenty (120) days after Purchaser receives a countersigned copy of this Agreement from Sponsor or the Selling Agent) or (ii) fifteen (15) days after Purchaser receives a written notice or amendment to the Plan declaring the Plan effective (but in no event later than the Closing Date).

** additional Deposit for custom work \$ _____

*** If a 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), such Purchaser will be required to make an Initial Down Payment equal to fifty percent (50%) of the applicable Total Purchase Price and will not be required to make an Additional Down Payment.

Statement of Seller

99 Morningside LLC, with addresses at 40 Fulton Street, 12th Floor, New York, New York 10038, limited liability companies formed pursuant to the laws of the State of New York (hereinafter collectively the "Sponsor" or "Seller"), have promulgated a Plan of Condominium Ownership of "99 Morningside," a Condominium ("the Plan") pursuant to which the land with appurtenances and the Residential Units and the Community Facility Unit ("the Units") being newly constructed by Seller, located at 375 West 123rd Street, New York, New York 10027, will be declared to be a condominium under the provisions of Article 9-B of the Real Property Law of the State of New York on the terms and conditions more particularly set forth in the Plan.

Statement of Purchaser

Purchaser acknowledges as follows:

I have received and read a copy of the Plan and all filed amendments thereto. Said Plan, which includes the Declaration to be made by the Seller and to be recorded in the Office of the Register of the City of New York, New York County, the Schedules, By-Laws and Rules and Regulations attached thereto, are incorporated herein by reference and made part of this Agreement with the same force and effect as if fully set forth herein.

AFTER DELIVERING AN EXECUTED AGREEMENT, TOGETHER WITH THE REQUIRED DEPOSIT, I WILL BE AFFORDED SEVEN (7) DAYS TO RESCIND THIS PURCHASE AGREEMENT AND HAVE THE FULL DEPOSIT REFUNDED TO ME PROMPTLY, PROVIDED THAT I HAVE NOT HAD AN OPPORTUNITY TO REVIEW THE OFFERING PLAN AND ANY FILED AMENDMENTS FOR AT LEAST THREE (3) BUSINESS DAYS PRIOR TO SUCH DELIVERY. SUCH RESCISSION MUST BE BY WRITTEN NOTICE, ADDRESSED TO SPONSOR, AND BE POSTMARKED OR HAND DELIVERED NO LATER THAN MIDNIGHT OF THE 7TH DAY SUBSEQUENT TO MY DELIVERING THE EXECUTED PURCHASE AGREEMENT. IF I HAVE HAD AN OPPORTUNITY TO REVIEW THE OFFERING PLAN AND ANY FILED AMENDMENTS FOR NOT LESS THAN THREE (3) BUSINESS DAYS PRIOR TO MY MAKING THE AFORESAID DELIVERY, I SHALL NOT BE PERMITTED THE AFOREMENTIONED SEVEN (7) DAY TIME PERIOD TO RESCIND THIS PURCHASE AGREEMENT.

The seven (7) day rescission period is (delete whichever is incorrect): applicable; not applicable.

Purchaser has been given an opportunity to examine the architectural plans for the above-numbered Unit and for the building in which it is located ("the Building"), prepared by Aufgang Architects LLC ("the Architect").

Purchaser is desirous of purchasing the above-numbered Unit or Units, as designated in the Declaration and on the floor plans filed or to be filed in the aforesaid Register's Office, together with an undivided interest appurtenant thereto to in the Common Elements appurtenant thereto

(the above-numbered Unit and the undivided interest being hereinafter collectively called the "Unit");

Agreement Between Sponsor and Purchaser

For good and valuable consideration, receipt of which is hereby acknowledged, Seller and Purchaser mutually agree as follows:

1. **Payment for Unit.** Seller hereby agrees to sell and Purchaser hereby agrees to purchase the Unit for the Total Purchase Price stated above. The Initial Down Payment stated above has been made on the signing of this Agreement, receipt of which by check subject to collection is hereby acknowledged by Sponsor. For all Purchasers who are required to make an Initial Down Payment of ten percent (10%) of the Total Purchase Price, within one hundred twenty (120) days after receipt of the executed Purchase Agreement from Sponsor or upon the Plan being declared effective, whichever is earlier, the Additional Down Payment equal to five percent (5%) of the Total Purchase Price must be made by Purchaser or Purchaser shall be in default under the terms of this Agreement. No Additional Down Payment shall be required if the Purchaser is a foreign government or other person or entity referenced on the cover page of this Purchase Agreement and who or which has made a fifty percent (50%) Initial Down Payment as required above. If the check representing the Initial Down Payment or the Additional Down Payment is returned for insufficient funds or for any other reason (i) such return shall be deemed a non-curable default by Purchaser and this Agreement shall automatically be deemed cancelled, and (ii) upon such cancellation Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made and without any obligation to account to Purchaser for any of the proceeds of such sale. Notwithstanding anything herein to the contrary, whether or not the Sponsor has canceled this Agreement as provided above, if the Sponsor has not collected the proceeds of any check for any payments due under this Agreement, then the Sponsor may take such actions at law and in equity as may be required in order to collect such payments and any and all costs of collection, including, without limitation, all attorneys' fees and expenses incurred by the Sponsor in connection therewith. The Balance Due at Closing shall be payable at the closing of title, as hereinafter provided in Paragraph 2, by unendorsed certified or cashier's check of Purchaser drawn on a bank or trust company which is a member of the New York Clearing House Association to the order of Seller or as otherwise directed by Sponsor.

2. **Closing of Title.** The closing of title shall take place on no less than thirty (30) days' prior written notice to Purchaser at such place as Sponsor may designate, at an hour and on a date (hereinafter called the "Closing Date") to be specified by Sponsor. Such date shall be no earlier than thirty (30) days after the date on which written notice is given to Purchaser that the Plan has been declared effective (unless Purchaser and Sponsor shall agree on an earlier Closing Date). Sponsor shall have the right, from time to time, to adjourn the Closing Date on written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for the closing of title to the Unit and shall give Purchaser not less than five (5) days written notice of the newly scheduled Closing Date. Purchaser shall be entitled to one reasonable adjournment of up to fifteen (15) days,

on five (5) days written notice by Purchaser to Sponsor, provided that Purchaser may not seek an adjournment of any kind based upon any provision set forth in Paragraph number 18(i) herein. If, through no fault of Sponsor, Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date, or the Adjourned Closing Date (hereinafter the "Adjourned Closing Date"), and Sponsor does not have the right to, or elects not to, cancel this Agreement as a result of the same, (a) the adjustments for real estate taxes and Common Charges will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the closing of title occurs, and (b) Purchaser will be required to pay 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 total 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.

At the closing of title Sponsor shall deliver to Purchaser a bargain and sale deed, with covenant against grantor's acts, conveying the Unit to Purchaser, such deed to be in the form contained in Part II of the Plan, executed and acknowledged by Sponsor in form for recording.

Simultaneously with the delivery of the deed, Purchaser (i) shall cause the proceeds of any mortgage loan to be transferred to the Sponsor on account of the Total Purchase Price, (ii) if applicable, shall execute and deliver to the mortgagee the note and mortgage, and any other documents required by the mortgagee, as well as any documents required by Sponsor and (iii) shall deliver the Balance Due at Closing.

Title to the Unit will close only after or concurrently with the occurrence of the events set forth in the Section of the Plan entitled "Closing of Title to Units".

3. Power of Attorney to Board of Managers and Sponsor. At the closing of title and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge the power of attorney to the Board of Managers and Sponsor in the form contained in Part II of the Plan. Purchaser agrees to deliver such power of attorney to Sponsor at the closing of title for recording and to pay the recording fee.

4. Binding Effect of Declaration, By-Laws, Plan, Rules and Regulations. Purchaser hereby agrees to be bound by the Declaration, the By-Laws, the Rules and Regulations and the Plan, as same may be amended from time to time.

Purchaser acknowledges the Declaration, the By-Laws and Regulations set forth the following with respect to smoking in the Building:

No person may carry or smoke any kind of lighted pipe, cigar, cigarette, tobacco, or any other lighted smoking apparatus, equipment or product, including but not limited to electronic cigarettes (hereinafter referred to collectively as "Smoking Apparatus") in any of the common

areas of the Building, whether indoor or outdoor, at any time. Though smoking shall be permitted in any Residential Unit or Residential Limited Common Element appurtenant thereto, including a private balcony, terrace, and/or garden, no person may smoke or otherwise burn any Smoking Apparatus in any Residential Unit or Residential Limited Common Element appurtenant thereto in a manner which causes smoke to be a nuisance or annoyance to any other resident of the Condominium.

5. **Condition of Title.** Sponsor agrees to convey to Purchaser title in fee simple to the Unit free and clear of all liens and encumbrances other than those set forth in the Plan, specifically in Part I thereof in the section titled "Terms of Sale," and Exhibits submitted in connection therewith (as well as other mortgages, if any, obtained by Purchaser).

Notwithstanding the above, the existence of unpaid taxes or liens of any kind at the time of title closing shall not constitute an objection to title, provided that a reputable title insurance company licensed to do business in the State of New York shall be willing to insure against collection of same from the Unit herein described. The parties agree that the Sponsor may pay and discharge any liens and encumbrances upon the property, not provided for in the Plan or this Agreement, out of the monies to be paid by the Purchaser at the time of closing title.

6. **Expenses of Closing and Closing Adjustments.** Purchaser will pay the closing costs and expenses referred to in the Section of the Plan (as same may be amended to date) entitled "Unit Closing Costs and Adjustments," including, but not limited to, the amount of any credit for mortgage recording tax or mortgage recording tax reimbursement as set forth in such Section, payment for title insurance, if Purchaser elects or is required by a lender to obtain same, recording fees for recording the Deed, Power of Attorney and any Partial Release and/or UCC-3 Termination Statement for the Unit related to Sponsor's financing encumbering the Building, real estate taxes, New York City Real Property Transfer Tax, New York State Transfer Tax, Sponsor's attorney's fees for closing the Unit, and costs associated with obtaining a mortgage loan. The legal fees of Sponsor's attorneys in the amount of \$3,000.00 will be payable by Purchaser to D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, if rendered by such firm, provided that an additional fee of \$750.00 per closing shall be due and payable for any Unit closing which occurs outside the office of Sponsor's attorneys at the request of Purchaser, Purchaser's attorney, Purchaser's lender or the title company. A further fee of \$750.00 shall be payable by Purchaser to Sponsor's attorneys for the work involved for each assignment of a purchase agreement or contract. Assignments are permitted only with prior written consent of Sponsor. Finally, a legal fee in the amount of \$750.00 shall be paid by Purchaser to Sponsor's attorneys for each cancellation of a Purchase Agreement and/or release related thereto if prepared by such firm. Purchaser will also pay to the Board of Managers the sum equal to two months of Common Charges for the Unit being purchased as Purchaser's contribution to the Working Capital Fund of the Condominium. Except as otherwise provided in this agreement, real estate taxes and Common Charges and expenses shall be adjusted between Sponsor and Purchaser as of midnight preceding the Closing Date in accordance with the provisions of the Plan. Any such expenses or adjustments payable to Sponsor in excess of \$750.00 will be paid by certified check or bank check drawn on a bank or trust company which is a member of the New York Clearing House Association or any

successor organization. The obligation of the Purchaser to pay the transfer taxes as stated above shall survive the Closing.

Notwithstanding anything herein to the contrary, one of Purchaser's costs of closing title to his or her Unit shall be the payment of the cost of fee title insurance, if Purchaser elects to obtain title insurance. Purchaser may order such insurance from any reputable title or abstract company authorized to do business in the State of New York, including First American Title Insurance Company. Title insurance rates are regulated by law, subject to the approval of the Department of Financial Services of the State of New York, and should be the same, regardless of the title or abstract company used, for any given property.

7. **Agreement Subject to Mortgages.** Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any building loan mortgage or development loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of lender's right to make advances before they become due in accordance with the schedule of payments. Notwithstanding anything to the contrary contained in this Paragraph 7, however, on the Closing Date the only mortgage to which the Unit will be subject will be to the mortgage(s) obtained by Purchaser, if any.

8. **Mortgage Financing Contingency.** THE PURCHASE OF THE UNIT WILL NOT BE CONDITIONED ON FINANCING AND THIS PARAGRAPH HAS BEEN INTENTIONALLY DELETED. Any prospective purchaser who executes this Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. A purchaser will be obligated to pay the balance of the Purchase Price regardless of the fact that either: (i) such Purchaser fails, or is unable to obtain a satisfactory mortgage commitment, or (ii) once a satisfactory mortgage commitment has been obtained, the same either lapses, expires or is terminated. In the event that a Purchaser fails, neglects or refuses to duly pay the balance of the Purchase Price for any reason, including financing problems, such Purchaser will be in default under this Purchase Agreement. Prospective purchasers who require financing are advised to consult with a lending institution before execution of this Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing.

9. **Default by Purchaser.** If Purchaser shall fail to pay any portion of the Down Payment or the balance of the Total Purchase Price when due, fail to close title on the date, hour and place specified by Sponsor pursuant to Paragraph 2 hereof or on the Adjournment Closing Date or fail to perform any of Purchaser's other obligations hereunder, such failure shall constitute a default by Purchaser. Sponsor shall notify Purchaser in writing of such default and advise Purchaser that he has thirty (30) days from the mailing date or thirty (30) days after personal

delivery of such notice within which to cure such default. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THIS AGREEMENT WITHIN SUCH THIRTY (30) DAY PERIOD. If such default is not cured within thirty (30) days from the mailing date or thirty (30) days after personal delivery of such written notice, Sponsor has no obligation to extend the time to cure and may (but shall not be obligated to) elect to cancel the Purchase Agreement. If Sponsor elects to cancel the Purchase Agreement, Sponsor shall notify Purchaser in writing of said cancellation and the Down Payment and any other amounts paid by Purchaser for any special or custom work (to the extent that such funds have been used by Sponsor to pay for such custom or special work ordered by Purchaser (collectively hereinafter the Down Payment and such deposits are referred to as the "Deposit" or "Deposits")) shall be paid over to Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void. In the event that Sponsor shall elect so to cancel this Agreement, Sponsor shall certify to its attorneys, D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, that title has not closed because of Purchaser's default, that a notice to cure was delivered to Purchaser and Purchaser has failed to cure the default within thirty (30) days from the mailing date or within thirty (30) days from personal delivery of such notice and that Sponsor has elected to cancel this Agreement by reason thereof, and D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, shall thereupon pursuant to Paragraph 16 hereunder, cause to have paid over to Sponsor as liquidated damages the Down Payment (and the actual cost incurred by Sponsor for any custom and special work in the Unit ordered by Purchaser) and any interest earned thereon, and upon such payment being made each of the parties hereto shall be relieved of any further liabilities or obligations hereunder. If Sponsor instructs the Escrow Agent to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Down Payment. If the Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to either (a) upon closing of title to the Unit, to Sponsor, pursuant to the terms and conditions set forth in this Purchase Agreement; (b) a subsequent writing signed by both Sponsor and Purchaser; or (c) a final, non-appealable order or judgment of a court. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the Condominium is located and shall give written notice to both parties of such deposit. Sponsor shall reimburse D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP insofar as it is acting in its capacity as Escrow Agent for its reasonable cost and expenses, including attorney's fees and the fair value of legal services rendered by the Escrow Agent to itself incurred as a result of any dispute or litigation concerning the right to the Deposit. Sponsor shall not seek the remedy of specific performance in connection with Purchase Agreements as to which there has been a default by Purchaser. If this Agreement shall be canceled by Sponsor pursuant to the provisions of this Paragraph 9, Sponsor may sell the Unit to any third party and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP may rely upon the truth and accuracy of the facts

contained in Sponsor's certification and the authority of the person or persons executing the same and shall have no liability as a result of such reliance.

10. **Agreement May Not be Assigned; Advertising.** Purchaser shall have no right to assign this Agreement without the prior consent in writing of Sponsor and any purported assignment of this Agreement in violation hereof shall be voidable at the option of Sponsor. In the event Sponsor consents to the assignment of this Agreement, Purchaser shall pay D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP the legal fee of Sponsor's attorneys for reviewing the assignment agreement. Such fee shall be approximately \$350.00, plus disbursements. Prior to and for eighteen (18) months subsequent to the closing of title to the Unit, Purchaser shall not advertise or otherwise offer, promote or publicize the availability of such Unit for sale or resell the Units. The provisions of this paragraph shall survive the closing of the Unit.

11. **Notices.** Any notice to be given hereunder shall be in writing and sent by registered or certified mail or personal delivery to Purchaser at the address given above and to Sponsor at 40 Fulton Street, 12th Floor, New York, New York 10038 (with a copy to D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, 345 Seventh Avenue, 23rd Floor, New York, New York 10001) or at such other address as either party may hereafter designate to the other in writing. All such notices and communications shall be deemed to have been received on the date of personal delivery or on the fifth day after mailing.

12. **No Representation.** Except as herein or in the Plan specifically set forth, Purchaser acknowledges that he has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties or statements of any nature, whether made by Sponsor, Sponsor's Counsel or Sponsor Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Building or the Unit, the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the building services or amenities, the estimated Common Charges and expenses allocable to the Unit or the right to any income tax deduction on account of any real estate taxes and/or mortgage interest paid by Purchaser. Purchaser agrees that Sponsor shall have no liability or responsibility to Purchaser if the layout or dimensions of the Unit or any part thereof or of the Common Elements as shown on the floor plans or on the architectural plans and specifications for the Building are not accurate or correct, provided such layout or dimensions conform substantially to the floor plans and the architectural plans and specifications for the Building and the site as modified or supplemented in accordance with the Plan and that Purchaser will not be relieved from his obligations hereunder by reason of any minor inaccuracy or error. This provision shall survive the closing of title to the Unit.

13. **Recording of Deed and Power of Attorney.** At the closing of title, Purchaser will deliver the executed deed received from Sponsor and executed and acknowledged power of attorney to the representative of the title company, if any, or to Sponsor for recording in the Office of the Register of the City of New York, New York County. Such deed and power of attorney will be in the form set forth in the Plan.

14. **Binding Effect.** This Purchase Agreement shall not be effective or binding on Sponsor until a counterpart hereof is executed by Sponsor and delivered to Purchaser. Subject to the provisions hereof, this Purchase Agreement shall bind and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and permitted assigns.

15. **Agreement Subject to Plan Becoming Effective; Sponsor's Right to Cancel.** This Purchase Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned by Sponsor at any time prior to its being declared effective and before eighty percent (80%) of the Residential Units have been purchased. Sponsor also reserves the right to abandon the Plan after it has been declared effective pursuant to other provisions of the Offering Plan as set forth in the section titled "Effective Date of Plan". Additionally, the Plan shall be abandoned and deemed abandoned if it has not been declared effective within the time prescribed by the Plan. If the Plan is abandoned or does not become effective this Purchase Agreement shall be deemed cancelled, and the Plan terminated and Purchaser is to receive back, not later than five (5) days thereafter, in full, all monies paid by him hereunder, and upon such repayment no party shall have any claim against any other party, person or entity, and all parties shall be released from all obligations hereunder and under the Plan. If, after the Plan is declared effective, title to the Unit shall not close within the time set forth in Paragraph 2 hereof or in the Plan, for any reason other than Purchaser's default, then, at Purchaser's option, upon prior written notice sent by Purchaser to Sponsor within fifteen (15) days subsequent to the end of the scheduled closing date, after permitted adjournments, this Purchase Agreement shall be deemed cancelled. If this Purchase Agreement is cancelled pursuant to the provisions of this paragraph, then not later than five (5) days thereafter, Purchaser shall receive a refund in full, of all monies paid by Purchaser hereunder, with the interest earned thereon, if any. Upon such repayment, neither party shall have any claim against the other and both shall be released from all obligations.

Sponsor may cancel this Purchase Agreement by forwarding its check in the full amount paid by the Purchaser, together with a notice in writing, addressed to the Purchaser at his address hereinabove set forth in the event of the occurrence of any of the following: (a) that any governmental bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restrictions shall prevent the Sponsor from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the dwellings; or (b) that the Sponsor is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, acts of God or if the installation of public utilities is restricted or curtailed.

16. **Down Payment Deposit; Escrow Agent and Escrow Account; Down Payment; Payment of Purchase Price; Notice of Closing.**

The required aggregate Down Payment pursuant to this Agreement will be either fifteen percent (15%) or, if applicable, fifty percent (50%) of the Total Purchase Price for the Unit set forth in the Plan, as amended, which Down Payment shall be increased by special custom work or

materials, if any, requested by Purchaser and agreed to by Sponsor in its sole discretion and as itemized in this Agreement.

In accordance with section 71-a(3) of the Lien Law, Sponsor has appointed the law firm of D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, with an address at 345 Seventh Avenue, 23rd Floor, New York, NY 10001, telephone number (212) 564-9800, to serve as escrow agent (the "Escrow Agent") for Sponsor and Purchaser to hold all Deposits, other than the deposit for a copy of the Offering Plan, received by it from Purchasers, either directly or through its agents or employees in trust. The Escrow Agent has established the escrow account at Bank Hapoalim, B.M., located at 1120 Avenue of the Americas, New York, NY 10036 (the "Escrow Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP Escrow Account for 99 Morningside Condominium or a similar name (the "Escrow Account"). Purchasers are further advised that a Purchaser's funds are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000.00 in the aggregate per account type per insured bank. If a Purchaser makes a Down Payment in excess of \$250,000.00 for the purchase of a Unit, such Down Payment will not be federally insured in excess of \$250,000.00. Additionally, if Purchaser has an additional account at the Escrow Bank, the aggregate of Purchaser's funds at the Escrow Bank, including funds in the additional account and the Down Payment, may not be insured in excess of \$250,000.00. Therefore, if a Purchaser has an additional account at the Escrow Bank, that a Purchaser's Down Payment, including a Down Payment that is less than \$250,000.00, may not be insured in part or in its entirety. Furthermore, while the Down Payment is in the non-interest bearing check portion of the Master Escrow Account, the Down Payment may not be fully federally insured, even if the Down Payment does not exceed \$250,000.00. Purchaser should consult with the FDIC website and with their attorneys to determine which part, if any, of their funds are insured by the FDIC. Sponsor and Escrow Agent make no guarantee of the solvency of the Bank. If the limits of federal bank deposit insurance change in any manner in the future, Escrow Agent will have no obligation to make any changes to the Escrow Account.

The Escrow Agent has designated the following partners to serve as signatories: John D'Agostino, Esq., Michael J. Levine, Esq., Wayne R. Landesman, Esq., Bruce H. Lederman, Esq., Bettina Miraglia, Esq., Jose M. Rivera, Esq., Brian T. Sampson, Esq. and Jared B. Van Vleet, Esq. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Agent 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 or release of the Deposit from escrow.

The 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 or release of the Deposit from escrow.

All Deposits remitted to Escrow Agent shall be in the form certified or official checks, personal checks subject to collection, wire transfers, upon prior consent of Sponsor and Escrow Agent, and shall be made payable to, or endorsed by the Purchaser to, the order of D'Agostino, Levine, Landesman, Lederman, Rivera & Sampson, LLP, as Escrow Agent.

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts. Interest shall begin to accrue as of the date the deposit of the Deposit clears and is posted by the Bank to the Escrow Account. Absent Purchaser's default, all interest earned thereon shall be paid to or credited to the Purchaser at closing. Prior to the release of the Deposits, no fees of any kind from the principal or any interest earned thereon may be deducted from the Escrow Account, and the Sponsor shall bear all administrative costs associated with the maintenance of the Escrow Account.

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

The Escrow Agent is obligated to send notice to the Purchaser once the Deposits are placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after the Purchase Agreement has been executed by all necessary parties and tendered, along with the Deposits, to the Escrow Agent, (the "Date of Tender") he or she may cancel the Purchase Agreement within ninety (90) days after the Date of Tender. 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, New York, 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposits were timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

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

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

The Escrow Agent shall release the Deposits if so directed:

- (a) upon closing of title to the Unit, to Sponsor, pursuant to the terms and conditions set forth in this Purchase Agreement; or
- (b) in a subsequent writing signed by both Sponsor and Purchaser; or
- (c) by a final, non-appealable order or judgment of a court.

If the Escrow Agent is not directed to release the Deposits pursuant to paragraphs (a), (b), or (c) above, and the Escrow Agent receives a request by either party to release the Deposits, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposits. If the Escrow Agent has not received notice of objection to the release of the Deposits prior to the expiration of the thirty (30) day period, the Deposits 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 Deposits within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposits 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 Deposits contained in the Escrow Account with the clerk of the county where the Condominium is located and shall give written notice to both parties of such deposit.

The Sponsor shall not object to the release of the Deposits to:

- (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment thereto; or
- (b) all Purchasers after an Amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

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

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

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

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).

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

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.

Sponsor shall obtain, or cause the selling agent under the Offering Plan to obtain, a completed and signed W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), whichever may be applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement. Notwithstanding anything contained herein to the contrary, unless and until Purchaser has delivered to the Escrow Agent a completed and originally-executed Form W-9 or Form W-8BEN, whichever may be applicable, the Down Payment will be deposited in a non-interest-bearing escrow account at the Bank.

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

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 to itself.

As an alternative to depositing Down Payments in escrow as set forth above, Seller may post a bond or indemnity contract with a licensed surety company ensuring return of such monies, which bond or contract is to be delivered to Purchaser. The use of the foregoing alternative escrow will first be disclosed in an amendment to the Offering Plan and made subject to all applicable laws and regulations. See "Rights and Obligations of Sponsor" section of the Offering Plan for further information.

YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU

IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.

In the event of an uncured default by Purchaser in his obligations under the Purchase Agreement, no more than fifteen percent (15%) or, if applicable, fifty percent (50%) of the Total Purchase Price plus any interest earned thereon, may be retained as liquidated damages. Notwithstanding the above, the actual cost incurred by Sponsor for any special work in the Unit ordered by Purchaser may also be retained as liquidated damages. Sponsor agrees not to seek the remedy of specific performance in connection with Purchase Agreements as to which there has been a default by Purchaser. No Down Payment or other monies shall be released pursuant to an uncured default by Purchaser prior to the First Unit Closing and/or the Consummation of the Plan.

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

Following the declaration of effectiveness of the Plan, Purchaser will be given at least thirty (30) days prior written notice of the closing date for his Unit, which notice will also remind him of his obligation to pay the balance of the purchase price at that time and will state when Common Charges will be due and payable.

17. Equipment and Furnishings. Sponsor will provide Purchaser only with the fixtures, equipment, hardware, appliances and furnishings referred to in the Plan, which are included in the purchase price of the Unit. Furnishings, equipment, appliances and decorations in any model unit or sales office not referred to in the Plan are excluded from this sale unless specifically included by a rider to this Purchase Agreement. The cost of any such items will be added to the purchase price of the Unit.

18. Acceptance of Condition of Unit; Risk of Loss.

(i) Purchaser shall accept title (without abatement in or credit against the purchase price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit, including custom work, or the Building or (b) other Units or (c) any recreation facilities or amenities or (d) the landscaped areas or (e) other portions of the Common Elements have not been completed. Minor details referred to in (a) above shall include but not be limited to any items which Sponsor and Purchaser agree to and set forth on the Punchlist Inspection Statement, appearing in Part II of the Plan. The Punchlist Inspection Statement shall survive the closing of title.

(ii) Prior to the closing of title to a Unit, no Purchaser shall be permitted to enter the Unit without the prior consent of Sponsor or the Sponsor Agent. Purchaser shall have the right to enter and inspect such Unit prior to the closing of title, but shall be obligated to make an inspection appointment with Sponsor or the Selling Agent. Under no circumstances shall Purchaser perform or cause to be performed any work in such Unit prior to the closing of title thereto.

(iii) Purchaser represents to Sponsor that he has examined the Unit and agrees that his execution of this Purchase Agreement shall constitute acceptance of the Unit and the Building and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein, in their present condition on the date of this Purchase Agreement, subject to reasonable use, wear, tear and natural deterioration between the date of this Purchase Agreement and the Closing Date and subject to any other obligations of Sponsor under the terms of the Plan.

(iv) The risk of loss from fire or other casualty with respect to the Unit shall remain with Sponsor until the closing of title for the Unit. Sponsor at its sole discretion, reserves the right to either repair or restore such Unit whereupon Purchaser shall be obligated to close without an abatement in the purchase price, or not repair or restore and grant Purchaser the right to rescind the Purchase Agreement. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to the Unit, which is not otherwise covered by either the Condominium's insurance or the Sponsor's insurance. Additionally, in the event that Purchaser, or one claiming by or through Purchaser enters into possession of the Unit prior to the closing of title, Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit and Sponsor shall not be obligated to repair any damages to the Unit or its appliances, fixtures and equipment. Accordingly, Purchaser, or one claiming by or through Purchaser, who takes possession of the Unit prior to the closing of title should obtain insurance coverage for the Unit prior to taking possession, since, despite any loss, Purchaser will remain obligated to purchase the Unit under the terms of this Purchase Agreement, without any abatement in the purchase price. PURCHASER SHOULD CONSULT WITH AN ATTORNEY AND/OR INSURANCE AGENT AS TO HIS OR HER INSURANCE NEEDS.

19. **Possession of Unit Prior to Closing.** It is expressly understood and agreed that the Purchaser shall in no event take possession of the Unit prior to the time of the delivery of the deed and full compliance by the Purchaser with the terms of this Purchase Agreement, and should the Purchaser violate this provision, the Purchaser consents that the Sponsor shall have the right to remove him from the Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default hereunder at the option of the Sponsor if the Sponsor so elects, the Sponsor may cancel this Purchase Agreement and the amount deposited hereunder shall belong to the Sponsor as liquidated damages deemed earned hereunder. It is further understood and agreed that the Sponsor will not be responsible for damage or loss to any property belonging to Purchaser whether same is delivered to the property before, on or after the closing of title herein.

20. **Limitation of Sponsor's Liability.** The Sponsor's liability under this Purchase Agreement for failure to complete and/or deliver title for any reasons whatsoever shall be limited to the return of the money deposited hereunder (with interest, if any), and upon the return of said money, this Agreement shall be null and void and the parties hereto released from any and all liability hereunder. In any event, the Sponsor shall not be required to bring any action or

proceeding or otherwise incur any expense to render the title to the Unit marketable or to cure any objection to title.

21. **Definitions.** The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be deemed joint and several. The terms used herein shall have the same meanings as ascribed thereto in the Plan.

22. **Gender.** The use of the masculine gender in this Purchase Agreement shall be deemed to refer to the feminine gender or to an entity whenever the context so requires.

23. **Other Agreements.** This Purchase Agreement supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them and no oral representations or statements shall be considered a part hereof.

24. **Amendment of Purchase Agreement.** This Purchase Agreement may not be amended, altered or discharged except by agreement in writing signed by the party sought to be charged therewith or by his, her or its duly authorized agent.

25. **Brokerage.** Purchaser represents and warrants to Sponsor that Halstead Property Development LLC and _____, as the co-broker, are/is the only broker(s) or sales agents with whom Purchaser has dealt in connection with this transaction, hereinafter the "Broker". Sponsor agrees to pay the commission earned by the Broker pursuant to a separate agreement between Sponsor and Broker. Purchaser agrees that should any claim be made against Sponsor or Broker, for commissions by any other broker or co-broker, other than the aforementioned Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor and Broker free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this paragraph 25 shall survive the closing of title.

26. **Governing Law.** This Purchase Agreement shall be governed by and construed in accordance with the law of the State of New York, notwithstanding the principals of Conflict of Laws.

27. **Jury Waiver.** Purchaser hereby waives trial by jury in any action, proceeding, or counterclaim involving any matter whatsoever arising out of, or in any way connected with this Purchase Agreement or the relationship of the parties as Purchaser and Sponsor, or the right of Purchaser to any statutory relief or remedy.

28. **Costs of Enforcing and Defending Agreement.** Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in successfully defending Sponsor's rights under this Purchase Agreement, or in the event Purchaser defaults under this Purchase Agreement beyond any applicable grace period, in canceling this Purchase Agreement or otherwise successfully enforcing either Seller's rights or Purchaser's obligations hereunder.

29. **Acceptance by Seller.** Within twenty (20) days after delivery to Seller or its Agent by Purchaser of this Purchase Agreement, executed by Purchaser, together with the required Initial Down Payment, Seller will either:

- (a) accept this Purchase Agreement and cause to be returned to Purchaser a fully executed counterpart thereof, or
- (b) reject this Purchase Agreement offer and refund the Initial Down Payment tendered by Purchaser.

If Seller takes no action within said twenty (20) day period this Purchase Agreement shall be deemed null and void and Seller will return Purchaser's Down Payment within twenty (20) days.

Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Prior to Sponsor's countersigning and returning this Purchase Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Purchase Agreement without cause or explanation to Purchaser. This Purchase Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

30. **Transfer Tax Returns.** At closing, Purchaser will duly complete and sign before a Notary Public the transfer tax return required to be filed with the City of New York and the appropriate New York State form (TP-584 or its successor) required to be filed with the New York County Register's office. This transfer tax return and TP-584 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.

31. **Foreign Investment in Real Property Tax Act.** Pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA), upon disposition of a United States real property interest by a foreign person on or after February 17, 2016, the Purchaser of such real property interest must deduct and withhold a tax equal to fifteen percent (15%) of the purchase price unless the Sponsor furnishes a certificate that it is not a foreign entity or individual. Sponsor, a New York limited liability company, will furnish to Purchaser a non-foreign certification at closing, thereby complying with FIRPTA and relieving Purchaser from any withholding obligations.

32. **Custom Work.** Purchaser acknowledges and agrees that all custom work ordered by Purchaser and consented to by Sponsor in its sole and absolute discretion, is to be performed by Sponsor's contractors. The cost of such custom work will be in addition to the total purchase price for the Unit and will be at the sole cost and expense of Purchaser. The initial downpayment for the purchase of the Unit will be increased by the total cost of the custom work. Although initially deposited in escrow, upon the rescission of a Purchase Agreement by Purchaser, the funds

deposited for the extra custom work will not be refunded to the Purchaser to the extent such funds have already been expended or will be expended on costs Sponsor has accrued and is obligated to pay with respect to custom work. In the event that the Offering Plan is abandoned or withdrawn by the Sponsor, all funds received for custom work will be refunded.

33. **Damage to Public Improvements, Amenities and Common Elements.** Purchaser shall repair and/or restore to their original condition and standards any public improvement, amenity or Common Element on the Property damaged by Purchaser or Purchaser's agents, employees, contractors or licensees. Upon failure of Purchaser to complete such repair and/or restoration work within thirty (30) days after written notice from Sponsor, then and in that event, Sponsor may complete same at the expense of Purchaser who shall reimburse Sponsor for the cost thereof immediately upon demand. This paragraph shall survive delivery of the deed at Closing.

34. **Waiver of Diplomatic or Sovereign Immunity and Consent to Jurisdiction.** If applicable, 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) will be required at the time of closing of title to the Purchaser's Unit, to expressly waive any and all immunity from suit by Sponsor and/or the Board of Managers of the Condominium. Such Purchasers at closing will be required to execute the "Waiver of Diplomatic or Sovereign Immunity and Consent to Jurisdiction" which is attached hereto as Exhibit A to the Purchase Agreement.

35. **Confidentiality.** Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by 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.

36. **Purchaser's Representations Regarding OFAC and the Patriot Act.** 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 downpayment 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 downpayment.

Purchaser is not now, nor shall it be at any time prior to or at the Closing, 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 (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 nor any person who owns an interest in Purchaser is now nor shall be at any time prior to or at the Closing 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.

Purchaser has taken, and shall continue to take until the Closing, 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. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. App. Section 1701 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.

Purchaser shall comply with any and all applicable reporting requirements of governmental or quasi-governmental agencies, including, but not limited to, the United States Department of the Treasury, regarding the natural born individuals who own and control a Purchaser that is an entity and/or source of the funds utilized to consummate the transaction memorialized by this Purchase Agreement.

Purchaser shall comply with any and all applicable reporting requirements of governmental or/or quasi-governmental agencies, including, but not limited to, the United States Department of the Treasury.

The provisions of this paragraph 36 shall survive the Closing of title to the Unit or termination of this Agreement.

37. **Survival.** The closing of title to the Unit and the delivery of the deed thereto shall be deemed full compliance by Sponsor with each and every term of this Purchase Agreement, except as to any item specifically listed and excepted therefrom. All representations under the Offering Plan, all obligations pursuant to the GBL, and such additional obligations under the Offering Plan which are to be performed subsequent to the closing date will survive delivery of the deed.

38. **Smoking Policy.** Purchaser acknowledges the Condominium's smoking policy is as follows:

No person may carry or smoke any kind of lighted pipe, cigar, cigarette, tobacco, or any other lighted smoking apparatus, equipment or product, including but not limited to electronic cigarettes (hereinafter referred to collectively as "Smoking Apparatus") in any of the common areas of the Building, whether indoor or outdoor, at any time. Though smoking shall be permitted in any Residential Unit or Residential Limited Common Element appurtenant thereto, including a private balcony, terrace, and/or garden, no person may smoke or otherwise burn any Smoking Apparatus in any Residential Unit or Residential Limited Common Element appurtenant thereto in a manner which causes smoke to be a nuisance or annoyance to any other resident of the Condominium.

39. **Conflict with Plan.** Any conflict between the Plan and this Purchase Agreement will be resolved in favor of the Plan.

40. **Counterparts.** This Purchase Agreement and any Rider(s) attached thereto may be executed by facsimile and/or pdf signature and/or in any number of counterparts and each of such facsimile and/or pdf signature and/or counterpart shall for all purposes be deemed to be an original; and all such facsimile and/or pdf signatures and/or counterparts shall together constitute but one and same Purchase Agreement.

41. **Captions.** The captions in this Purchase Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Purchase Agreement, or the intent of any provision hereof.

Dated: _____, New York
_____, 20__

L.S.

Purchaser

L.S.

Purchaser

Accepted:

99 Morningside LLC

By: _____
Guido Subotovsky, Manager

Dated: _____, 20__

ESCROW AGENT:

D'Agostino, Levine, Landesman, Lederman,
Rivera & Sampson, LLP

By: _____
_____, Partner

**WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY
AND CONSENT TO JURISDICTION**

In consideration of Sponsor/Seller conveying title to Unit _____ in the 99 Morningside Condominium, a Condominium located at 375 West 123rd Street, New York, New York 10027 and for other good and valuable consideration to Sponsor/Seller, the receipt and sufficiency of which is hereby acknowledged by Sponsor/Seller, Purchaser hereby agrees to the following:

- (1) Capitalized terms used and not otherwise defined in this Waiver shall have the respective meanings ascribed thereto in the Offering Plan, as amended from time to time.
- (2) Purchaser represents and warrants that the Purchase Agreement for Unit _____ and the sales transaction contemplated thereunder is a commercial rather than a public or governmental act, and that Purchaser is not entitled to claim immunity from legal proceedings with respect to Purchaser or any property of Purchaser on the grounds of sovereignty or otherwise under any law or in any jurisdiction where any action may be brought for enforcement of Purchaser's obligations thereunder.
- (3) To the extent that Purchaser has now or may hereafter acquire such, Purchaser hereby irrevocably waives, in respect of Purchaser's obligations under the Purchase Agreement and the Condominium Declaration and By-Laws, (i) immunity from the jurisdiction of any court (including but not limited to the courts of the United States or any State thereof) and (ii) immunity of Purchaser's revenues, assets or properties (whether commercial or non-commercial) (A) from execution upon, attachment in aid of execution upon, and attachment prior to a judgment of any such court, (B) from setoff, and (C) from any other legal action or proceeding taken to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to the Purchase Agreement and/or the Condominium Declaration and By-Laws. In addition to the extent not prohibited by the laws of the United States or international law, Purchaser hereby irrevocably waives, in respect of Purchaser's obligations under the Purchase Agreement and/or the Condominium Declaration and By-Laws, "mission inviolability" as same has been interpreted under the Vienna Convention on Diplomatic Relations, 23 U.S.T. 3227.
- (4) Purchaser, Sponsor/Seller and the Board of Managers of the Condominium acknowledge and agree that all disputes arising, directly or indirectly, out of or relating to the Purchase Agreement and/or the Condominium Declaration and By-Laws and all actions to enforce the Purchase Agreement and/or the Condominium Declaration and By-Laws may be dealt with and adjudicated in the courts of the United States of America or the State of New York, as Sponsor/Seller and/or the Board of Managers of the Condominium elect, and, by execution of the Purchase Agreement, Purchaser hereby expressly and irrevocably accepts for itself and, to the extent permitted by law, in respect of Purchaser's property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to the Purchase Agreement and/or the Condominium Declaration and By-Laws or in any action to enforce the Purchase Agreement and/or the Condominium Declaration and By-Laws. So far as is permitted under applicable law, this consent to personal jurisdiction by Purchaser shall be

self operative and no further instrument or action, other than service of process in one of the manners specified in this Waiver, or as otherwise permitted by law, shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

- (5) Provided that service of process is effected upon Purchaser in one of the manners specified in this Waiver or as otherwise permitted by applicable law, Purchaser hereby irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as a defense or otherwise, (i) any objection which Purchaser may now or hereafter have to the laying of venue or any suit, action or proceeding relating, directly or indirectly, to the Purchase Agreement and/or the Condominium Declaration and By-Laws in the State of New York, (ii) any claim that the State of New York is not a convenient forum for any such suit, action or proceeding, and (iii) any claim that Purchaser is not personally subject to the jurisdiction of the above named courts. Provided that service of process is effected upon Purchaser in one of the manners specified in this Waiver or as otherwise permitted by law, 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 of competent jurisdiction shall be conclusive and binding upon Purchaser and may, to the fullest extent permitted by 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.
- (6) In the case of the courts of the United States of America and the State of New York, Purchaser hereby designates, appoints and empowers the party described below ("Purchaser's Agent"):

as its authorized agent to accept and acknowledge for and on Purchaser's behalf service of process in any legal action or proceeding of the nature referred to in the Purchase Agreement and/or the Condominium Declaration and By-Laws, but for no other purpose. Purchaser acknowledges that the provisions of this Section 6, and the provisions of Section 8, below constitute a "special arrangement for service" within the meaning of 28 USC §1608.

- (7) Purchaser shall have Purchaser's Agent execute all documents and affidavits reasonably necessary to insure that (i) the designation and appointment of Purchaser's Agent as such shall be irrevocable until one year after the date of the closing of title to the Unit, and (ii) Purchaser's Agent shall not cease to act as the agent for service unless and until, in either case, another agent for such purpose reasonably satisfactory to Sponsor/Seller and/or the Board of Managers of the Condominium shall have been irrevocably designated and appointed and Purchaser shall have delivered to Sponsor/Seller and/or the Board of Managers of the Condominium or any of its successors or assigns, evidence in writing of such other agent's acceptance of such appointment. Any attempt by Purchaser's Agent to

cease to so act shall be ineffective and without force or effect unless the foregoing provisions of this Section 7 shall be complied with.

- (8) Purchaser hereby consents to process being served in any suit, action or proceeding of the nature referred to in the Purchase Agreement and/or the Condominium Declaration and By-Laws either by the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested to (i) Purchaser at the address set forth in the Purchase Agreement, if mailed prior to the closing of title to the Unit, and thereafter at the Unit conveyed, and (ii) to Purchaser's Agent at the address set forth in Section 6 of this Waiver. Service shall be deemed completed ten (10) days after delivery thereof to such party served. Purchaser irrevocably waives, to the fullest extent permitted by law, all claim of error by reason of any such service and agrees that such service (i) shall be deemed in every respect effective service of process upon Purchaser in any such suit, action or proceeding, and (ii) shall to the fullest extent permitted by law, be taken and held to be valid personal service upon and personal, delivery to Purchaser. Copies of any process or other papers served on Purchaser's Agent shall be forwarded promptly to Purchaser but failure to do so shall have no effect on the effectiveness of such service on Purchaser's Agent. Purchaser undertakes to enter an unconditional appearance within thirty (30) days after the completion of such service.
- (9) 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 (a) the appointment of Purchaser's Agent, (b) the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York, and (c) any other provisions of this Waiver.
- (10) Nothing in this Waiver shall affect the right of Sponsor/Seller and/or the Board of Managers of the Condominium to serve process in any other manner permitted by law or limit the right of Sponsor/Seller and/or the Board of Managers of the Condominium or any of its successors or assigns, to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.
- (11) The provisions of this Waiver shall survive the closing of title to the Unit to Purchaser for the purpose of any suits, action or proceeding arising, directly or indirectly, out of or relating to the Purchase Agreement and/or the Condominium Declaration and By-Laws or any action to enforce the Purchase Agreement and/or Condominium Declaration and By-Laws.

Dated: _____, 20__

_____, Purchaser

_____, Purchaser

FORM OF INTERIM USE AND OCCUPANCY AGREEMENT

The Sponsor and Purchaser/Occupant agree as of _____ that Purchaser/Occupant shall use and occupy the Apartment (Apartment shall mean "Unit" where applicable herein) as follows:

SPONSOR/OWNER:
99 MORNINGSIDE LLC
40 Fulton Street, 12th Floor
New York, New York 10038

PURCHASER/OCCUPANT:
[TBD]

Address for Notices:

Same as Above

Apartment # ____ (the "Apartment") at

The 99 Morningside, a Condominium
375 West 123rd Street
New York, New York 10027

Term: see Paragraph 33

Security: \$TBD; **Rent:** \$TBD

Bank: Not Applicable

Use and Occupancy Fee is \$TBD per month for each of the maximum of Twelve (12) months. At the closing of title to the Unit Purchaser/Occupant and Sponsor shall adjust the use and occupancy fee on a pro rata basis for the month in which the closing occurs.

1. **Use.** The Apartment must be used only for residential use as a private Apartment for living and for no other reason. Only a party signing this Interim Use and Occupancy Agreement and/or the spouse and children of that party may use the Apartment. All references to "Purchaser/Occupant" shall be read to mean "Purchaser and/or Occupant."

2. **Failure to give possession.** Sponsor and Owner, hereinafter collectively referred to as Sponsor, shall not be liable for failure to give Purchaser/Occupant possession of the Apartment on the beginning date of the Term. The Use and Occupancy Fee shall be payable as of the beginning of the Term unless Sponsor is unable to give possession of the Unit. In such event, the Use and Occupancy Fee shall then be payable as of the date possession of the Unit is available. Sponsor must give possession within a reasonable time, if not, Purchaser/Occupant may cancel and obtain a refund of the money deposited for the Use and Occupancy Fee. Sponsor will notify Purchaser/Occupant as to the date possession of the Unit is available. The ending date of the Term will not change.

3. **Use and Occupancy Fee, Added Use and Occupancy Fee.** The Use and Occupancy Fee payment for each month must be paid on the first day of that month at Sponsor's address. Sponsor need not give notice to pay the Use and Occupancy Fee for such fee to be due. The Use and

Occupancy Fee must be paid in full. The first month's Use and Occupancy Fee and security is to be paid when Purchaser/Occupant signs this Interim Use and Occupancy Agreement. Purchaser/Occupant may be required to pay other charges to Sponsor under the terms of this Interim Use and Occupancy Agreement. They are to be called an "Added Use and Occupancy Fee." This Added Use and Occupancy Fee is payable in the same manner as the Use and Occupancy Fee, together with the next monthly Use and Occupancy Fee due. If Purchaser/Occupant fails to pay the Added Use and Occupancy Fee on time, Sponsor shall have the same rights against Purchaser/Occupant as if Purchaser/Occupant failed to pay the Use and Occupancy Fee.

4. **Notices.** Any bill, statement or notice must be in writing and sent by certified mail. If to Purchaser/Occupant, it must be mailed to the Purchaser/Occupant at the Apartment. If to Sponsor it must be mailed to Sponsor's address. It will be considered delivered on the day following the mailing. Sponsor must notify Purchaser/Occupant if Sponsor's address is changed.

5. **Security.** Purchaser/Occupant has given security to Sponsor in the amount stated above. The security has been deposited in the Bank named above and delivery of this Interim Use and Occupancy Agreement is notice of the deposit. If the Bank is not named, Sponsor will notify Purchaser/Occupant of the Bank's name and address in which the security is deposited.

If Purchaser/Occupant does not pay the Use and Occupancy Fee on time, Sponsor may use the security to pay for the Use and Occupancy Fee past due. If Purchaser/Occupant fails to perform any other term in this Interim Use and Occupancy Agreement, Sponsor may use the security for payment of money Sponsor may spend, or damages Sponsor suffers because of Purchaser/Occupant's failure. If the Sponsor uses the security, Purchaser/Occupant shall, upon notice from Sponsor, send an amount equal to the sum used by Sponsor. At all times Sponsor is to have the amount of security stated above.

If Purchaser/Occupant fully performs all terms of this Interim Use and Occupancy Agreement, pays the Use and Occupancy Fee on time and leaves the Apartment in good condition upon vacating the Apartment or closes title pursuant to the Purchase Agreement, as same may be amended from time to time, then Sponsor will return the security being held.

If Sponsor sells or leases the Building, Sponsor may give the security to the buyer or lessee. Sponsor will notify Purchaser/Occupant by certified mail of the name and address of the new buyer or lessee of the building to whom the deposit has been transferred. In that event Purchaser/Occupant will look only to the buyer or lessee for the return of the security. The security is in a trust fund for Purchaser/Occupant. The Sponsor may use the security as stated in this Section. Sponsor may put the security in any place permitted by law. If the law states the security must bear interest, unless the security is used by Sponsor as stated Sponsor will give Purchaser/Occupant the interest less the sum Sponsor is allowed to keep for expenses. If the law does not require security to bear interest, Purchaser/Occupant will not be entitled to it.

6. **Services.** Sponsor will supply: (a) heat as required by law, (b) hot and cold water to the bathroom and kitchen, (c) use of the building's common elevator, if any, and (d) cooling if central

air conditioning is installed. Stopping or reducing of service(s) will not be reason for Purchaser/Occupant to stop paying Use and Occupancy Fee, to make a money claim or to claim eviction. Purchaser/Occupant may enforce its rights under the warranty of habitability. Damage to the equipment or appliances supplied by Sponsor, caused by Purchaser/Occupant's acts or neglect, may be repaired by Sponsor at Purchaser/Occupant's expense. The repair cost will be an Added Use and Occupancy Fee.

Purchaser/Occupant must pay for all electric, gas, telephone and other utility services used in the Apartment and arrange for them with the public utility company. Purchaser/Occupant must not use a dishwasher, washing machine, dryer, freezer, heater, ventilator, air cooling equipment or other appliance unless installed by Sponsor or with Sponsor's written consent. Purchaser/Occupant must not use more electric than the wiring or feeders to the Building can safely carry.

Sponsor may stop service of the plumbing, heating, elevator, air cooling or electrical systems, because of accident, emergency, repairs, or changes until the work is complete.

7. **Alterations.** Purchaser/Occupant must obtain Sponsor's prior written consent to install any paneling, flooring, "built in" decoration, partitions, railings or make alterations or to paint or wallpaper the Apartment. Purchaser/Occupant must not change the plumbing, ventilating, air conditioning, electric or heating systems. If consent is given, the alterations and installations shall become the property of Sponsor when completed and paid for. They shall remain with and as part of the Apartment at the end of the Term. Sponsor has the right to demand that Purchaser/Occupant remove the alterations and installations before the end of the Term. The demand shall be by notice, given at least fifteen (15) days before the end of the Term. Purchaser/Occupant shall comply with the demand at Purchaser/Occupant's own cost. Sponsor is not required to do or pay for any work unless stated in this Interim Use and Occupancy Agreement.

If a Mechanic's Lien is filed on the Apartment or Building for Purchaser/Occupant's failure to pay for alterations or installations in the Apartment, Purchaser/Occupant must immediately pay or bond the amount stated in the Lien. Sponsor may pay or bond the Lien if Purchaser/Occupant fails to do so within twenty (20) days after Purchaser/Occupant is given notice of the Lien. Sponsor's reasonable costs shall be an Added Use and Occupancy Fee.

8. **Repairs.** Purchaser/Occupant must take good care of the Apartment and all equipment and fixtures in it. Sponsor will repair the plumbing, heating and electrical systems. Purchaser/Occupant must, at Purchaser/Occupant's cost, make all repairs and replacements whenever the need results from Purchaser/Occupant's act or neglect. If Purchaser/Occupant fails to make a needed repair or replacement, Sponsor may do it. Sponsor's reasonable expense will be an Added Use and Occupancy Fee.

9. **Fire, Accident, Defects, Damage.** Purchaser/Occupant must give Sponsor prompt notice of fire, accident, damage or dangerous or defective condition. If the Apartment cannot be used because of fire or other casualty, Purchaser/Occupant is not required to pay the Use and Occupancy Fee for the time the Apartment is unusable. If part of the Apartment cannot be used, Purchaser/Occupant must pay a reasonable proportion of the Use and Occupancy Fee for the usable

part. Sponsor shall have the right to decide which part of the Apartment is usable. Sponsor need only repair the damaged part of the Apartment. Sponsor is not required to repair or replace any equipment, fixtures, furnishings or decorations unless originally installed by Sponsor. Sponsor is not responsible for delays due to settling insurance claims, obtaining estimates, labor and supply problems or any other cause not fully under Sponsor's control.

If the Apartment cannot be used, Sponsor has thirty (30) days to decide whether to repair it. Sponsor's decision to repair must be given to Purchaser/Occupant within thirty (30) days of the fire or casualty. Sponsor shall have a reasonable time to repair. In determining what is a reasonable time, consideration shall be given to any delays in receipt of insurance settlements, labor trouble and causes not within Sponsor's control. If Sponsor fails to give Purchaser/Occupant notice of its decision within thirty (30) days, Purchaser/Occupant may cancel this Interim Use and Occupancy Agreement as of the date of the fire or casualty. The cancellation shall be effective only if it is given before Sponsor begins to repair or before Sponsor notifies Purchaser/Occupant of its decision to repair. If the fire or other casualty is caused by an act or neglect of Purchaser/Occupant or guest of Purchaser/Occupant all repairs will be made at Purchaser/Occupant's expense and Purchaser/Occupant must pay the full Use and Occupancy Fee with no abatement or adjustment. The cost of the repairs will be an Added Use and Occupancy Fee.

Sponsor has the right to demolish or rebuild the Building if there is substantial damage, by fire or other casualty. Even if the Apartment is not damaged, Sponsor may cancel this Use and Occupancy Agreement within thirty (30) days after the substantial fire or casualty by giving Purchaser/Occupant notice of Sponsor's intention to demolish or rebuild. This Interim Use and Occupancy Agreement will end thirty (30) days after Sponsor's cancellation notice to Purchaser/Occupant. Purchaser/Occupant must deliver the Apartment to Sponsor on or before the cancellation date in the notice and pay all of the Use and Occupancy Fee due to the date of the fire or casualty. If this Interim Use and Occupancy Agreement is cancelled Sponsor is not required to repair the Apartment or Building. The cancellation does not release Purchaser/Occupant of liability in connection with the fire or casualty. This Section is intended to replace the terms of New York Real Property Law Section 227.

In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor within a one hundred twenty (120) day period notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return the Deposit, together with any interest earned thereon, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

10. **Liability.** Sponsor is not liable for loss, expense, or damage to any person or property, unless due to Sponsor's negligence. Sponsor is not liable to Purchaser/Occupant for permitting or refusing entry of anyone into the Building.

Purchaser/Occupant must pay for damages suffered and reasonable expenses of Sponsor relating to any claim arising from any act or neglect of Purchaser/Occupant. If an action is brought against Sponsor arising from Purchaser/Occupant's act or neglect Purchaser/Occupant shall defend Sponsor at Purchaser/Occupant's expense with an attorney of Sponsor's choice.

Purchaser/Occupant is responsible for all acts of Purchaser/Occupant's family, employees, guests or invitees.

11. **Entry by Sponsor.** Sponsor may enter the Apartment at reasonable hours to: repair, inspect, exterminate, install or work on master antennas or other systems and perform other work that Sponsor decides is necessary. At reasonable hours Sponsor may show the Apartment to possible buyers, lenders, or lessee of the entire Building or land. At reasonable hours Sponsor may show the Apartment to possible or new purchaser/occupants during the last four (4) months of the Term, if applicable. Entry by Sponsor must be on reasonable notice except in emergency.

12. **Assignment and Sublease.** Purchaser/Occupant may not assign this Interim Use and Occupancy Agreement or sublet all or part of the Apartment or permit any other person to use the Apartment, unless consented to in writing by Sponsor.

13. **Subordination.** This Interim Use and Occupancy Agreement and Purchaser/Occupant's rights, are subject and subordinate to all present and future (a) leases for the Building or the land on which it stands, (b) mortgages on the leases or the Building or land, (c) agreements securing money paid or to be paid by a lender, and (d) terms, conditions, renewals, changes of any kind and extensions of the mortgages, leases or lender agreements. Purchaser/Occupant must promptly execute any certificate(s) that Sponsor requests to show that this Interim Use and Occupancy Agreement is so subject and subordinate. Purchaser/Occupant authorizes Sponsor to sign these certificate(s) for Purchaser/Occupant. This Interim Use and Occupancy Agreement and Purchaser/Occupant's rights are also subject and subordinate to the Condominium Offering Plan for the **The 99 Morningside Condominium**, as same may be amended from time to time. This Interim Use and Occupancy Agreement and Purchaser/Occupant's rights are also subject and subordinate to the Condominium Declaration for the **The 99 Morningside Condominium**, as same may be amended from time to time.

14. **Condemnation.** If all of the Apartment or Building is taken or condemned by a legal authority, the Term, and Purchaser/Occupant's rights shall end as of the date the authority takes title to the Apartment or Building. If any part of the Apartment or Building is taken, Sponsor may cancel this Interim Use and Occupancy Agreement on notice to Purchaser/Occupant. The notice shall set a cancellation date not less than thirty (30) days from the date of the notice. If this Interim Use and Occupancy Agreement is cancelled, Purchaser/Occupant must deliver the Apartment to Sponsor on the cancellation date together with the total Use and Occupancy Fee due to that date. The entire award for any taking belongs to Sponsor. Purchaser/Occupant gives Sponsor any interest Purchaser/Occupant may have to any part of the award. Purchaser/Occupant shall make no claim for the value of the remaining part of the Term.

15. **Purchaser/Occupant Duty to Obey Laws and Regulations.** Purchaser/Occupant must, at Purchaser/Occupant's expense, promptly comply with all laws, orders, rules, requests and directions, of all governmental authorities, Sponsor's insurers, Board of Fire Underwriters, or similar groups. Notices received by Purchaser/ Occupant from any authority or group must be promptly delivered to Sponsor. Purchaser/Occupant may not do anything which may increase Sponsor's insurance premiums. If Purchaser/Occupant does, Purchaser/Occupant must pay the increase in premium as an Added Use and Occupancy Fee.

16. **Purchaser/Occupant's Default.** A. Sponsor must give Purchaser/ Occupant written notice of default stating the type of default. The following are defaults and must be cured by Purchaser/Occupant within the time stated:

- (1) Failure to pay the Use and Occupancy Fee or an Added Use and Occupancy Fee on time. Three (3) days in which to cure.
- (2) Failure to move into the Apartment within fifteen (15) days after the beginning date of the Term. Ten (10) days in which to cure.
- (3) Issuance of a court order under which the Apartment may be taken by another party. Ten (10) days in which to cure.
- (4) Improper conduct by Purchaser/Occupant annoying other purchasers/occupants. Ten (10) days in which to cure.
- (5) Failure to comply with any other term or Rule in this Interim Use and Occupancy Agreement. Ten (10) days in which to cure.

A. If Purchaser/Occupant fails to cure the default in the time stated, Sponsor may cancel this Interim Use and Occupancy Agreement by giving Purchaser/Occupant a cancellation notice. The cancellation notice will state the date the Term will end which may be no less than ten (10) days after the date of the notice. On the cancellation date in the notice the Term of this Interim Use and Occupancy Agreement shall end. Purchaser/Occupant must leave the Apartment and give Sponsor the keys on or before the cancellation date. Purchaser/Occupant continues to be responsible for any damage to Sponsor/Owner resulting from such breach as provided in this Interim Use and Occupancy Agreement. If the default cannot be cured in the time stated, Purchaser/Occupant must begin to cure within that time and continue diligently until cured.

B. If Purchaser/Occupant's application for the Apartment contains any material misstatement of fact, Sponsor may cancel this Interim Use and Occupancy Agreement. Cancellation shall be by cancellation notice as stated in Paragraph 16A.

C. If (1) this Interim Use and Occupancy Agreement is cancelled; or (2) the Use and Occupancy Fee or an Added Use and Occupancy Fee is not paid on time; or (3) Purchaser/Occupant vacates the Apartment, Sponsor may, in addition to other remedies, take any of the following steps: (a) peacefully enter the Apartment and remove Purchaser/Occupant and

any person or property, and (b) use eviction or other lawful method to take back the Apartment.

D. If this Interim Use and Occupancy Agreement is cancelled, or Sponsor takes back the Apartment, the following shall occur:

- (1) The Use and Occupancy Fee and an Added Use and Occupancy Fee for the unexpired Term become immediately due and payable.
- (2) Sponsor may relet the Apartment and anything in it. The reletting may be for any Term. Sponsor may charge any rent or no rent and give allowances to the new tenant. Sponsor may, at Purchaser/Occupant's expense, do any work Sponsor reasonably feels needed to put the Apartment in good repair and prepare it for renting. Purchaser/Occupant shall be liable for any cost and expense of Sponsor for any necessary repair.
- (3) Any Use and Occupancy Fee received by Sponsor for the re-renting shall be used first to pay Sponsor's expenses and second to pay any amounts Purchaser/Occupant owes under this Interim Use and Occupancy Agreement. Sponsor's expenses include the costs of obtaining possession and re-renting the Apartment, including, but not only reasonable legal fees, brokers' fees, cleaning and repairing costs, decorating costs and advertising costs.
- (4) From time to time Sponsor may bring actions for damages. Delay or failure to bring an action shall not be a waiver of Sponsor's rights. Purchaser/Occupant is not entitled to any excess of the Use and Occupancy Fees collected over the Use and Occupancy Fee paid by Purchaser/Occupant to Sponsor under this Interim Use and Occupancy Agreement.
- (5) If Sponsor relets the Apartment combined with other space an adjustment will be made based on square footage. Money received by Sponsor from the next purchaser/occupant other than the monthly Use and Occupancy Fee, shall not be considered as part of the Use and Occupancy Fee paid to Sponsor. Sponsor shall be entitled to all of the Use and Occupancy Fee.

If Sponsor relets the Apartment the fact that all or part of the next purchaser/occupant's Use and Occupancy Fee is not collected does not affect Purchaser/Occupant's liability. Sponsor has no duty to collect the next purchaser/occupant's Use and Occupancy Fee. Purchaser/Occupant must continue to pay the Use and Occupancy Fee, damages, losses and expenses without offset.

E. If Sponsor takes possession of the Apartment by Court order, or under this Interim Use and Occupancy Agreement, Purchaser/Occupant has no right to return to the Apartment.

17. **Jury Trial and Counterclaims.** Sponsor and Purchaser/Occupant agree not to use their right to a Trial by Jury in any action or proceeding brought by either against the other, for any matter concerning this Interim Use and Occupancy Agreement or the Apartment. This does not

include actions for personal injury or property damage and warranty of habitability actions. Purchaser/Occupant gives up any right to bring a counterclaim or set-off in any action by Sponsor against Purchaser/Occupant on any matter directly or indirectly related to this Interim Use and Occupancy Agreement.

18. **No Waiver, Illegality.** Sponsor's acceptance of the Use and Occupancy Fee or failure to enforce any term in this Interim Use and Occupancy Agreement is not a waiver of any of Sponsor's rights. If a term in this Interim Use and Occupancy Agreement is illegal, the rest of this Use and Occupancy Agreement remains in full force.

19. **Insolvency.** If (1) Purchaser/Occupant assigns property for the benefit of creditors, or (2) a non-bankruptcy trustee or receiver of Purchaser/Occupant or Purchaser/Occupant's property is appointed, Sponsor may give Purchaser/Occupant thirty (30) days' notice of cancellation of the Term of this Interim Use and Occupancy Agreement. If any of the above is not fully dismissed within the thirty (30) days, the Term shall end as of the date stated in the notice. Purchaser/Occupant must continue to pay the Use and Occupancy Fee, damages, losses and expenses without offset. If Purchaser/Occupant files a voluntary petition in bankruptcy or an involuntary petition in bankruptcy is filed against Purchaser/Occupant, Sponsor may not terminate this Interim Use and Occupancy Agreement.

20. **Rules.** Purchaser/Occupant must comply with these Rules. Notices of new Rules will be given to Purchaser/Occupant. Sponsor need not enforce Rules against other purchasers/occupants. Sponsor is not liable to Purchaser/Occupant if another purchaser/occupant violates these Rules. Purchaser/Occupant receives no rights under these Rules:

- (1) The comfort or rights of other purchasers/occupants must not be interfered with. This means that annoying sounds, smells and/or lights are not allowed.
- (2) No one is allowed on the roof, except in the designated common terrace areas. Nothing may be placed on or attached to fire escapes, sills, areaways, gardens, balconies, terraces, roof terraces, windows or exterior walls of the Apartment or in the hallways or public areas.
- (3) Smoking is not permitted in elevators. Messengers and trade people must only use service elevators and service entrances, if any.
- (4) Purchaser/Occupant must give to Sponsor keys to all locks. Doors must be locked at all times. Windows must be locked when Purchaser/Occupant is out.
- (5) Apartment floors must be covered by carpets or rugs.
- (6) Dogs, cats or other animals or pets are not allowed in the Apartment or Building.
- (7) Garbage disposal rules must be followed. Wash lines, vents and plumbing fixtures must be used for their intended purpose.

- (8) Laundry machines, if any, are used at Purchaser/Occupant's sole risk and cost. Instructions must be followed.
- (9) Moving furniture, fixtures or equipment must be scheduled with Sponsor. Purchaser/Occupant must not send Sponsor's employees on personal errands.
- (10) Purchaser/Occupant must not allow the cleaning of the windows or other part of the Apartment or Building from the outside.

Purchaser/Occupant shall also comply with the Rules and Regulations at the end of the By-Laws in the Condominium Offering Plan for **99 Morningside Condominium**, as amended.

21. Representations, Changes in This Interim Use and Occupancy Agreement. Purchaser/Occupant has read this Interim Use and Occupancy Agreement. All promises made by the Sponsor are in this Interim Use and Occupancy Agreement. There are no other Sponsor representations. This Interim Use and Occupancy Agreement may be changed only by an agreement in writing signed by and delivered to each party.

22. Sponsor Unable to Perform. If due to labor trouble, government order, lack of supply, Purchaser/Occupant's act or neglect, or any other cause not fully within Sponsor's reasonable control, Sponsor is delayed or unable to (a) carry out any of Sponsor's promises or agreement, (b) supply any service to be supplied, (c) make any required repair or change in the Apartment or Building, or (d) supply any equipment or appliances, this Interim Use and Occupancy Agreement shall not be ended or Purchaser/Occupant's obligations affected. Purchaser/Occupant may enforce its rights under the warranty of habitability.

23. End of Term. At the end of the Term, Purchaser/Occupant must: leave the Apartment clean and in good condition, subject to ordinary wear and tear; remove all of Purchaser/Occupant's property and all Purchaser/Occupant's installations and decorations; repair all damages to the Apartment and Building caused by moving; and restore the Apartment to its condition at the beginning of the Term. If the last day of the Term is on a Saturday, Sunday or Federal holiday the Term shall end on the prior business day.

24. Punchlist. Purchaser/Occupant has inspected the Apartment and Building and submitted a Punchlist Inspection Statement to Sponsor, a copy of which is attached hereto. Purchaser/Occupant states that the Apartment is in good order and repair and takes the Apartment as is except for items listed on the Punchlist Inspection Statement attached hereto which are Sponsor's obligation to cure pursuant to the terms of the Offering Plan. Since Purchaser/Occupant will be occupying the subject condominium apartment prior to the closing under his Purchase Agreement, as amended, Purchaser/Occupant agrees to assume all risk and responsibility for the condition of the Apartment from and after the date hereon, and agrees to accept the Apartment at closing under the Purchase Agreement, as amended, in its then existing condition, without any obligation of the Sponsor to make any repairs, improvements or alterations except as may be required above.

25. **Sponsor's Warranty of Habitability.** Sponsor states that the Apartment is fit for human living and there is no condition dangerous to health, life or safety. This warranty applies to all sections of this Interim Use and Occupancy Agreement. Purchaser/Occupancy may not waive any of Purchaser/Occupant's rights under this warranty.

26. **Sponsor's Consent.** If Purchaser/Occupant requires Sponsor's consent to any act and such consent is not given, Purchaser/Occupant's only right is to ask the Court to force Sponsor to give consent. Purchaser/Occupant agrees not to make any claim against Sponsor for money or subtract any sum from the use and occupancy fee because such consent was not given.

27. **Use and Occupancy Agreement Binding On.** This Interim Use and Occupancy Agreement is binding on Sponsor and Purchaser/Occupant and their heirs, distributees, executors, administrators, successors and lawful assign.

28. **Sponsor.** Sponsor means the owner, or the lessee of the Building, or the holder of unsold Units, or a lender in possession. Sponsor's obligations end when Sponsor's interest in the Unit or Building, as the case may be, is transferred. Any acts Sponsor may do may be performed by Sponsor's agents or employees.

29. **Paragraph headings.** The paragraph headings are for convenience only.

30. Notwithstanding anything above to the contrary, it is hereby acknowledged and agreed that simultaneously with the execution of this Interim Use and Occupancy Agreement, the Purchaser/Occupant shall execute a Rider to the Purchase Agreement, as amended amending the Purchase Agreement, as amended (collectively the "Purchase Agreement, as amended,"), with the Sponsor for the purchase of Unit ____ at **The 99 Morningside Condominium, located at 375 West 123rd Street, New York, New York 10027** to reflect the terms of this Interim Use and Occupancy Agreement. It is herewith agreed that in the event Purchaser/Occupant shall default in the payment or performance of any of Purchaser/Occupant's obligations under said Purchase Agreement, as amended, which default shall not be cured by the default cure period set forth in the Purchase Agreement, as amended, then Sponsor (at Sponsor's sole option) shall have the right to cancel this Interim Use and Occupancy Agreement so long as such default shall be continuing, it being intended that a default under the Purchase Agreement, as amended, shall constitute a default under this Interim Use and Occupancy Agreement. In the event Sponsor exercises its right of cancellation, then this Interim Use and Occupancy Agreement shall cease and come to an end upon Sponsor's sending Purchaser/Occupants five (5) days prior written notice of its intention to cancel this Interim Use and Occupancy Agreement, except Purchaser/Occupants shall remain liable for any amounts unpaid up to the date such cancellation becomes effective (it being intended that the provisions of this sentence shall survive such cancellation). It is also herewith agreed that in the event Purchaser/Occupant shall default in the payment or performance of any of Purchaser/Occupant's obligations under this Interim Use and Occupancy Agreement, then the Sponsor, shall have the right to cancel such Purchase Agreement, as amended, it being a default under the Purchase Agreement, as amended (the provision of this sentence shall be deemed to supplement said Purchase Agreement, as amended, and shall inure to the benefit of said Sponsor).

If Sponsor elects to cancel, Purchaser/Occupant shall have five (5) days after the sending of the cancellation notice to Purchaser within which to cure the specified default. Time is of the essence to cure such default within said five (5) day period. If such default is not so cured the Purchase Agreement, as amended, shall be deemed terminated and Sponsor shall have the right to retain, as and for liquidated damages all Down Payments previously made by Purchaser/Occupant (Purchaser) and released to Sponsor under said Purchase Agreement, as amended. Before the Sponsor may utilize the default under the Interim Use and Occupancy Agreement to declare a default under the Purchase Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit.

31. Notwithstanding anything above to the contrary, Purchaser/Occupant hereunder agrees and understand if Purchaser/Occupant fails to pay the balance of the purchase price for Unit ____ pursuant to the Purchase Agreement, as amended, or fails to close title to Unit ____ pursuant to such Purchase Agreement, as amended, the Purchase Agreement, as amended, shall be deemed null and void and of no further force and effect and the Sponsor/Owner and Purchaser/Occupant shall have no further obligations to each other, except that Purchaser/Occupant shall remain liable for any amounts unpaid up to the date such cancellation becomes effective.

32. Notwithstanding anything above to the contrary, Purchaser/Occupant shall be the purchaser of the Apartment pursuant to the Purchase Agreement, as amended, and hereby assumes the risk of loss to Apartment not covered by Sponsor's or Condominium's Insurance Policies resulting from fire or other casualty unless the cause of such loss originated outside the Apartment and did not result from the acts of Purchaser/Occupant or other occupants of the Apartment or Purchaser/Occupants' guests, invitees or workmen.

33. Notwithstanding anything above to the contrary, this Interim Use and Occupancy Agreement shall commence on _____, 20__ (the "Commencement Date") and terminate on the earlier of (i) twelve (12) months from the date of commencement (_____, 20__); or (ii) on the date of and immediately prior to the closing of title to Unit ____ located at **The 99 Morningside Condominium, located at 375 West 123rd Street, New York, New York 10027;** or, (iii) at the option of Sponsor, upon a default pursuant to this Interim Use and Occupancy Agreement or the Purchase Agreement, as amended.

34. Purchaser/Occupant understands that once in possession of the Apartment, they have assumed the risk of loss not covered by insurance, and therefore covenants and agrees to provide on or before the Commencement Date and to keep in force during the term hereof the following insurance coverage which coverage shall be effective on the Commencement Date:

(a) A comprehensive policy of liability insurance naming Sponsor as an additional insured protecting Sponsor and Purchaser/Occupant against any liability whatsoever occasioned by accident in or about the Apartment or any appurtenances thereto. Such policy shall have limits of liability of not less than One Million Dollars (\$1,000,000.00) combined single limit coverage on a per occurrence basis, including property damage;

(b) Fire and Extended coverage in an amount adequate to cover the cost of replacement of all personal property, fixtures, furnishings and equipment located in the Apartment.

All such policies shall be issued by companies of recognized responsibility licensed to do business in New York State and rated by Best's Insurance Reports or any successor publication of comparable standing and carrying a rating of A+ VIII or better or the then equivalent of such rating, and all such policies shall contain a provision whereby the same cannot be canceled or modified unless Purchaser and any additional insured are given at least thirty (30) days prior written notice of such cancellation or modification.

Prior to the time such insurance is first required to be carried by Purchaser/Occupant and thereafter, at least fifteen (15) days prior to the expiration of any such policies, Purchaser/Occupant shall deliver to Sponsor either duplicate originals of the aforesaid policies or certificates evidencing such insurance, together with evidence of payment for the policy. Purchaser/Occupant's failure to provide and keep in force the aforementioned insurance shall be regarded as a material default hereunder, entitling Sponsor to exercise any or all of the remedies as provided in this Interim Use and Occupancy Agreement in the event of Purchaser/Occupant's default. In addition, in the event Purchaser/Occupant fails to provide and keep in force the insurance required by this Interim Use and Occupancy Agreement, at the times and for the durations specified in this lease, Sponsor shall have the right, but not the obligation, at any time and from time to time, and without notice, to procure such insurance and/or pay the premiums for such insurance in which event Purchaser/Occupant shall repay Sponsor within five (5) days after demand by Sponsor, as an Additional Use and Occupancy Fee, all sums so paid by Sponsor and any costs or expenses incurred by Sponsor in connection therewith without prejudice to any other rights and remedies of Sponsor under this Interim Use and Occupancy Agreement.

C. If, by reason of a failure of Purchaser/Occupant to comply with the provisions of Paragraph 34, the rate of fire insurance with extended coverage on the building or equipment or other property of Sponsor shall be higher than it otherwise would be, Purchaser/Occupant shall reimburse Sponsor, on demand, for that part of the premiums for fire insurance and extended coverage paid by Sponsor because of such failure on the part of Purchaser/Occupant.

D. Each policy evidencing the insurance to be carried by Purchaser/Occupant under this Interim Use and Occupancy Agreement shall contain a clause that such policy and the coverage evidenced thereby shall be primary with respect to any policies carried by Sponsor, and that any coverage carried by Owner shall be excess insurance.

35. Notwithstanding anything above to the contrary, Purchaser/Occupant agrees that TIME IS OF THE ESSENCE as to Purchaser/Occupant concerning its surrender to landlord of the Apartment upon the expiration or other termination of the term of this Interim Use and Occupancy Agreement. If Purchaser/Occupant fails to grant and surrender to Sponsor said Apartment, broom clean, in good order and condition, ordinary wear excepted upon the expiration or other termination of this Interim Use and Occupancy Agreement, Purchaser/Occupant shall pay to Sponsor additional rent of \$1,500.00 per day until it so surrenders the Apartment.

36. In the event of any conflict between the terms of this Interim Use and Occupancy Agreement and the terms of the Offering Plan, as amended, the terms of the Offering Plan, as amended, shall govern.

37. Purchaser/Occupant acknowledges that the Condominium's smoking policy is as follows:

No person may carry or smoke any kind of lighted pipe, cigar, cigarette, tobacco, or any other lighted smoking apparatus, equipment or product, including but not limited to electronic cigarettes (hereinafter referred to collectively as "Smoking Apparatus") in any of the common areas of the Building, whether indoor or outdoor, at any time. Though smoking shall be permitted in any Residential Unit or Residential Limited Common Element appurtenant thereto, including a private balcony, terrace, and/or garden, no person may smoke or otherwise burn any Smoking Apparatus in any Residential Unit or Residential Limited Common Element appurtenant thereto in a manner which causes smoke to be a nuisance or annoyance to any other resident of the Condominium.

***38. IT HAS BEEN FULLY AND CLEARLY EXPLAINED TO PURCHASER/ OCCUPANT AND PURCHASER/OCCUPANT AGREES AND ACKNOWLEDGES, THAT THE APARTMENT IS NOT SUBJECT TO THE EMERGENCY TENANTS PROTECTION ACT, THE RENT CONTROL LAWS OF THE STATE OF NEW YORK, OR ANY OTHER RENT LAWS AND REGULATIONS.**

39. If any provision of paragraphs 30 – 38 conflict or are otherwise inconsistent with any other provision of this Interim Use and Occupancy Agreement, the provisions of paragraphs 30 – 37 shall prevail.

If any provisions of this Interim Use and Occupancy Agreement regarding the Apartment conflict with the terms of the Offering Plan, filed with the New York State Department of Law, as amended, the terms of the filed Offering Plan, as amended, shall prevail.

40. **Signature, Effective Date.** Sponsor and Purchaser/Occupant have signed this Interim Use and Occupancy Agreement as of the above date.

This Interim Use and Occupancy Agreement may be executed by electronic, PDF, or facsimile signature and/or in any number of counterparts and each of such electronic, PDF, or facsimile signature and/or counterpart shall for all purposes be deemed to be an original; and all such electronic, PDF, or facsimile signatures and/or counterparts shall together constitute but one and the same Interim Use and Occupancy Agreement.

OWNER/SPONSOR:

99 MORNINGSIDE, LLC

* Delete whichever is inapplicable.

By: _____

Name:

Title:

PURCHASER/OCCUPANT:

[TBD]

[TBD]

POWER OF ATTORNEY

The undersigned, _____ the Owner of Residential Unit No. _____ located at 375 West 123rd Street, New York, New York 10027, in the Condominium known as 99 Morningside Condominium, consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York pursuant to Declaration dated _____, 20__, and recorded in the Office of the Register of the City of New York, County of New York, as CRFN _____ and on the Floor Plans on file in said office as CRFN _____, do hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of the 99 Morningside Condominium jointly, true and lawful attorneys-in fact for the undersigned, coupled with an interest, with power of substitution, to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate or otherwise, on behalf of all Owners of Units in said Property, in accordance with their common interests, any Unit whose Owner desires to abandon or sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale or lease thereof, if any, and the rights and privileges appurtenant thereto, the interest of such Unit Owner in all other assets of the Condominium as defined in the aforementioned Declaration or any Unit, which shall be the subject of a foreclosure or other judicial sale, or to lease any Unit whose Owner desires to rent the same, at such price or on such rental, as the case may be, and on such terms as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease or mortgage (but not to vote the votes appurtenant thereto) to otherwise deal with any such Units so acquired by them, or to sublease any Unit so leased by them on such terms as said attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present.

The acts of majority of such persons shall constitute the acts of said attorneys-in-fact.

The undersigned do hereby nominate, constitute and appoint 99 Morningside LLC (hereinafter referred to as the "Sponsor"), Sponsor's designee and/or the Community Facility Unit Owner as attorney-in-fact for the undersigned, their successors, assigns and/or heirs, coupled with an interest, with power of substitution, to severally amend from time to time the Declaration, the By-Laws and the Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to effectuate the provisions of Articles 8, 17 and 18 of the Declaration and any other provision thereof or set forth in the Condominium's By-Laws and/or Rules and Regulations, or to reflect any change in Unsold Units, the Community Facility Unit and/or the reapportionment of the Common Interests of the affected Unsold Units or the Community Facility Unit resulting therefrom made by Sponsor or its designee or the Community Facility Unit Owner in accordance with Articles 8 and 17 of the Declaration or any other provision thereof or set forth in the Condominium's By-Laws and/or Rules and Regulations, or (2) shall be required by (a) an institutional lender procured by Sponsor, its designee or the Community Facility Unit Owner, to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental

agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor, its designee or the Community Facility Unit Owner, to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a material, physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) and 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. With regard to Sponsor's Unsold Units, the terms, covenants and conditions contained in, and the powers granted pursuant to this paragraph shall remain in full force and effect until such time as the Sponsor or Sponsor-designee(s) shall cease to own any Units in the Condominium.

The undersigned do further nominate, constitute and appoint 99 Morningside LLC as attorney-in-fact for the undersigned, their successors, assigns and/or heirs, coupled with an interest, with power of substitution, to execute any document on behalf of the undersigned, if same is necessary, to effectuate the transfer, assignment or conveyance by Sponsor, in whole or in part, of the transferable air rights and/or development rights which Sponsor has retained for itself, its successors and assigns in accordance with Paragraph numbered 20 of the Declaration. This power of attorney shall in no way be construed to grant any interest in such transferable air rights and/or development rights to the undersigned.

This power of attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned, has executed this Power of Attorney this _____ day of _____, 20__.

STATE OF NEW YORK)
) ss.:
 COUNTY OF)

On the _____ day of _____, in the year 20____, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(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

STATE OF NEW YORK)
) ss.:
 COUNTY OF)

On the _____ day of _____, in the year 20____, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(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

FORM OF UNIT DEED

THIS INDENTURE made the ____ day of _____, 20__, between 99 Morningside LLC, having offices at 40 Fulton Street, 12th Floor, New York, New York 10038, hereinafter collectively the "Grantor", and _____, the "Grantee," residing at _____.

WITNESSETH:

That the Grantor, in consideration of Ten (\$10.00) Dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Unit known as Unit No. ____ in the Building known as "99 Morningside," a Condominium located at 375 West 123rd Street, in the Borough of the Manhattan, New York County, City and State of New York and also designated and described as Unit No. ____ in the Declaration establishing the 99 Morningside Condominium (hereinafter called the "Property") made by the Grantor under the Condominium Act of the State of New York, as amended (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 the ____ day of _____, 20__, in CRFN _____ (hereinafter called the "Declaration"), which Unit is also designated as Block No. 1950, Tax Lot No. ____ on the Floor Plans and Site Plan (the "Floor Plans") of the Building, certified by Aufgang Architects LLC. The Floor Plans are filed in the Real Property Assessment Department of the City of New York on the ____ day of _____, 20__, as Condominium Plan No. ____ and filed simultaneously with said Declaration in the said Office of the Register of the City of New York, New York County, as Condominium Plan No. ____, Map No. ____ (hereinafter called the "Unit"). The land area of the Property is described as follows:

ALL THAT CERTAIN plot, piece or parcel of land with the buildings or improvements thereon, erected, situate, lying and being in the borough of Manhattan, County of New York, City and State of New York, being more particularly bounded and described as follows:

Parcel I

BEGINNING at the corner formed by the intersection of the easterly side of Morningside Avenue and the northerly side of 123rd Street;

RUNNING THENCE easterly along the northerly side of 123rd Street, 18 feet 1 inch to a point opposite the center line of a party wall partly upon the lot of land hereby described and partly upon the lot of land adjoining the same on the east;

THENCE northerly parallel with Morningside Avenue and part of the way through a party wall, 66 feet 11 inches;

THENCE westerly parallel with 123rd Street, 18 feet 1 inches to the easterly side of Morningside Avenue;

THENCE southerly along the easterly side of Morningside Avenue, 66 feet 11 inches to the point or place of BEGINNING.

Parcel II

BEGINNING at a point on the easterly side of Morningside Avenue, distant 66 feet 11 inches northerly from the corner formed by the intersection of the easterly side of Morningside Avenue and the northerly side of 123rd Street;

RUNNING THENCE easterly parallel with 123rd Street, 100 feet;

THENCE northerly parallel with Morningside Avenue, 34 feet to the center line of the block;

THENCE westerly parallel with 123rd Street, 100 feet to the easterly side of Morningside Avenue; and

THENCE southerly along the easterly side of Morningside Avenue, 34 feet to the point or place of BEGINNING.

Parcel III

BEGINNING at a point on the northerly side of West 123rd Street, distant 34 feet 3 inches from the corner formed by the intersection of the said northerly side of 123rd Street and the easterly side of Columbus Avenue (Morningside Avenue);

RUNNING THENCE northerly parallel with Columbus Avenue and part of the distance through the center of a party wall, 66 feet 11 inches;

THENCE easterly to a point opposite the center of another party wall parallel with the said northerly side of West 123rd Street, 16 feet 3 inches;

THENCE southerly parallel with Columbus Avenue and part of the distance through the center of said last mentioned party wall, 66 feet 11 inches to the said northerly side of West 123rd Street;

THENCE westerly along the northerly side of West 123rd Street, 16 feet, 3-1/2 inches to the point or place of BEGINNING.

Parcel IV

BEGINNING at a point on the northerly side of West 123rd Street, distant 50 feet 6-1/2 inches from the corner formed by the intersection of the said northerly side of 123rd Street and the easterly side of Columbus Avenue (late 9th Avenue);

RUNNING THENCE northerly or nearly so and part of the distance through a party wall, 66 feet 11 inches;

THENCE easterly or nearly so along the line drawn parallel with the said northerly side of West 123rd Street, 16 feet 3 inches;

THENCE southerly or nearly so and part of the distance through a party wall, 66 feet 11 inches to the said northerly side of West 123rd Street;

THENCE westerly along the said side of West 123rd Street, 16 feet 2-1/2 (16 feet 3 inches per tax map) inches to the point or place of BEGINNING.

Being part of the same premises described in the deed to the Grantor herein by deed dated _____, recorded _____, in CRFN 2016000061587. Said premises known as and by the street number 375 West 123rd Street, New York, New York 10027. Block 1910. Lot _____.

TOGETHER with all right, title and interest, if any, to any interior strips or gores adjoining the above described premises on any sides thereof.

TOGETHER with an undivided _____ percent interest in the common elements of the Property described in said Declaration (hereinafter called the "Common Elements");

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining Units or Common Elements now existing as a result of the construction or rehabilitation of the Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building, or the Unit, after damage by fire or other casualty, or after taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand;

TOGETHER with an easement in common with the Owners of other Units to use any pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other Units or elsewhere on the Property, and serving the Unit;

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with and SUBJECT to all easements of necessity in favor of the Unit or in favor of other Units or the Common Elements;

SUBJECT to easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, now existing as a result of the construction or rehabilitation of the Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building or any adjoining Unit or of the Common Elements, after damage, condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements;

SUBJECT also to an easement in favor of the other Units to use the pipes, wires, ducts, conduits, cables, public utility lines and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units;

TOGETHER with and SUBJECT TO EASEMENTS, rights of way, restrictions and encumbrances created by the Declaration for the 99 Morningside Condominium recorded in the New York County Office of the Register of the City of New York on the ____ day of _____, 20__ as CRFN _____.

SUBJECT to the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the New York County Office of the Register of the City of New York, which provisions, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having at any time any interest or estate in the Unit, as though such provisions were recited and stipulated at length herein;

AND the Grantor covenants that the Grantor has not done or suffered anything whereby the said premises have been encumbered in any way whatsoever, except as aforesaid; this deed was authorized at a duly called meeting of the members of Grantor;

TO HAVE AND TO HOLD the same unto the Grantee, and the heirs or successors and assigns of the Grantee, forever.

The Unit is intended to, and, subject to and by the terms of the Declaration, is to be used as a (Residential) (Community Facility) Unit.

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 that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of clause 18 of the Declaration shall control.

The Grantor, in compliance with Section 13 of the Lien Law, 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 improvements before using any part of the same for any other purpose.

The Grantee accepts and ratified the provisions of the Declaration and the By-Laws and the Rules and Regulations of the Condominium recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof, as the same may be amended from time to time by instruments recorded in the office of the New York City Register, New York County.

This conveyance has been made with the consent of all the members of the party of the first part entitled to vote thereon at a meeting duly called.

IN WITNESS WHEREOF, the Grantor has duly executed this deed the day and year first above written.

Grantor:

99 Morningside LLC

By: _____
Guido Subotovsky, Manager

Grantee:

Grantee:

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

"99 Morningside Avenue" a Condominium located at
375 W 123rd Street
New York, New York

Description of Property and Specification

Date: December 24, 2019

Prepared by: Aufgang Architects, LLC
74 Lafayette Avenue
Suffern, NY 10901

PROPERTY ADDRESS: 375 W 123rd Street
New York, NY 10027
Borough of Manhattan
Block: 1950 Lot: 1 and Development rights from lot 101.

OWNER: 99 Morningside LLC
c/o
Azimuth Development Group LLC
40 Fulton Street, 12th Floor
New York, NY 10038

ARCHITECT: Aufgang Architects, LLC
74 Lafayette Avenue
Suffern, NY 10901

STRUCTURAL ENGINEERS: Brooker Engineering, PLLC
74 Lafayette Avenue
Suffern, NY 10901

MEP ENGINEERS: Di Bari Engineering, P.C.
99 Main Street
Dobbs Ferry, NY 10522

DESCRIPTION OF PROPERTY AND BUILDING CONDITIONS

- a. Location and Use of Property
- b. Status of Construction
- c. Site
- d. Utilities
- e. Sub-Soil Conditions
- f. Landscaping and Enclosures
- g. Building Size
- h. Structural System
- i. Auxiliary Facilities
- j. Plumbing and Drainage
- k. Heating
- l. Gas Supply
- m. Air Conditioning
- n. Ventilation
- o. Electrical System
- p. Intercommunication
- q. Public Area Lighting
- r. Garages and Parking Area (Not applicable to the development)
- s. Swimming Pools (Not applicable to the development)
- t. Recreation Facilities
- u. Permits and Certificates
- v. Violations
- w. Unit Information
- x. Finish Schedules
- y. Safety and Warning Devices
- z. Additional Information Required
- aa. Further Development
- bb. Asbestos
- cc. Lead Based Paint
- dd. Unit Measurement
- ee. Other Disclosures
- ff. Documents to be transferred to Condominium Management

(a) Location and use of property.

- (1) Address: 375 W 123rd Street, New York, NY 10027.
- (2) Block: 1950 and Lot: 1 and development rights from lot 101.
- (3) Zoning District: R8A
- (4) Permissible Uses: UG 1, 2, 3, 4 & 6.
Proposed Use: UG 2 & 4.
- (5) Building will comply with zoning and use requirements at closing.
- (6) The property is subject to the terms, conditions, covenants, easements and agreements set forth in the Correction Zoning Lot Development and Easement Agreement recorded in the Office of the City Register as CRFN #2018000035234. A copy of this Correction Zoning Lot Development Agreement ("Correction ZLDA") is set forth in part II of the Offering Plan.

The following is a brief summary of those rights and obligations but is not intended as a substitute for the Purchaser's review of the copy of the Correction ZLDA and other documents set forth in Part II of the Plan.

The Correction ZLDA grants and imposes rights and obligations among the parties thereto, including (i) the transfer to the Property of all excess zoning rights from the adjoining property located at 373 West 123rd Street, New York, New York (the "Adjoining Property") as such excess zoning rights exist today and to the extent they may increase in the future based upon changes in the applicable zoning laws and codes; (ii) a defined light and air easement commencing at a height which is thirty feet above the highest point of the Adjoining Property (the "Lower Limiting Plane") in favor of the Property; (iii) an agreement by the owners of the Adjoining Property to restrict any new building, structure, improvement or roof top equipment installed thereon to the confines of the existing buildings, structures or roof top equipment, (except that the adjoining owner may retain, add to and/or replace the existing mechanical equipment or structures above the height of the roof as they existed on the date of the Correction ZLDA may be installed up to the Lower Limiting Plane); (iv) easements which are either in the favor of the Property or reciprocal between the Property and the Adjoining Properties for the future construction, repair and maintenance, of certain of the Building and the improvements located on the Adjoining Properties; (v) the right and easement of the Sponsor and the Condominium to construct, install and maintain non-permanent protective equipment including, but not limited to, scaffolding and construction sheds, on and encroaching upon the Adjoining Property, as required for the construction of reconstruction of the Building or the future maintenance thereof; (vi) a violation covenant between the owners of the Adjoining Properties and the Condominium, including the obligation to pay all costs for the cure thereof; (vii) agreements relating to the future expansion of the

Zoning Lot and the development rights inherent therein; and (viii) provisions setting forth (a) any and all required insurance related to such rights, installations and improvements, and (b) the required future maintenance, repair and replacement of such installations and improvements by the Condominium.

The Correction ZLDA provides that any windows in the Building which abut the Adjoining Property below the Lower Limiting Plane shall be glass block. There is no limitation as to the installation of the windows in the Building above the Lower Limiting Plane. The Lower Limiting Plane is the horizontal plane located above and coincident with the boundaries of the adjoining property thirty feet (30') above the highest point of the building located on the adjoining property.

(b) Status of construction.

- (1) The project is currently under construction the residential portion is anticipated to be completed by December 31, 2019. The completion of the community facility is anticipated to be prior to June 30, 2020.
- (2) Multiple Dwelling: Class 1-B
- (3) A certificate of occupancy will be issued for the entire building upon completion of construction, and a temporary certificate of occupancy prior to closing of the first unit shall be issued.
- (4) No alteration permits apply to this building. NB permit application #122068467 has been approved to construct a 12 story mixed use building.

List all Required Permits:

122068467 – NB
 122468105 – FA – CEL 001 thru 003 - Church
 122468089 – FA – Entire (base building)
 123252648 –ARCS
 122494121 – Temp SD
 122240182 – SP/SD
 122240173 – BPP
 122136679 – SOE Filing
 122696573 – PA Space – CEL - Lecture Hall/Classroom 82 Persons
 122503585 – PA – CEL - Place of Worship
 122696859 – PA Space 1st Floor, BAL (Place of Worship)
 122494247 – FPP

The Quality Housing Program regulations apply to this project. A fitness area, package room, convenience toilets, multipurpose room, refuse

storage and disposal area, bike storage, and exterior recreation area are provided. The sponsor is not installing any furnishings on the exterior recreation area. The bike storage and refuse disposal area are located in the Cellar. The refuse storage areas are located on each floor. The multipurpose room and fitness area are located on the 2nd Floor. The exterior recreation area is located on the 3rd Floor. A convenience toilet is located on the 2nd Floors.

- (5) The building is designed as per 2008 NYC Building Code
- (6) Fire-ratings of each building element with the 2008 NYC Building Code Construction Type I:
 - Structural Frame = 2 hour Rated
 - Load Bearing Exterior walls = 2 Hour Rated
 - Non-load-bearing exterior walls= 1 Hour Rated
 - Floors = 2 Hour Rated
 - Roof = 1 Hour Rated
 - Load Bearing interior walls = N/A
 - Non-load-bearing interior walls = Non Rated
 - Unit Separation walls = 1 Hour Rated
 - Stair enclosures= 2 Hour Rated

The fire rating for the various elements noted above comply with all applicable code, regulations and law.

(c) Site.

- (1) The site has a lot area of 6,779 square feet. The lot is 100'-11" along Morningside Avenue. The lot has two segments along West 123rd Street of 18'-1" and 32'-6". 3,250 square feet of Development Rights were acquired from 373 West 123rd Street (lot 101).
- (2) The development consists of one mixed use residential and community facility building. Comprised of 23 residential condominium units and 1 community facility unit. The 23 residential condominium units are located on floors 3 through 12. Assessory residential space is located on portions of the cellar, 1st and 2nd floors. The community facility unit is located on portions of the cellar, 1st floor, 2nd floor and 3rd floor. The project consists of 24 dwelling units total (1 dwelling unit is part of the community facility unit). A portion of community facility unit located on the 2nd floor is comprised of a dwelling unit and is to be utilized in conjunction with the community facility unit.
- (3) Streets: Morningside Avenue and West 123rd Street are owned and maintained by the City of New York. The condominium association will be responsible for maintaining the sidewalk per NYC DOT's requirements.

(4) Drives, sidewalks and ramps:

(i) Paving:

The existing concrete sidewalks along Morningside Avenue and West 123rd Street will be replaced with 4" concrete in accordance to NYC guidelines. The entrances to the building will be ADA compliant.

Paving Materials: Paving will be made out of a 4" concrete, with 6" Gravel, Broken Stone with welded wire fabric # 8/8 at 6" x 6" spacing. All material and construction methods use will conform to section # 4.138 of the NYC Department of transportation.

(ii) Curbing:

Steel-faced concrete. Existing curbs and/or curb cuts around the property are to be maintained per the requirements of NYC DOT. Curbs and curb cuts shall be ADA-compliant if repair or replacement is required.

(iii) Catch basins, drainage:

Sidewalks and ramps shall be sloped so as to drain water away from the foundation of the building.

Catch Basins are existing: The nearest catch basin is located at the corner of Morningside Avenue and West 124th Street.

(iv) Street Lighting:

The building has no off street lighting. A traffic light pole is located at the corner of Morningside Ave. and W.123rd Street and is maintained by the city of New York. Lighting at main entry is provided.

(v) The above items are in conformity with local fire district, town or municipal building codes.

(d) Utilities.

Water and Sewer:

The City of New York provides water supply and combined sanitary and storm sewer service. The charges for water and sewer services provided to the building (including Dwelling units, and in the public areas of the building) will be levied on the basis of a master city meter and borne by the Residential Unit Owner as a Residential Common Expense. Community facility water and sewer will be levied on the basis of a percentage of the overall water and sewer bill. A water sub-meter down stream of the building master meter will allow a calculated percentage of total water usage. The percentage of water usage will be the basis for the water and sewer charges.

Electricity:

- i. Consolidated Edison Company, Inc. (Con Ed), a regulated utility company will provide electricity to the building.
- ii. Each Residential Unit Owner is separately metered and shall pay actual usage charges directly to Con Ed on approved Utility Electric rates.
- iii. Con Ed will separately meter the electricity consumed in the Residential Common Elements of the building and the cost of the same will be borne by the Residential Unit Owners as a Residential Common Expense.
- iv. Community facility is separately metered and shall pay actual usage charges directly to Con Ed on approved Utility Electric rates.

Natural Gas:

Consolidated Edison Company, Inc. (Con Ed), will supply gas for gas-fired domestic hot water Boiler(s) which serve indirect domestic hot water heaters in accordance with New York City Building Code. One gas meter (twin-set) is provided for residential cooking, one gas meter is provided for domestic water and rooftop HVAC unit. The cost of gas consumption in Dwelling Units and the Residential Common Elements will be borne by the Residential Unit Owners as a Residential Common Expense. The Community Facility Unit will be separately metered for gas consumption in the Community Facility Unit. The cost of gas consumption measured thereby shall be borne by the community facility unit.

Telephone:

Telephone service will be provided by Verizon or other service providers. Every Residential Unit Owner will be required to pay their associated telephone charges. The telephone charges with respect to the public areas of the building (such as the doorman, elevator phone line, and fitness center) will be borne by all Unit Owners as a common expense.

Cable Television:

The cable television (CATV) service will enter the building below grade from the rear yard of 107 Morningside Ave to a demarcation panel in the cellar compactor room. Conduit, cable and outlet boxes will be installed for distribution to each Residential Unit. Individual owners will arrange for service directly with the cable television company, if desired. All costs associated with such activation, usage, and monthly fees will be the responsibility of the Unit Owner. The CATV service charges with respect to the public areas of the building fitness center will be borne by all Unit Owners as a common expense.

(e) Sub-soil conditions:

There are fill materials at the surface of the explorations and extended to depths of about 7 to 13 feet below the ground surface. The fill material consisted of loose to dense, poorly-graded sands with gravel and contained miscellaneous building debris. The uncontrolled fill was classified as Class 7 material in accordance with the NYCBC. The "uncontrolled fill material" was removed. Backfill material composed of sand and gravel, containing no more than 10% passing a No. 200 sieve was provided. Back fill was compacted to a minimum of 95% (ASTM D1557) to the final subgrade in lifts of no more than 8 inches thickness. Natural

glacial soil was encountered below the fill. The soil consisted of poorly-graded sand with silt, gravel, and cobbles and ranged from dense to very dense in relative density. The glacial sands are classified as SP, GP, and SM materials, Class 3b, 3a, and 2a in accordance with the USCS and the NYCBC, respectively. At a depth of 75 feet, there is a layer of hard, sandy silt. The silt is classified as ML, Class 5a. Groundwater was measured at an approximate depth of 20½ feet from ground surface. It should be expected that the groundwater level will fluctuate due to several factors, such as variations in precipitation, seasonal changes, and site development activities.

- (1) No sign of differential or excessive settlement are noticeable.
- (2) Ground water was encountered during excavation of the elevator pit. Corrective measures were taken and no further action is required. Sump pumps were installed at each elevator pits. There is a grace preprufe water proofing in all elevator pits. There is stego wrap that was installed under the mat foundation.

No further moisture protection system is installed.

- (3) No danger of flooding: The building is located outside the NYC Flood Zone. Water Table: groundwater was measured at an approximate depth of 20 ½" feet from ground surface. It should be expected that the groundwater level will fluctuate.

There was a Phase 1 environmental report that did not reflect any hazardous materials and / or environmental risks. No environmental remediation was required.

(f) Landscaping and enclosures.

- (1) Grass cover: None
- (2) Plantings: None
- (3) Trees: There are two existing trees along the sidewalk at the property frontage on West 123rd Street.
- (4) Fencing: None
- (5) Gates: None
- (6) Garden walls: None
- (7) Retaining walls: None
- (8) Display pools and fountains: None

(g) Building size.

- (1) The twelve story building height is approximately 120'-0" above the sidewalk.
- (2) There are no crawl spaces in the development
- (3) There is one cellar.
- (4) In addition to the cellar, there are 12 floors on the premises.
- (5) The cellar houses mechanical rooms for the development. The equipment rooms in the cellar consist of the water service room, fire pump room, gas meter room, electrical meter room, elevator machine room, and trash compactor room. A mechanical room is located on the roof.

(6) Parapet and guardrail heights are 3'-6" minimum above the exterior finish floor.

(h) Structural system.

The proposed building will have 12 stories with one cellar level. The proposed floors will be 8" and 10" thick reinforced concrete flat plate slabs creating an 12-story structure. Columns at every level will be composed of reinforced concrete construction.

As per the wood flooring manufacture we have an IIC level of approximately 50 IIC rating or greater, based on the wood flooring, glue and self-leveling on top of the 8" concrete cast-in-place slab. In addition, the rules and regulations of the condominium require that, unless otherwise expressly authorized by the Board of Managers of the Condominium in each instance, that at least eighty percent (80%) of the floor area of each residential unit (excepting only, kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing materials.

Further, sound attenuation between the Community Facility Unit and the Residential Units above is provided by 5 ½ spray Insulation and with suspended acoustical baffles that provide sound absorption below the common terrace at the third floor level. In addition, there is an 8" slab separation between the church and the apartments on the 3RD floor (8" solid concrete slab has a typical sound attenuation rating of 50 STC -52 STC).

Elevator shaft enclosure sound attenuation. As specified per structural drawings, 10" solid cast in place concrete with a finished furring channel comprised of; (1) layer of 5/8" Type X Gypsum Board over 1/2" metal hat channel is designed to meet or exceed the required 50 STC rating required by 2008 New York City Building Code 1207.2.

Structural design of the foundations and superstructure are in accordance with the New York City Building Code, including all regulations for wind and seismic loads.

The building is supported by a conventional shallow foundation consisting of a reinforced cast-in-place concrete mat. A "shallow" foundation means that the loads of the structure are transferred to the subgrade located near to the surface of the lowest floor (which in our case is the cellar) as opposed to a "deep" foundation in which the loads of the structure are transferred deeper than the lowest floor via piles or other means. The building has a full cellar with a reinforced cast-in-place concrete mat footing at the cellar elevation and therefore is classified as a "shallow" foundation.

The foundation is a poured in- place of 3' and 4' thick concrete mat slab. Foundation walls are constructed out of reinforced cast-in-place concrete. Foundation walls vary in sizes, on the north walls the wall thickness are 1'-4" and 1'-0", on the south walls the thickness are 1'-2" and 1' -0" on the east side the wall thickness are 1'-2", 1'-0", 8", 10" on the west side the wall thickness are 10" and 1'-2".

No sub-grade drainage system is provided for the foundation as the water table is located 6 feet under the cellar slab and stego wrap was installed under the mat foundation. The slab on grade is over a compacted layer of gravel which will help to release any underground water pressure. There is damp proofing on the exterior surface of the foundation walls.

Underpinning was installed at the foundations of the adjacent structures at 373 West 123rd Street and at 107 Morningside Avenue in accordance with approved SOE plans. DOB filing #122136679 approved June 7, 2016.

(1) Exterior of buildings:

- (i) Walls: The building envelope consists of several fire resistant bearing and non-bearing systems: reinforced, cast-in-place concrete, light gauge metal frame walls, or glass block walls. Finish material is EIFS and Cast-in-place concrete.

East Walls: Where there is an adjacent (3) story building; the wall assembly is composed of cast-in-place concrete up to the 6th floor. On the exterior EIFS finish is applied on top of 3" rigid insulation over trowel applied vertical ribbons of adhesive with continuous fluid applied vapor permeable air barrier (2 coats) spray-on applied to face of sheathing with continuous self adhered membrane wall flashing 40 (MIL)

Above the 6th floor and portion of East wall at setback; the exterior wall is composed of the previously referenced materials in addition to an inner 3-5/8" galvanized metal stud wall, (1) layer of 5/8" Type "X" gypsum board over 5/8" Exp. Exterior Gypsum board sheathing with 3-1/2" unfaced batt insulation.

Glass block, fire-rated

Manufacturer: Pittsburgh Corning Glass Block

Thickset 60

60 min fire-rating and sealed to adjacent materials to maintain fire-rating of entire wall.

Location: In 1 kitchen on both the 7th and 8th floor. Corridors on floors 3-9.

Portions of the exterior façade of the Building along the eastern face and the Northern face of the Building are constructed from opaque fire-rated glass block. The glass block portions of the exterior façade are located in common hallways at the third through eighth floor levels of the Building and portions of the glass block are also located on Units 3B, 4B, 5B, 6B, 7A, 7B, 8A, 8B and 9B of the Building. These glass block portions of the exterior façade are fixed and non-operable and will not be required to be sealed if a structure is constructed next to the Building, however, in such an event the natural light that these glass block portions of the exterior

wall permit to enter the Building may be blocked as a result of such construction.

The fire-rating of the exterior wall is 1 hour fire rated except for those portions of the exterior walls that are concrete which are 2 hour fire rated.

For the exterior insulation finishing system (EIFS) or a panel cladding is to be installed, we are providing a barrier or internally drained with 369 Drainedge Parex. At the 1st and 2nd floor facades facing the street we are providing a stone panel system. EIFS will be internally drained.

Continuous rigid insulation board is provided throughout the exterior walls and spray on insulation is provided at some locations. All interior walls have Batt insulation with the R Value of 7.5. The thickness of the rigid insulation board varies through-out the building, please see chart below for floor to floor insulation thickness.

1 st floor	West and South exterior walls have Pre-Cast Stone with 2" Rigid insulation with the R Value of 10. North exterior wall has EIFS with Rigid and Spray-on insulation with the R Value of 10. East exterior wall has EIFS Rigid and Spray-on insulation with the R Value of 10.4
2 nd Floor	West and South exterior walls have Pre-Cast Stone with 2" Rigid insulation with the R Value of 10. North exterior wall has EIFS with Rigid and Spray-on insulation with the R Value of 10. East exterior wall has EIFS Rigid and Spray-on insulation with the R Value of 10.4
3 rd Floor	West and South exterior walls have EIFS with 3" Rigid insulation with the R Value of 10.8. North exterior wall has EIFS with Rigid insulation with the R Value of 10. East exterior wall has EIFS Rigid and Spray-on insulation with the R Value of 10.4
4 th Floor	West and South exterior walls have EIFS with 3" Rigid insulation with the R Value of 10.8. North exterior wall has EIFS with Rigid insulation with the R Value of 10. East exterior wall has EIFS Rigid and Spray-on insulation with the R Value of 10.4
5 th Floor	West and South exterior walls have EIFS with 3" Rigid insulation with the R Value of 10.8. North exterior wall has EIFS with Rigid insulation with the R Value of 10. East exterior wall has EIFS Rigid and Spray-on insulation with the R Value of 10.4
6 th Floor	West and South exterior walls have EIFS with 3" Rigid insulation with the R Value of 10.8. North exterior wall has EIFS with Rigid insulation with the R Value of 10. East exterior wall has EIFS Rigid and Spray-on insulation with the R Value of 10.4
7 th Floor	West, South and North exterior walls have EIFS with 3" Rigid insulation with the R Value of 10.8. East exterior wall has EIFS Rigid and Spray-on insulation with the R Value of 10.4
8 th Floor	West, South and North exterior walls have EIFS with 3" Rigid insulation with the R Value of 10.8. East exterior wall has EIFS Rigid and Spray-on insulation with the R Value of 10.4

9 th Floor	West, South and North exterior walls have EIFS with 3" Rigid insulation with the R Value of 10.8. East exterior wall has EIFS Rigid and Spray-on insulation with the R Value of 10.4
10 th Floor	West, South and North exterior walls have EIFS with 3" Rigid insulation with the R Value of 10.8. East exterior wall has EIFS Rigid and Spray-on insulation with the R Value of 10.4
11 th Floor	West, South and North exterior walls have EIFS with 3" Rigid insulation with the R Value of 10.8. East exterior wall has EIFS Rigid and Spray-on insulation with the R Value of 10.4
12 th Floor	West, South and North exterior walls have EIFS with 3" Rigid insulation with the R Value of 10.8. East exterior wall has EIFS Rigid and Spray-on insulation with the R Value of 10.4

The condominium association will be responsible for meeting subsequent LL 11/98 requirements. The periodic inspections will begin 5 years after substantial completion of the development. Based upon the anticipated date of the substantial completion of the Building being on or before December 31, 2019, it is anticipated that the periodic inspection will begin the cycle starting in 2021 (the cycle that commences during the period that is five (5) years after the issuance of the first Temporary Certificate of Occupancy). Based upon the Building's block number, the inspection will need to be completed during the filing period for sub-cycle B.

(ii) Windows:

Types and Locations: New extruded aluminum, thermally broken, tilt-turn, casement, awning or fixed windows will be installed.

All windows are manufactured by Traco.

Window Warranty:

Main Warranty- 1 year

Parts Warranty – 2 years

Glass Warranty – 5 years

Finish Warranty – 10 Years

Window Warranty Starts from TCO

Sills: Continuous extruded aluminum sills

Screens: None

Window guards: Limiting devices will be provided as required by NYC code.

Lintels: Metal stud boxed headers, as required

Hardware: Specification book available for review and provided by sponsor.

Glazing: 1" Insulated double glazed windows with Low-E.

Caulking: All exterior windows will be caulked.

Spandrel Glass: We are providing spandrel glass to conceal and to provide privacy at locations such as a small mechanical room, storage spaces and

bathrooms on the 1st and 2nd floors. Most of the spandrel glass is located in the community facility unit. There is one spandrel glass panel located on the residential storefront entrance, concealing a storage room, for the gym on the 2nd floor.

Thermal Break: Describe for windows and storefronts $U=0.45$. $SHGC= 0.24$
 The 2014 New York Energy Conservation Code is applicable to this project, by application of ASHRAE 2010. To maintain a Low cfm as per code we are providing a sealant on the storefront made up of: Dow corning 795 Silicone weatherproofing sealant. To prevent Thermal bridging, we are providing semi-rigid insulation in front of the headers to prevent heat lose, and additional sealant with caulking and compressible filler has been insalled. There is continuous fluid applied vapor permeable air barrier (2 coats) spray on applied to face of exterior gypsum sheathing. There is continuous self-adhered membrane wall flashing.

Storefronts:
 Manufacturer: Kawneer**
 Type & Material: Aluminum and glass
 Main Warranty – 1 year
 Parts Warranty – 2 years
 Glass Warranty – 5 years
 Finish Warranty – 10 years

(iii) The building does not have landmark status.

20.7(h)

(2) Parapets and copings: Continuous extruded aluminum copings secured to wood blocking and concrete or CMU parapets. Parapets are built with CMU blocks, infill grout and with rebar attached to the slab. At the terraces the parapet is cast in place with pressure treated wood blocking secured to the concrete curb with 1/2" anchor bolts. Aluminum coping wraps the wood blocking for weather protection. Continuous sealant under flashing was installed. All penetrations through the vapor barrier are sealed with rubberized asphalt mastic. The self-adhered membrane transition strip is located below the pressure treated wood. At exterior walls the parapets have an EIFS finish which is weather resistant.

All parapets have an aluminum coping that is anchored to the pressure treated wood blocking which is anchored to the CMU parapet with 1/2" anchor bolts. Flashing material composition is a Metal flashing materials include lead, aluminum, copper, stainless steel, zinc alloy, and other materials.

(3) Chimneys and caps:

The Building will have one new refuse chute. The chute will have a metal vent and metal flashing collar. The chute will be metal enclosed in a 2 hour rated masonry shaft.

Also, two (2) boiler flues and two (2) combustion air intakes are provided for boilers located in the mechanical room on main roof and adjacent wall.

Chimney extensions for neighboring properties at 373 West 123rd Street and 379 West 123rd Street are attached to the Building. Maintenance of these extensions is the responsibility of the condominium association.

The flue from the rooftop boiler room is single- walled galvanized steel

(4) Terraces: Private terraces are provided to the following units:

7B (on the roof over the 6th Floor);

8B (on the roof over the 7th Floor);

9A and 9B (on the Roof over the 8th Floor);

10B (on the roof over the 9th Floor);

PHB (on the roof over the 10th Floor);

PHA (on the roof over the 11th Floor and 12th Floor)

A public terrace is provided at the roof over the 2nd floor.

Balconies: A private balcony is provided at Unit 8C.

The maximum occupancy load for the terraces set forth in the chart below are based upon the Maximum Occupancy Section 1004.1.2.1.

The terraces are an accessory use to the apartment. The terraces do not need their own occupancy load. The occupancy load for the apartment is also the occupancy load for the terraces.

RESIDENTIAL UNIT #	FLOOR AREA PER OCCUPANT	TERRACE/BALCONY AREA (SQ.FT.)	MAXIMUM NUMBER OF OCCUPANTS
7B	200	1,847 SQ.FT.	10
8B	200	1,659 SQ.FT.	9
8C	200	557 SQ.FT.	3
9A	200	1,094 SQ.FT.	6
9B	200	1,823 SQ.FT.	10
10B	200	1,620 SQ.FT.	9
PHB	200	2,411 SQ.FT.	12
PHA	200	2,313 SQ.FT.	12
RESIDENTIAL TERRACE	FLOOR AREA PER OCCUPANT	TERRACE/AREA (SQ.FT.)	MAXIMUM NUMBER OF OCCUPANTS
3 RD FLOOR	15	1231 SQ.FT.	49

- (i) Terrace and Balcony Deck Finishes: Terraces will have a new surface finish of porcelain pavers. All roof and terrace drains shall be accompanied by overflow drains connected to the storm system. Balconies will have an exposed concrete architectural finish surface.
On the terraces we are providing porcelain roof pavers with pedestals over protection board with grooved bottom for drainage.
Finish materials for terrace and roof decks are compatible with roof warranty, and carry a manufacturers' warranty of one year.

The roof pavers are designed to provide a proper walking surface. The roof terraces and balconies are set forth on the building plans as accessory residential space and shall appear on the certificate of occupancy as such.

The roof assembly at the terraces comply with the New York 2014 energy code with the application of ASHRAE 2010. Pursuant to the New York 2014 energy code the terraces are permitted to have an R value of 5 and, the main roof is permitted to have an R value of 25. The building is being constructed under the 2014 Energy code and ASHRAE 2010. The building was approved for R-25 on the roof an R-5 on the terraces.

On all terraces other than the common terrace at the 3rd floor and the terrace appurtenant to Unit PHA, 1.5" of soprema liquid system and spray foam insulation was installed on the underside of the terraces giving an additional R-Value of R-10.

The roofing system over the terraces:

Below the ¾" porcelain pavers there are pedestals which are made up of Eterno rubber support pads. Beneath the pedestals are Alsan RS 230 liquid flashing. The Sopra drainage mat and the Alsan RS 230 field are below right above the concrete deck.

Porcelain pavers with pedestal over a roof with rigid insulation with an R-value of 25 have been installed on the 3rd Floor Common Terrace and the terrace appurtenant to Unit PHA.

The roofing system over the Mechanical area:

The mechanical roofs have porcelain pavers over pedestals comprised of Eterno rubber support pads. Beneath the pedestals is Alsan RS 230 liquid flashing. The sopra drainage mat and the colphene roofing have been installed beneath the pedestals. Sopra iso cover board has been installed and rigid insulation has been installed under the colphene.

- (ii) Balustrade types and materials: Aluminum and glass railing over parapet.
- (iii) Railings: There are aluminum and fully tempered glass railings on all terraces and balconies, 42" minimum above the finished floor which

comply with New York City Building Code. There are no horizontal members conducive to railings that can be used as a ladder by children. The railings are 3'-6" high r aluminum and laminated glass railing system. The railings are comprised of 5/16" laminated lite safety glass. The Interlayer material is: Extruded sheet interlayer.

- (iv) Copings: Continuous extruded aluminum coping.
- (v) Soffits: None
- (vi) Doors to balconies and terraces: The terrace doors are factory glazed with insulated glass units and thermally broken. The doors are manufactured by Kawneer with a thermal break system with 1" insulated glass units. Terrace doors are manufactured with continuous extruded aluminum coping and glazing.

(5) Exterior entrances:

- (i) Exterior doors and frames: Aluminum and glass door with transom at the residential main entrance lobby on West 123rd Street. Aluminum and glass door with transom at the community facility entrance on Morningside Avenue. The doors and frames will be constructed of aluminum with 1" tempered insulated glass units and shall be thermally broken. There are also single egress doors for the second means of egress for the dwelling units and community facility units. They are located on the ground floor. The egress doors will be hollow metal door assemblies. The doors are manufactured with a thermal break system with 1" insulated glass units.
The exterior doors have a hollow frame rating of 1 ½ hour fire rating. Doors are 1 ½ hour fire rating. Main entrance electromagnetic locks. Self-closer. We are providing exit lock and Exit alarms. Automatic and Self-latching flush bolts.
- (ii) Vestibule doors and frames: Aluminum and glass door and frame.
- (iii) Exterior stairs: Not applicable there are no exterior stairs.
- (iv) Railings: None.
- (v) Mailboxes: A U.S. Postal Service approved front-loading, horizontal unit mailboxes consisting of multiple compartments with fixes, solid compartment backs, enclosed within recessed wall box will be located in the lobby.
- (vi) Exterior lighting will be provided at the private terraces and entrances. The Outdoor light are Winona Lighting 5250-WL-18 VHB F UD 120 OA BAL x STD or equal.

(6) Service Entrances: None.

(7) Roof and roof structures.

- (i) Type roofs for all areas:

- (a) Material: Soprema 2 ply built-up roofing system over tapered polyisocyanurate board insulation R-25. The roof is comprised of roofing asphalt with standard asphalt-based one or two part asbestos free, cold applied adhesive specifically formulated for compatibility with built up flashing right over the roof insulation boards approved by roofing manufacture which is over vapor retarder. The vapor retarder has a min of 40-mil thick polyethylene film laminated to later by rubberized asphalt adhesive, with slip resisting surface and release paper backing. The vapor retarder is over the concrete cast roof.
- (b) Insulation: Rigid polyisocyanurate board insulation. Pursuant to the 2014 energy code rigid insulation has been installed over the roof with an R value of 25. The rigid insulation is a multi-ply membrane composed of closed cell polyisocyanurate foam bonded to glass at facers on the top and underside. The board thickness is 1"-5". The R-value is R-5.7 per inch.
- (c) Surface finish: There is a 2 ply built-up roofing system over tapered polyisocyanurate board insulation has been installed. There is an 8" high knee wall with a 3'-6" parapet wall above finished paver on the roof. This acts as a wind-breaker for the porcelain pavers, in order for there to be no uplift on the roof. For the deck and roof terraces for the dwelling units-(Limited Common Elements) we are providing ¾" porcelain paver tiles. On the PH roof and at mechanical areas porcelain pavers have been installed. These pavers are appropriate for daily foot traffic. For the 3rd Floor Common terrace and the terrace appurtenant to Unit PHA porcelain pavers with pedestals.-Pavers system carry a manufacturer warranty and are compatible with roof materials and warranty. The roof covering complies with all applicable codes.
- (d) The roof warranty is a 20-year No Dollar Limit (NDL) manufacturer's warranty for labor and materials. Warranty term commences after final inspection by Suprema. Paver material and installation is compatible to maintain manufacturer's roof warranty.

The roof installer is not providing a separate warranty for the roof.

- (e) Flashing materials will be constructed of stainless steel and membrane material. The stainless steel flashing will be 30 gauge for concealed flashing and 28 gauge for exposed flashing.

The rooftop terraces and balconies are allocated as accessory to the residential space and will appear on the certificate of occupancy for the building as such.

(ii) Drains:

- (a) Location, material, type: The main roof will have a controlled flow drainage system. Which means that when it rains the water collected on the roof will not go as fast as it fell to the local storm sewer system. There will be a process where the water will be drained off gradually to the local storm sewer. To achieve the controlled flow drainage system we have installed cast iron type roof drains with internal piping for storm water. There will be scuppers with downspouts and splash blocks draining bulkheads on the main roof. The main roof will have a controlled flow roof drainage system as required by code for storm water retention and emergency storm drains with 4" overflow drains and scuppers, as per approved design. Drain down time will not exceed 4 hours. Storm water drainage and detention capacity are in compliance with NYC Plumbing Code. Flashing around roof penetrations and along parapets will be higher than storm water build-up.
- (b) All gutters and exterior downspouts shall be aluminum.
- (iii) Skylights: None
- (iv) Bulkheads:
 - (a) Stairs: The stair bulkhead at the roof level is constructed of concrete with an EIFS finish on the exterior.
 - (b) Elevator: The elevator bulkhead is constructed of concrete with an EIFS finish on the exterior.
 - (c) Other: N/A
- (v) Metal work at roof levels:
 - (a) Exterior, metal stairs: None.
 - (b) Vertical ladders, including gooseneck: Galvanized steel ladders from building roof up to bulkheads with grab rails at 3'-6" height. A galvanized steel vertical ship ladder is located at the 12th Floor roof to access the roof mechanical equipment.
 - (c) Aluminum and tempered glass railing system 42" above the finished floor complying with New York City Building Code.
 - (d) Hatches to roof: None.
 - (e) Other: There is total of 23 condensing units servicing the Residential units. The units are located on the roofs of the 3rd, 12th floor and the bulkhead. The locations of the condensing units are near the concrete curb of the roof, with at least 2'-0" clearance between units. Condensing units are internally isolated to mitigate the transmission of noise to the structure. Silent drive system reduces sound levels with swept wing fan, sound enclosure, and composite base.
- (vi) Rooftop facilities. There is a common residential rooftop terrace at the roof over the 2nd Floor (at the 3rd Floor Level). There is a mechanical room at

the roof over the 12th floor. Noise control for all exterior mechanical equipment shall comply with NYC mechanical code.

(8) Fire escapes: None.

(9) Yards and courts. Rear yard at 3rd floor level consists of 2 ply built-up comprised of cap sheet, base ply fastened to base sheet over 5" min. insulation to achieve a R value of 25 at mechanical area, and porcelain roof pavers over protection board over 2 ply built-up roofing system at the common residential terrace, as described in greater detail above.

- (i) Paving: Porcelain roof pavers with Pedestals will be installed over the protection board with grooved bottom for drainage. Paver systems carry a manufacturer warranty, and are compatible with roof materials and warranty.
- (ii) Drainage: controlled flow drains and emergency overflow roof drains, which are described in greater detail above.
- (iii) Railings: parapet railings.
- (iv) Stairs: None.
- (v) Fencing: 4'-0" high fence. The fencing is aluminum coated with galvanized steel. The posts are drilled in and bolted to the roof deck cast concrete with anchoring cement.
- (vi) Walls: Parapet walls with EIFS on the exterior face. The parapet walls surround the rear roof and terrace over the church, standing 3'-6" high above finished roof as per code.

(10) Interior stairs.

- (i) Number of stairs:
 - (1) Stairs A & B (Residential) Cellar to Roof.
 - (2) Stair C (Community Facility) Cellar to 3rd floor.
 - (3) Stair D/E (Community Facility) Cellar to 1st floor.
 - (4) Stair F (Community Facility) 1st floor to 2nd floor.
 - (5) Stair G (Residential) 1st floor.
 - (6) Stair H (Community Facility) 1st floor.
 - (7) Stair I (Community Facility) 1st floor to balcony.
 - (8) Stair N (Community Facility) 2nd floor.
 - (9) Stair O (Community Facility) 3rd floor.
 - (10) Stair Q (Residential) 12th floor to roof.
 - (11) Stair R (Community Facility) Cellar to 1st floor.
- (ii) Enclosure: 2 hour rated concrete, 2 hour rated CMU, or 2 hour rated metal stud walls.
- (iii) Stair Construction: Cast in place concrete.
- (iv) Stringers: None.
- (v) Treads: Cast in place concrete.
- (vi) Risers: Cast in place concrete.
- (vii) Guard Rails/Balustrade: Steel Metal round handrails will be located at every egress stair, with a 2" in diameter and 34" from the finish floor. The handrails are ADA compliance and painted and have guardrails.

(11) Interior doors and frames.

- (i) Unit entrance doors & frames: Painted hollow metal doors & painted hollow metal frames, 1 ½ fire rated. Unit interior doors and frames: Laminated wood doors with metal knock down frames
- (ii) Corridor doors & frames: Corridor doors and frames: Painted hollow metal, self-closing, 1½ hour fire rated doors & painted hollow metal frames.
- (iii) Stair hall doors and frames: Painted hollow metal doors and painted hollow metal frames, fire rated per NYC Building Code. Doors and frames are 1 ½ fire rated.
- (iv) Roof and Cellar doors and frames: Painted hollow metal, self-closing, 1 ½ hour rated doors, and painted hollow metal frames, fire rated.
- (v) Stairs that open directly into the units on the 11th and 12th floor will only allow for exit access. Unauthorized re-entry is not permitted.

(12) Elevators.

- (i) There are two new Passenger/Service Elevator (PE1, PE2) serving the Residential section of the building. The elevators will have a one year warranty from sign-off. The elevators will require a maintenance contract that will be the responsibility of the condominium association.
- (ii) Elevators PE1 & PE2 are specified MRL (Machine Room Less) traction type elevator system. The elevators will have a 2500 lbs. capacity operating at a speed of 200 FPM.
- (iii) Type of operation: MRL traction elevator.
- (iv) Duplex selective collective AC VVVF control.
- (v) PE1 serves floors; Cellar, 1st, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, and 12th Floors.
PE2 serves floors: 1st, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th and 12th Floors.
- (vi) Type: MRL
- (vii) Doors: 42" wide X 84" high single speed side Slide automatic doors.
- (viii) The elevator control rooms are located at the cellar level.
- (ix) DC Motor: None
- (x) AC motor: gearless motor machine by Torin Drive International.
- (xi) Elevator doors on the 11th & 12th floors are not required to be zero clearance as per 2008 NYC Building Code.

(13) Elevator cabs.

- (i) Kind: Canton Elevator incorporated manufacturer or approved equal.
- (ii) Floor: Tile
- (iii) Walls: Raised stainless steel panels with black reveals.
- (iv) Ceiling: Multi-panel dropped ceiling.
- (v) Lighting: low voltage mini down lights mounted in ceiling.
- (vii) Alarm and safety system per code. Safety system will be provided by alarm bells, safety interlock on sliding doors, key operated fireman's service switch and hand's free telephone system.
- (viii) Elevator doors on the 11th & 12th floors that open directly into units will only have access via electric key fobs.

(i) Auxiliary facilities.

(1) Laundry rooms.

- (i) Location: No common laundry room. The sponsor shall install a washer and dryer in each Residential Unit, as described in the Unit Finish section of this report.
- (ii) All Residential Units will be equipped with an electric washer.
- (iii) All Residential Units will be equipped with an electric vent-less dryer.
- (iv) Dryer Ventilation: (no ventilation)

(2) Refuse disposal.

- (i) Incinerators: None.
- (ii) Trash Chute: The refuse chute will be located off the public corridor on the residential floors. On the 11th and 12th floors, the refuse room will be located within the penthouse units. The refuse chute will lead to new compactor located at the Cellar Level.
- (iii) Compactors: A new compactor, (All-City Metal MC-4500-M or approved equal) will be located in the compactor room in the cellar. The compactor will receive all necessary approvals and will have a one year warranty.
- (iv) Refuse storage location: In the trash compactor room at the cellar level of the Building.
- (v) Pick-up schedule: Disposal will be provided and scheduled by the City of New York Department of Sanitation and is collected on scheduled days, weather permitting. The Community facility Unit Owner shall be responsible for moving refuse from the cellar of the community facility unit to the curb for pick-up.

(3) Mail Package room:

A mail/package room is located on the first floor. The walls of the package room are 2 hour fire rated and a 1 ½ hour fire rated door and frame. The mail/package room is ADA compliant, and located on the 1st floor along the residential entrance of the building. Ceiling height is 8' with gypsum board suspended ceiling, and two rectangular fluorescent lights. The mail/package room is sprinklered. The door to the mail/package room has a self-closer with a door locked with key fob and intercom (virtual doorman) access. Room access will be monitored by a security camera inside the room

(4) The Bicycle Room:

A Bicycle room will be located in the Cellar, accessible from the common corridor and will have racks to store 12 bicycles. The walls of the Bicycle room are 4" CMU walls with the farthest wall from the entrance is concrete. The wall that is part of the foundation is to be furred out with 1 layer 5/8" type x gypsum board on 1 ½" galv. Metal Z clips @ 16 O.C. with 1 ½ Semi-rigid insulation (R-7.5) unfaced. The door is 1 ½ hour fire rated with a self-closer. The door will be equipped with key fob access. Room access will be monitored by a security camera inside the bike storage room. We are providing a 167 square footage of bicycle room on the Cellar.

As discussed in greater detail above a common terrace for the use of the Residential Units is located at the third floor and certain Residential Units have terraces and/or balconies. Sponsor is not installed any furnishing on the common terrace.

(5) The Fitness Center:

- (i) The fitness center will be located on the 2nd Floor, equipped with one treadmill, one elliptical, one weight bench, and one set of assorted free weights. The fitness center will be equipped with a central air system.
- (ii) A unisex bathroom is located on the 2nd Floor.
- (iii) The fitness center will be for the use the Residential Units and subject to the rules and regulations of the Condominium.
- (iv) The permitted occupancy for the fitness center is 47, calculated 15 sq ft net per person as per New York City 2008 BC 1004.1.2.

All Auxiliary Facilities will be for residential occupants of the Building and shall be subject to the rules and regulations of the Condominium. All the Auxiliary Facilities will be part of the Residential Common Elements and the costs and expenses to operate and maintain will them will be included as a Residential Common Expense.

(j) Plumbing and drainage.

- (1) Water Supply: Potable water will be supplied by the New York City public water system. Building will be provided with new 4" domestic water service located in the cellar meter room. The service piping will be 4"; underground pipes will be ductile iron, above ground pipe will be copper Type L. Domestic water service will be provided with house control valve, water meter and an RPZ (reduced pressure zone backflow preventer) all located in water meter room in cellar. Domestic hot and cold water will be distributed to each unit by copper Type L piping distribution system. Distribution piping varies from ½" to 3". All domestic hot and cold water piping systems with exception of runout piping not exceeding 4 feet will be insulated with fiberglass pipe insulation, thickness varying from 1" to 2" in compliance with applicable code.

The water pressure will be maintained by a pressure booster pump system with duplex pumps. The specified booster pump is manufactured by Canariis Corporation. The manufacturer standard warranty is one year. Minimum static pressure at plumbing fixtures will be approximately 40 psi; minimum residual pressure at plumbing fixtures will be approximately 40 psi.

The main shut-off valve for the domestic water service is located in the water meter room located in the cellar. Domestic hot water piping shall have 1" insulation for pipes up to 1.5" in diameter and 1.5" insulation for pipes 1.5" diameter and greater for temperatures up to 140°F. All domestic cold water piping shall have 0.5" insulation for piping up to 1.5" diameter and 1.0" insulation for pipes 1.5" diameter and greater for temperatures up to 60°F.

- (2) Fire protection system:
- (i) Standpipes: Shall be 6" schedule 40 steel pipe. Standpipes will be located in all required stair shafts.
 - (ii) There shall be a lobby hose cabinet pursuant to NYC Building code and NFPA.
 - (iii) Sprinkler heads: The building will be provided with sprinkler system in accordance with the New York City Building Code. Combined Sprinkler standpipe risers will be located in the stair enclosures. Drain risers will be provided as required by code. Sprinkler system will be black steel schedule 40 with cast iron or malleable iron fittings. Sprinkler heads will be either concealed, pendant, sidewall or upright configuration as required to meet space conditions.
 - (iv) Siamese connections: Siamese connections will be provided on Morningside Avenue. Primary Water for the system will be provided through one (1) 6" dedicated fire water service and secondary water will be provided from a segmented roof tank. The fire water service will be equipped with double detector check valve with meter on bypass.

Fire service will be equipped with new automatic fire pump and jockey pump.

- (3) Fire protection Water storage tank(s) and enclosures:

- (i) Type and location: A two compartment water storage tank is located above the stair bulkhead on the roof.

- (ii) Material: Concrete interior with EIFS on the exterior.
 - (iii) Access: Each side of the tank is accessed by a 24" diameter manway on the roof. Access to the roof is by a vertical ladder.
 - (iv) Capacity, total gallons: 15,000 gallons.
 - (v) Capacity, fire reserve: 15,000 gallons
- (4) Water pressure and how maintained:
- Booster Pump: 202 GPM, 65 PSIG boost, duplex.
 - City/Water Main Pressure: 44 PSIG (estimated) at street level.
 - Other: 4" dia. New domestic water service shall enter the building in cellar utility room. New BFP RPZ will be located in basement utility room. New domestic water booster pump will be located in cellar utility room. All cold and hot water piping throughout the building will be type L copper, insulated per NYS ECCC.
- (5) Sanitary sewage system.
- (i) Sewage piping: Above ground: Cast iron no-hub with wide stainless steel clamps. Underground: heavy duty cast iron.
 - (ii) Sewage pumps: Duplex sanitary ejector pumps, 250 GPM as manufactured by Federal pump. Pumps shall have one year manufacturer's warranty. Church: Duplex sanitary ejector pumps, 200 GPM as manufactured by Federal pump. Pumps shall have one year manufacturer's warranty.
 - (iii) Sewage disposal: One (1) new sanitary house trap located in Cellar level.
- (6) Permits:
- Sewer connection permit application was approved by NYCDEP on 4/27/2016. A renewal application has been submitted.
 - Water underground permit
- (7) Storm drainage system:
- (i) System consists of controlled flow roof drains piped in series with controlled flow outlet.
- Storm water will be collected by means of a series of controlled flow roof drains at all roofs and terraces connected to cast iron piping in the building interior. Storm piping in interior is cast iron and varies in size from 4" diameter to 8" diameter. Storm water detention will be provided by combination of roof detention and tank detention. Roof retention is provided by means of controlled flow drains on roof and roof terraces. A renewal application without the detention tank was approved on May 16, 2019
- An aluminum gutter system will be installed along the lot lines of all adjacent structures, connected to interior piping.

Storm and sanitary house drains will be provided with house traps. Sanitary and storm drain pipe will be combined into one pipe and will connect into the city street main. The combined sanitary and storm piping connecting to city street main is cast iron pipe, 8" diameter.

(i) Catch basins: None indicated on existing survey.

(ii) Yard drains: The Terrace/Roof over the church on the third floor has a total of 7 drains in the center. The roof on the 12th floor has six drains. There are two drains near the compactor chute and four other drains are on the edge of the roof near the concrete curb. Refer to AG drawings- 103.02 and A-111.01 for drain location on plan.

(iii) Piping: Interior storm drainage piping will be cast black iron.

(iv) Sump pumps: Sump pumps will be installed in all elevator pits.

(k) Heating.

(1) (a) Domestic Hot Water: Domestic hot water is provided by two (2) indirect fired water heaters as manufactured by Thermo 2000 Inc., Turbomax 109, 119 US gallon, or equal. Turbomax DHW Heaters carry a 15-year manufacturer's warranty and have a heat transfer efficiency reaching 99% and standby loss less than 0.5 F per hour. Domestic hot water will be distributed to all plumbing fixtures and appliances within the Dwelling Units and common spaces. The hot water return circulation system is designed to maintain 120F within the piping system. The system is designed to provide domestic hot water at peak operating times

(b) Space Heating: Each Residential Unit will be provided with split system heat pump air conditioning system. Each unit is provided with a dedicated outdoor condensing unit (CUA-X) and multiple indoor air conditioning units (AHU-X). The air diffusers are connected to the overhead duct system and the ducts will be ceiling mounted. The central boiler plant will distribute hot water to all air handler heating coils. There is a BTU meter specified for all unit heating coils to measure energy consumption.

(c) Thermostats will control operation of each air conditioning unit. The heating system has the ability to maintain legally required conditions under anticipated weather conditions.

Calculation: Space heating loads are calculated as required by NYC Building Code. The outdoor conditions and indoor conditions are: Winter: 14.3 °F Dry Bulb. Indoor Conditions: 70 ° F DB

- (2) Number of boilers and description: two (2) Laars Mighty-Therm2 MT2H-1000, 85% efficiency, or equal.
- (3) Manufacturer of boilers: Laars, or equal
- (4) Manufacturer of burners: Integral

- (5) Type of controls: Tekmar #274 tN4 four-stage boiler and DHW boiler controls will be provided. Programmable thermostats will control operation of each air conditioning unit.
- (6) Piping and Insulation: All domestic hot and cold-water piping will be distributed by means of type "L" copper pipe and will be insulated in compliance with the Code.
- (7) Fuel for water heaters and boilers is Natural Gas.
- (8) Location of oil tank: N/A
- (9) Capacity of oil tank: N/A
- (10) Electric Heaters provide supplemental heat in certain Residential Units at bathrooms and living rooms, and are located in common areas including corridors, stairs, vestibules, storage areas, and mechanical rooms. The Residential units that are equipped with supplemental electric heaters are set forth below.
 - Apartment 3A, 4A, 5A, 6A, 7A and 8A each have an electric heater in the kitchen and in both bathrooms.
 - Apartment 3B has an electric heater in the kitchen and in the bathroom off the bedroom.
 - Apartment 4C, 5C, and 6C has an electric heater in the kitchen and in the bathroom off of bedroom #1.
 - Apartment 4B, 5B, and 6B has an electric heater in the kitchen, one in the corridor and in the bathroom off of bedroom #1.
 - Apartment 7B and 8B has an electric heater in the living room, kitchen, and one in the bathroom off the master bedroom.
 - Apartment 9A and 10A has an electric heater in the kitchen, and one in the bathroom off the master bedroom.
 - Apartment 9B has an electric heater in the living room, kitchen, corridor, in the toilet off the corridor, and one in the bathroom off the master bedroom.
 - Apartment 10B has an electric heater in the living room, kitchen, in the toilet off the corridor, and one in the bathroom off the master bedroom.
 - Apartment PHA and PHB has an electric heater in the living room, kitchen, corridor, in the toilet off the corridor, and one in the bathroom in between bedroom #2 and bedroom #4.

Supplemental Electrical heaters:

Brand Stelpro 360 comfort, Series AWF Name: Wall fan heater, Model AWF1508TW
Watts 1500 , Volts 208, CFM 160 Limited Warranty for 3 years Built –in Thermostat

Brand Stelpro 360 comfort, Series ARWF Name: Wall fan heater, Model ARWF1001TW
Watts 1000/500, Volts 120, CFM 40 Limited Warranty for 3 years Built –in single pole
Thermostat

Brand Stelpro 360 comfort, Series ARUH Name: Commercial & Residential Unit Heater,
Model ARUH3TCHAR Watts 3000/2250, Volts 240/208, CFM 350 Limited Warranty
for 3 years Built –in Thermostat

Brand Stelpro 360 comfort, Series AWFA Name: Aluminum Wall fan heater, Model AWFA3008W Watts 3000, Volts 208, CFM 160 Limited Warranty for 3 years

Brand Stelpro 360 comfort, Series DBI Name: Aluminum Draft Barrier Model DBI9071W Watts 750, Volts 120, Limited Warranty for 3 years

Brand Stelpro 360 comfort, Series ASKS Name: Kick Space Heater ASKS1001BK Watts 1000-500, Volts 120, CFM 50 Limited Warranty for 3 years

Brand Stelpro 360 comfort, Series X-PRO Name: Explosion-proof Unit heater EU233-CA-0036C Watts 3000, Volts 208, CFM 650 Limited Warranty for 3 years
Wallmounted thermostat.

- Electric radiant floor heating will be provided in master bathrooms of apartment PHA and PHB.
- Energy efficiency rating. Boiler efficiency is 85%.
- All supply and return ductwork inside the building envelope and outside the conditioned space are insulated with a minimum of R-6 insulation. Any exterior duct work shall be insulated with a minimum of R-8 and be provided with weather proof cladding.

(l) Gas supply: The building will be provided with a new Con Edison gas service.

(1) Type: Natural Gas will be distributed to each Residential Unit from dedicated gas meter room located in the cellar.

(2) Meters: There will be one meter for residential cooking, one meter for domestic hot water and HVAC, and one meter for the community facility space.

(3) Piping. All gas piping will be schedule 40 black steel with malleable iron fittings. The gas service pipe is 4" diameter.

(m) Air conditioning.

Air handler manufactured by First Company
Condenser manufactured by Carrier

AIR HANDLER	CONDENSING UNIT	BTU/h cooling	BTU/h heating	SEER
AHU-1 36VHBXB-HW	CUA-1 36AHA4	36,000	60,800	14
AHU-2 48VHBXB-HW	CUA-2 48AHA4	48,000	94,800	14
AHU-3 60VHBXB-HW	CUA-3 60AHA4	60,000	126,400	14
NOTE1	CU-8	36,000	N/A	14

NOTE1: UNIT IS MANUFACTURER BY MITSUBISHI

All condensing units are located on the main roof above the 12th floor, bulkhead roof, and the 3rd floor. Condensing units are internally isolated to mitigate the translation of noise to the structure. Silent drive system reduces sound levels with swept wing fan, sound enclosure, and composite base. The exterior metals and fasteners are galvanized water resistant and corrosion resistant.

Air conditioning loads are calculated as required by NYC Building Code. The outdoor conditions and indoor conditions are as follows:

Summer: 89.6 °F Dry Bulb / 73 °F Wet Bulb

Indoor Conditions: 75 ° F DB

The same dedicated split heat pump air conditioning system described above that provides heating also provides cooling.

- (1) Units: Dedicated unit systems include condensing units for each Residential unit, with multiple ceiling mounted air handlers feeding ducted air outlets will provide individual zone heating and cooling as set by programmable thermostats.
 **Thermostats shall be located in the general living area.
 **AHU units and condensers are manufactured by First Company, and Carrier respectively, with a one year manufacturer warranty from the date of start-up
 There is a total of 23 condensing units servicing the Residential Units. The condensing units are located on the roofs of the 3rd, 12th floor and the bulkhead. The locations of the condensing units are near the concrete curb of the roof, with at least 2'-0" clearance between units.
 Condensing units are internally isolated to mitigate the transmission of noise to the structure. Silent drive system reduces sound levels with swept wing fan, sound enclosure, and composite base.
- (2) Common Areas: Air conditioning and heating in the lobby and fitness center will be provided with similar split heat pump air conditioning system as the Residential Units, with condensing unit located outdoors and air conditioning unit within the space. A programmable unit controller as furnished by unit manufacturer for the heat pump system will control operation of each air conditioning unit.
- (3) Corridors: Corridors are air conditioned by a gas-fired make-up air unit, with supplemental heat provided by wall mounted electric heaters.
- (4) Refrigeration piping located on the roofs and within the building envelope have manufacturer applied insulation.
- (5) Air handling units installed within individual Residential Units are located in the laundry/mechanical closet. Air handling units are manufactured by First Company with a one year manufacturer warranty from the date of start-up.

The typical up-flow air handling units are floor mounted. The air diffusers are

connected to the overhead duct system and the ducts will be ceiling mounted.

(n) Ventilation.

All ventilation equipment has sound pressure levels on a high setting of a maximum of 44 dB(A)

Kitchen: Natural or mechanical ventilation, recirculating hoods, ducted kitchen exhaust.

Combined kitchen & toilet exhaust fans

**Sound pressure levels on high setting max 44 dB(A).

Bathrooms: Mechanical ventilation, ducted bathroom exhaust.

Corridor ventilation will be provided by a 100% outside air rooftop AC unit providing supply air to the corridor as required by the NYC Mechanical Code.

The specified rooftop unit is as manufactured by Sterling, Model PV-10, capacity 1000 cfm, or equal. The rooftop unit warranty is 1-year from date of startup.

Ventilation will also be provided for utility service rooms, boiler room, electric room, and other mechanical spaces.

Mechanical cooling will be provided for compactor room and elevator machine room.

The compactor room is provided with exhaust ventilation. The exhaust is sized to exhaust 100 cfm. The specified fan is as manufactured by Greenheck Fan Corporation, Model G-143-VG, or equal. The warranty is one year from date of startup.

All the natural and mechanical ventilation described above in the kitchens, bathrooms and corridors complies with all applicable rules, codes and regulations. Kitchen exhaust/ventilation complies with NYCMC.

Exhaust Systems

Dwelling units shall have a combined toilet/kitchen exhaust fan. Continuous minimum exhaust rates shall be as follows: bathrooms: 20 cfm and kitchens: 30 cfm. These minimum exhaust rates comply with all code requirements.

Individual unit bathroom/kitchen exhaust fans shall be Greenheck Model MPVS-100, or MPVS-120, or equal, and include a warranty for 1-year from date of startup.

Combined kitchen/toilet exhaust for multiple units shall be manufactured by Greenheck Fan Corporation, Vari-Green Model G-103-VG or G-097-VG, or equal. The warranty for fans is 1-year from date of startup.

Clothes dryer unit within each Residential Units will be provided with lint filter.

(o) Electrical system.

- (1) Service from Con Edison: These services are adequate to handle modern usage. New electric service will be provided from Con Ed. The service will be 208/120, 3 phase, 4 wire. There will be four service switches as follows: Switch 1 (800Amp) for the Church, Switch 2 (600Amp) for house loads, Switch 3 (800Amp) for the fire pump, and Switch 4 (800Amp) for the unit meter bank. Service to the Church panel and equipment are protected by an 800 Amp service switch and a transient voltage surge suppressor (TVSS). The house distribution panel and connected equipment are protected by a 600 Amp service switch and a transient voltage surge suppressor (TVSS).
- (2) Service to individual units: Residential Units will be direct metered. The service size and panel layout for each Residential Unit is rated at 1-Phase, 3-Wire, 120/208V, 125 Amp. Each unit is protected with a 100 Amp main breaker located at the meter with the exception of Units 7B on the Seventh floor, PHB on the eleventh floor, and PHA on the twelve floor, where a 125 Amp breaker is installed.
- (3) Compartment switch gear: N/A
- (4) Adequacy:
 - (i) The typical Residential Unit will have approximately 42 circuits, that handle modern usage and appliances, including air conditioning, small appliance circuits, dedicated circuits for large appliances such as refrigerator, dishwasher, washer & dryer, etc., general lighting and convenience receptacle circuits as required by the Code. Each Residential Unit is protected with a 100 Amp main breaker located at the meter bank with the exception of Units 7B, PHB, and PHA where a 125 Amp breaker is installed. Service has been designed to handle connected loads including air conditioning units, air handler(s), and typical unit appliances. Each unit electrical load is calculated pursuant to the most current National Electric Code (NEC).
 - (ii) Lighting and fixtures: Blue Light, 4" recessed downlight
 Typical Units, and Penthouses:

 Unit Foyer/Corridor – Recessed down light
 Kitchens – Recessed down light, LED under-cabinet lighting
 Dining & Living – Recessed down lights and/or switched wall outlets

Bedrooms – Recessed down lights and/or switched wall outlets

Master Bathrooms – Recessed down lights. Strip light in mirrored medicine cabinet.

Secondary Bathrooms – Recessed down lights.

Powder Rooms – Recessed down light

Walk in Closets: Surface mount light with door switch

(iii) There will be one outlet per appliance and each room having an average of three convenience outlets except bathrooms and kitchens, which have at least one each. The outlet in the kitchen and bathrooms will be GFI rated for wet locations. The outlet layout for the rooms will meet or exceed code requirements.

(5) Generator or emergency Power: Not provided

(6) Wiring material and size - All conductors specified as copper. Minimum conductor size is #12 wire. All wire sizes based on no greater than 5% voltage drop per NEC.

(p) Intercommunication:

Remote monitoring and services will be provided by "Virtual Doorman."

The building will be equipped with an intercom system which enables two-way telephone communication between the front entrance & lobby desk and the Residential Units.

The Residential Unit telephone outlet boxes will be pre-wired for telephone services. Each Residential Unit is to have a telephone outlet in each bedroom, living room and kitchen. The telephone wire will end in network terminal box for future connection by the telecommunication services provider.

The Residential Unit cable television (CATV) outlet boxes will be pre-wired for cable television services. Each Residential Unit is to have a CATV connection in the living room and in each bedroom. The CATV wire will end in the network terminal box for future connection by the telecommunication services provider.

- Intercom by Comelit model # 3639/1 Pillar for powercom entrance panel for pedestrian height. Pillar made of extruded aluminum provided with aluminum rain hood and base for fixing the floor by means of the expansions bolts provided. 1 module. Dimensions 0.7" x 6.7" x 3.0".

(q) Public area lighting:

Lobby: Light Blue USA LLC, 4" Downlight Slim Panel Round, # LB 11344
 Lobby Chandelier: Lambert & Fils, Beaubien 10
 Corridors: Light Blue USA LLC, 4" Downlight Slim Panel Round, # LB 11344
 Stairs: Lithonia Lighting, WT8-2-32-MVOLT-BSNP-NESPDTZ-DIM50-EL14
 Fitness Center: Lithonia Lighting, 2VT5-14T5-MVOLT-GEB115-LP835-EL14
 Bike Storage: Lithonia Lighting, LB-2-28-MVOLT-GEB10PS
 Trash Rooms: Lithonia Lighting, LB-2-28-MVOLT-GEB10PS
 Package Room: Light Blue USA LLC, 4" Downlight Slim Panel Round, # LB 11344

Lobby is provided with recessed down lighting and pendants. Public corridors on residential floors are provided with recessed down lights. Emergency lights will be distributed as per code. Stairwells will be provided with wall mounted emergency lights.

Public Areas:

Lobby: Recessed down lights and pendants

Cellar: fluorescent surface mounted fixtures

Fitness Room: fluorescent fixtures mounted in acoustic ceiling tile framing

Corridors: recessed down lights

Elevator Cab: Low voltage mini down lights.

The lighting shall meet the 2008 NYC Building Code and NYC Energy Conservation Code requirements.

(r) Garages and Parking Area: None.

(s) Swimming Pools: None.

(t) Recreation facilities.

The exterior recreation areas will be located on the roof over the 2nd Floor and is approximately 800 sf. The maximum occupancy load is 49 people.

A Fitness Center will be located on the 2nd Floor.

As described in greater detail above a bike storage room will be located on the cellar floor.

(u) Permits and certificates.

Inspections:

- Concrete- Cast – in – Place BC 1704.4
- Concrete- Test Cylinders BC 1905.6 (TR-2)
- Concrete- Design Mix BC 1905.3 (TR-3)
- Masonry BC 1704.5
- Soils Site Preparation BC 1704.7.1
- Soils Investigations (Borings/Test Pits) BC 1704.7.4 (TR-4)
- Underpinning BC 1704.9.1
- Sprayed Fire-Resistance Materials BC 1704.11
- Exterior Insulation Finish Systems (EIFS) BC 1704.13
- Smoke Control Systems BC 1704.15
- Mechanical Systems BC 1704.16
- Mechanical Demolition BC 1704.20.4, BC 3306.6
- Excavation-Sheathing, Shoring, and Bracing BC 1704.20.2, BC 3304.4.1
- Soil Storm Drainage Disposal and Detention System Installation BC 1704.21.1.2
- Sprinkler Systems BC 1704.23
- Standpipe Systems BC 1704.24
- Heating Systems BC 1704.25
- Chimneys BC 1704.26

Energy Code references for these inspections below are referenced from: Table Reference in 1RCNY 5000-01(h) (1) and (2)

- Fireplaces (IB1), (IIB1)
- Shutoff Dampers (IB2), (IIB2)
- HVAC and service water heating equipment (IB3), (IIB3)
- HVAC and service water systems control (IB4), (IIB4)
- HVAC insulation and sealing (IB5), (IIB5)
- Duct leakage testing (IB6), (IIB6)
- Electrical energy consumption (IC1), (IIC1)
- Lighting in dwelling units (IIC2)
- Interior lighting power (IC2), (IIC3)
- Exterior lighting power (IIC4)
- Exit signs (IIC6)
- Electrical motors (IIC7)
- Maintenance information (ID1), (IID1)

The Building will be constructed under a New Building Permit application. All required inspection certificates and permits, including Elevator Inspection and Sprinkler System, will be provided before closing.

(v) Violations.

As of the date of the report the following violations are open:

NUMBER	TYPE	FILE DATE
V 081010IMEGNCY1938	DOB VIOLATION - ACTIVE	08/10/2010
V 012418AEUHAZ100154	DOB VIOLATION - ACTIVE	01/24/2018

V 080918AEUHAZ100136

DOB VIOLATION - ACTIVE

08/09/2018

ECB Number	Dept. of Buildings Violation Status	Respondent	ECB Hearing Status	Viol Date	Infraction Codes	ECB Penalty Due
35239492H	OPEN - CERTIFICATE DISAPPROVED Severity: CLASS - 1	GAC BUILDERS LTD GC612253 Inspect Unit: BEST SQUAD	IN VIOLATION	10/03/2017	182	\$1,000.00
					Viol Type: CONSTRUCTION	
35239493J	OPEN - CERTIFICATE DISAPPROVED Severity: CLASS - 1	GAC BUILDERS LTD GC612253 Inspect Unit: BEST SQUAD	IN VIOLATION	10/03/2017	182, 282	\$250.00
					Viol Type: CONSTRUCTION	
35132121Z	OPEN - CERTIFICATE DISAPPROVED Severity: CLASS - 2	BRENNMAC CORP GC613357 Inspect Unit: SCAFFOLD SAFETY TEAM	IN VIOLATION	05/28/2015	223	\$0.00
					Viol Type: CONSTRUCTION	
34852300N	OPEN - CERTIFICATE DISAPPROVED Severity: CLASS - 1	SOLIS REALTY 406 Inspect Unit: MANHATTAN CONSTRUCTION	IN VIOLATION	08/04/2010	104	\$6,326.06
					Viol Type: CONSTRUCTION	
35150285Y	OPEN - CERTIFICATE DISAPPROVED Severity: CLASS - 2	ST.LUKE BAPTIST CHURCH Inspect Unit: SCAFFOLD SAFETY TEAM	IN VIOLATION	12/30/2014	223	\$10,775.89
					Viol Type: CONSTRUCTION	
35150286X	OPEN - CERTIFICATE DISAPPROVED Severity: CLASS - 2	ST.LUKE BAPTIST CHURCH Inspect Unit: SCAFFOLD SAFETY TEAM	IN VIOLATION	12/30/2014	207	\$4,350.36
					Viol Type: CONSTRUCTION	
35150287H	OPEN - CERTIFICATE DISAPPROVED Severity: CLASS - 2	ST.LUKE BAPTIST CHURCH Inspect Unit: SCAFFOLD SAFETY TEAM	IN VIOLATION	12/30/2014	217	\$4,350.36
					Viol Type: CONSTRUCTION	
35331225P	OPEN - NO COMPLIANCE RECORDED Severity: CLASS - 1	GAC BUILDERS LTD Inspect Unit: BEST SQUAD	PENDING	05/08/2018	1C2	\$0.00
					Viol Type: PLUMBING	
35331226R	OPEN - NO COMPLIANCE RECORDED Severity: CLASS - 1	GAC BUILDERS LTD GC612253 Inspect Unit: BEST SQUAD	PENDING	05/08/2018	182	\$0.00
					Viol Type: CONSTRUCTION	

All violations including any violations that may be issued during construction will be cured prior to the issuance of the permanent certificate of occupancy.

(w) Unit information.

There are a total of 23 units from the 3rd floor to the 12th floor. There is a dwelling unit located on the 2nd floor which is part of the Community Facility Unit and which is not included in the Residential Units offered in the Offering Plan. Between Residential Units we are providing sound attenuation insulation at wall partitions separating Residential Units with a STC level of 50-54 rating.

FLOOR	RESIDENTIAL UNIT	TYPE	DESCRIPTION
3 RD FLOOR	3B	1 BR	LIVING/DINING, 1 BEDROOM, 1 BATHROOM, KITCHEN, TOILET ROOM, HALL AND LAUNDRY CLOSET
3 RD FLOOR / 4 TH FLOOR / 5 TH FLOOR / 6 TH FLOOR	3A/4A/5A/6A	3 BR	LIVING/DINING, 3 BEDROOMS, 2 BATHROOMS, KITCHEN, LAUNDRY CLOSET
4 TH FLOOR / 5 TH FLOOR / 6 TH FLOOR	4B/5B/6B	2 BR	LIVING/DINING, 2 BEDROOMS, 2 BATHROOMS, KITCHEN, AND LAUNDRY CLOSET
4 TH FLOOR / 5 TH FLOOR / 6 TH FLOOR	4C/5C/6C	2BR	LIVING/DINING, 2 BEDROOMS, 2 BATHROOMS, KITCHEN, LAUNDRY CLOSET
7 TH FLOOR/8 TH FLOOR	7A/8A	3 BR	LIVING/DINING, 3 BEDROOMS, 2 BATHROOMS, KITCHEN, LAUNDRY CLOSET
7 TH FLOOR/8 TH FLOOR	7C/8C	1 BR	LIVING/DINING, 1 BEDROOM, 1 BATHROOM, KITCHEN, AND LAUNDRY CLOSET
7 TH FLOOR	7B	4 BR	LIVING/DINING, 4 BEDROOMS, 2 BATHROOMS, TOILET ROOM , KITCHEN, LAUNDRY CLOSET, AND TERRACE
8 TH FLOOR	8B	3 BR	LIVING/DINING, 3 BEDROOMS, 2 BATHROOMS, KITCHEN, LAUNDRY CLOSET, AND TERRACE
9 TH FLOOR	9A	2 BR	LIVING/DINING, 2 BEDROOMS, 2 BATHROOMS, KITCHEN, LAUNDRY CLOSET, AND TERRACE
9 TH FLOOR	9B	2 BR	LIVING/DINING, 4 BEDROOMS, 2 BATHROOMS, TOILET ROOM, KITCHEN, LAUNDRY CLOSET, AND TERRACE
10 TH FLOOR	10A	2 BR	LIVING/DINING, 2 BEDROOMS, 2 BATHROOMS, KITCHEN, AND LAUNDRY CLOSET

10 TH FLOOR	10B	3 BR	LIVING/DINING, 3 BEDROOMS, 2 BATHROOMS, TOILET ROOM, KITCHEN, LAUNDRY CLOSET, AND TERRACE
11 TH FLOOR/12 TH FLOOR	PHB/PHA	4 BR	LIVING/DINING, 4 BEDROOMS, 2 BATHROOMS, TOILET ROOM, KITCHEN, LAUNDRY CLOSET, MECHANICAL ROOM, AND TERRACES

All Residential Units have a typical ceiling finish. All living room areas have kadex finish showing the underside of the concrete slab with varying sizes of ducts were applicable to conceal mechanical work, or gypboard finish. Bathrooms in units have suspended ceiling with gypsum board and lighting fixtures of recessed down light. Kitchens in all units have a ceiling finish of gypsum board suspended ceiling and lighting fixtures of recessed down light. Typical kitchen islands have a surface mounted light fixture. Kitchens have a wood floor finish. Typical units have ducts were applicable to cover mechanical work. All closets, laundry and mechanical room have a ceiling finish of gypsum board suspended ceiling. The lighting fixtures all surface mounted light fixtures, the exception being unit PHA where the laundry room has a florescent fixture. All corridor area finishes are gypsum board suspended ceiling. In areas where applicable ceiling heights drop to suspended ceiling. Outdoor terraces have wall sconces on exterior walls.

Floor to ceiling heights of units and the finish schedule of the Residential Units is set forth below.

ROOM	FLOOR FINISH	WALL FINISH	CEILING FINISH	APPROX. CEILING HEIGHT*
3 RD FLOOR-6 TH FLOOR				
FOYER	WOOD	GYPSUM BOARD(PAINTED)	GYPSUM BOARD(PAINTED)	8'-0"
LIVING ROOM/DINING	WOOD	GYPSUM BOARD(PAINTED)	KADEX COVER COAT(PAINTED)	8'-10"
TOILET	PORCELAIN TILE	GYPSUM BOARD(PAINTED)/PORCE LAIN STONE	GYPSUM BOARD(PAINTED)	7'-6"
LAUNDRY/MECHANICAL ROOM	CERAMIC TILE	GYPSUM BOARD(PAINTED)	GYPSUM BOARD(PAINTED)	7'-6"
BATHROOM	PORCELAIN TILE	GYPSUM BOARD(PAINTED)/GLASS OR PORCELAIN TILE	GYPSUM BOARD(PAINTED)	7'-6"
BEDROOM	WOOD	GYPSUM BOARD(PAINTED)/TILE	KADEX COVER COAT(PAINTED)	8'-10"
KITCHEN	WOOD	GYPSUM BOARD(PAINTED)	GYPSUM BOARD(PAINTED)	7'-6"
REFUSE ROOM	QUARRY TILE	GYPSUM BOARD/QUARRY TILE	GYPSUM BOARD(PAINTED)	8'-0"

7 th FLOOR-10 th FLOOR				
FOYER	WOOD	GYPSUM BOARD(PAINTED)	GYPSUM BOARD(PAINTED)	8'-0"
LIVING ROOM/DINING	WOOD	GYPSUM BOARD(PAINTED)	KADEX COVER COAT(PAINTED)	8'-10"
TOILET	PORCELAIN TILE	GYPSUM BOARD(PAINTED)/PORCE LAIN STONE	GYPSUM BOARD(PAINTED)	7'-6"
LAUNDRY/MECHANICAL ROOM	CERAMIC TILE	GYPSUM BOARD(PAINTED)	GYPSUM BOARD(PAINTED)	7'-6"
BATHROOM	PORCELAIN TILE	GYPSUM BOARD(PAINTED)/GLASS OR PORCELAIN TILE	GYPSUM BOARD(PAINTED)	7'-6"
MASTER BATHROOM	MARBLE- (MOAIC AT SHOWERS)	MARBLE-STONE SADDLE/GYPSUM BOARD(PAINTED)	GYPSUM BOARD(PAINTED)	7'-6"
BEDROOM	WOOD	GYPSUM BOARD(PAINTED)/TILE	KADEX COVER COAT(PAINTED)	8'-10"
KITCHEN	WOOD	GYPSUM BOARD(PAINTED)	GYPSUM BOARD(PAINTED)	7'-6"
REFUSE ROOM	QUARRY TILE	GYPSUM BOARD/QUARRY TILE	GYPSUM BOARD(PAINTED)	8'-0"
11 th FLOOR-12 th FLOOR				
FOYER	WOOD	GYPSUM BOARD(PAINTED)	GYPSUM BOARD(PAINTED)	8'-0"
LIVING ROOM/DINING	WOOD	GYPSUM BOARD(PAINTED)	KADEX COVER COAT(PAINTED)	9'-3"
TOILET	PORCELAIN TILE	GYPSUM BOARD(PAINTED)/PORCE LAIN STONE	GYPSUM BOARD(PAINTED)	7'-6"
LAUNDRY/MECHANICAL ROOM	CERAMIC TILE	GYPSUM BOARD(PAINTED)	GYPSUM BOARD(PAINTED)	7'-6"
BATHROOM	PORCELAIN TILE	GYPSUM BOARD(PAINTED)/GLASS OR PORCELAIN TILE	GYPSUM BOARD(PAINTED)	7'-6"
MASTER BATHROOM	MARBLE- (MOAIC AT SHOWERS)	MARBLE-STONE SADDLE/GYPSUM BOARD(PAINTED)	GYPSUM BOARD(PAINTED)	7'-6"
BEDROOM	WOOD	GYPSUM BOARD(PAINTED)/TILE	KADEX COVER COAT(PAINTED)	9'-3"
KITCHEN	WOOD	GYPSUM BOARD(PAINTED)	GYPSUM BOARD(PAINTED)	7'-6"

*Ceiling height measured from top of finish floor to bottom of ceiling finish, other areas may be lower.

- (1) Bathroom fixtures and equipment as listed, or equal.

Toilet: Duravit starck 3 toilet wall-mounted # 222609..92, Stark 3 toilet seat and cover # 0063390000
Sink Faucet: Moen Via #S8001

Lavatory: Moen Durastyle, or equal
 Wall Showers with Diverter and Tub Spout: Moen Via #TS8713EP
 Wall Shower Pressure Balancing Valve: Moen Posi-Temp #62370
 Hand Showers: Moen Eco-Performance #3988EP
 Hand Showers for ADA conversion: Moen Eco-Performance #52710EP15
 Transfer Valve: Moen #3362
 Transfer Valve Trim: Moen Via #TS2172

Robe Hooks: Moen Via #YB5003
 Toilet Paper Holder: Moen Via #YB5008CH
 Towel Bar: Moen Via #YB5018

Penthouse Master Bathroom Equipment
 Free-Standing Tub: Moen, Model TBD
 Free-Standing Spout: Moen, Arris #S93005
 Free-Standing Spout Mount Kit: Moen #TS50110

Convenience Bathroom at 2nd Floor:
 Toilets: Duravit starck 3 toilet wall-mounted # 222609..92, Stark 3 toilet seat and cover # 0063390000
 Sink:
 Faucet:

(2) Kitchen and laundry equipment.

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 (or comparable) fixtures and appliances:

Residential Units (Typical):

Refrigerator: Bosch 30" Benchmark B301B8005P
 Dishwasher: Bosch 24" 800 Series SHVM98W73N
 Range: Bosch 30" Gas Range #HG18054UC
 Microwave with Hood: Bosch 300 Series 30" HMT-3052U
 Kitchen Sink: Moen 18-gauge #G18092
 Kitchen Faucet: Moen Sleek #7864
 Washer: Bosch 500 Series WAT28401UC 24" Front Load
 Dryer: Bosch 500 Series WTG86401UC, vent-less

Penthouses:

Refrigerator and Freezer: Miele K1803 Vi and Miele F1473 Vi with custom panel
 Dishwasher: Miele H6580BP with custom panel
 Cooktop: Miele KM3475G
 Oven: Miele H6580BP
 Speed Oven: Miele H6200BM AM
 Wine Cooler: Miele KWT6312UGS
 Kitchen Sink: Moen 18-gauge #G18092

Kitchen Faucet: Moen Align #5923
 Washer: Bosch 500 Series WAT28401UC 24" Front Load
 Dryer: Bosch 500 Series WTG86401UC, vent-less

(x) Common Area Finish Schedule:

ROOM	FLOOR FINISH	WALL FINISH	CEILING FINISH	APPROX. CEILING HEIGHT*
CELLAR FLOOR				
ELECTRICAL/METER ROOM	CONCRETE FINISH	GYPSUM BOARD	EXPOSED CONCRETE	8'-0"
GAS/METER ROOM	CONCRETE FINISH	GYPSUM BOARD/CONCRETE PAINTED	EXPOSED CONCRETE	9'-4"
ELEVATOR LOBBY	VCT	GYPSUM BOARD	SUSPENDED GYPSUM BOARD(PAINTED)	9'-5"
WATER METER/FIRE PUMP ROOM	CONCRETE FINISH	CONCRETE PAINTED	EXPOSED CONCRETE	9'-4"
BICYCLE ROOM	CONCRETE FINISH	CONCRETE PAINTED	EXPOSED CONCRETE	9'-4"
TRASH COMPACTOR ROOM	QUARRY TILE	QUARRY TILE/GYPSUM BOARD	EXPOSED CONCRETE	9'-5"
ELEVATOR CLOSET ROOM	CONCRETE FINISH	GYPSUM BOARD/CONCRETE PAINTED	EXPOSED CONCRETE	9'-4"
WATER BOOSTER ROOM	CONCRETE FINISH	GYPSUM BOARD/CONCRETE PAINTED	EXPOSED CONCRETE	9'-4"
FIRST FLOOR				
LOBBY	PORCELAIN TILE	GYPSUM BOARD(PAINTED)	SUSPENDED GYPSUM BOARD(PAINTED)	19'-0"
ELEVATOR LOBBY	PORCELAIN TILE	GYPSUM BOARD(PAINTED)	SUSPENDED GYPSUM BOARD(PAINTED)	8'-0"
LOUNGE	PORCELAIN TILE	GYPSUM BOARD(PAINTED)	SUSPENDED GYPSUM BOARD(PAINTED)	8'-11"
PACKAGE/MAIL ROOM	PORCELAIN TILE	GYPSUM BOARD(PAINTED)	EXPOSED CONCRETE	8'-0"
SECOND FLOOR				
GYM/MULTIPURPOSE ROOM	CARPET	GYPSUM BOARD(PAINTED)	ACOUSTIC CEILING TILE	8'-0"
STORAGE	CONCRETE FINISH(PAINTED)	GYPSUM BOARD(PAINTED)	SUSPENDED GYPSUM BOARD(PAINTED)	7'-0"

*Ceiling height measured from top of finish floor to bottom of ceiling finish, other areas may be lower.

(y) Safety and warning devices. Smoke Detectors/CO detectors.

New hardwired combination carbon monoxide/smoke detectors with built-in sounder will be installed in and outside of bedrooms in dwelling units per NYC Building Code requirements. Area smoke detectors will be installed in all electrical and mechanical equipment rooms, elevator lobbies and as otherwise required by the NYC Building Code. New duct mounted smoke detectors will be provided in all supply air handling units with a capacity in excess of 2,000 cfm which is also a New York City Building Code requirement.

Smoke detectors are provided in common spaces and include elevator lobbies, compactor room, plumbing room and recreation room.

A fire alarm control panel and central office transmitter is located in the cellar.

The building has an automatic smoke & heat detection and sprinkler fire alarm system with one-way voice paging.

(z) Additional information required.

(1) See the attached floor plans for each type of unit indicating room dimensions, total areas, unit boundaries and the relationship of units to each other.

(2) Floor to Ceiling Heights:

The approximate floor to ceilings heights are set forth above.

(aa) Further development.

There is no further development. No additional Units will be added to the Condominium by Sponsor

(bb) Asbestos.

ACP-5 annexed hereto. No asbestos in project.

(cc) Lead-based paint.

There is no lead-based paint in project.

(dd) Unit measurement.

The approximate gross square foot area of each Unit has been measured horizontally on each of one or more floors from the exterior side of the exterior walls, at the Building

line or at the exterior face of aluminum frames to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the midpoint of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements. Columns and mechanical pipes and shafts (whether along the perimeter or within the Unit) were not deducted from the square foot area of the Units. Outdoor floor area of a terrace appurtenant to a Unit was not included in the Unit's indoor floor area.

Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

(ee) Other disclosures.

There will be no corrosive drywall materials incorporated in the project.

(ff) Documents to be transferred to Condominium Management.

The following documents will be transferred to the condominium management upon transfer of control:

- Operations & Maintenance (O&M) manuals for mechanical equipment
- Equipment warranties
- Roof Warranty
- Major equipment Start-Up Sheets
- Control System As-Builts
- Original Test & Balance Report for HVAC System
- Waterproofing warranties
- Final as-built drawings as maintained during construction, i.e., structural, - mechanical, electrical, plumbing, shop drawings.

Substitutions:

Sponsor reserves the right to substitute materials, appliances, fixtures and equipment of equal or better quality than those set forth in this report.

Sign _____

Date _____

Seal _____



ASBESTOS REPORTS



NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
Asbestos Control Program
 59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373
ASBESTOS ASSESSMENT REPORT



1. NYC DOB Job # (if applicable) _____ **Control Number: 1199817**

2. Premise No. 103 Street Name Morningside Ave Borough Manhattan Zip 10027

3. AKA _____ Type of Facility Commercial BIN 1084058 Block 01950 Lot 0004

4. Building Owner 99 Morningside LLC Address 40 FULTON ST 12TH FLOOR

5. City New York State NY Zip 10467 Contact Person GUIDO SUBOTORSKY

6. Tel. # 2124149414 Fax # 2124149414 Email _____

7. Description of the Entire Scope of Work

Demolition of building. Roofing materials and pipe insulation found during the original survey was abated under an ACP7 in July and August 2015. If any pipe insulation is uncovered in pipe chases or floors during demolition the materials must be treated as asbestos containing materials.

8. I, TIMOTHY DONOHOE, have conducted an asbestos investigation on

Name of Certified Asbestos Investigator

08/13/2014 9:00AM-5:00PM, 08/07/2015 4:30PM-8:30PM in accordance
Date(s)

with Sections 1-16 and 1-28 of the NYC DEP Asbestos Control Program Rules and declare that at said facility address, the

- ☐ a. portion(s) of the premises affected by the work is free of asbestos containing material (ACM).
- ☐ b. premise (or portions thereof) affected by the work contains 10 square feet or less or 25 linear feet or less of ACM.
 Specify locations in section 9: Note: This material must be abated as a minor project in accordance with relevant provisions of the DEP Asbestos Rules.
- ☐ c. asbestos is present and will not be disturbed during construction activity. Specify the quantity and area where asbestos is present. Specify amount: _____ sq. ft. _____ linear ft.
 Specify locations (attach additional documents as necessary): _____

☒ d. entire building is free of asbestos containing material (ACM).

9. RESULTS OF ASBESTOS BUILDING SURVEY:

FLOOR	DESCRIBE SECTION OF FLOOR	ALL MATERIALS ASSUMED TO CONTAIN ACM AND/OR SAMPLED	NUMBER OF SAMPLES ANALYZED	ASBESTOS PRESENT	ASSUMED ACM
Cellar	Entire	1x1 vinyl floor tile	2	No	No
Cellar	Entire	Compound under floor tiles	2	No	No
Cellar	Entire	Aircell pipe abated under ACP7	0	No	No
1st floor	Sanctuary	Plaster walls	3	No	No
1st Floor	Sanctuary	Grid ceiling tile	2	No	No

I hereby declare the information provided herein is true and complete

TIMOTHY DONOHOE 8/17/2015 116879 1/18/2016
 DEP Certified Asbestos Investigator's Signature Date Certificate Number Expiration Date
 Tel. # (917) 378-6404 Fax # _____ Email tdonohoe@dvdenvironmental.com

The investigator shall assume that some or all of the areas investigated contain ACM, and for each area that is not assumed to contain ACM, collect and submit for analysis bulk samples in accordance with §§ 1-36, 1-37, and 1-44 of the DEP Asbestos Rules and EPA publications 560/5-85-024 and 560/5-85-030a and 40 CFR 763.86.

SEAL OF THE
 NYC DEP
 CERTIFIED
 ASBESTOS
 INVESTIGATOR



Is it a Build-It-Back project? ☐ Yes. App ID # _____ ☒ No



25210558



NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
 Asbestos Control Program
 59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373
ASBESTOS ASSESSMENT REPORT



1st	Sanctuary attic and pipe chases	Aircell pipe abated under ACP7	0	No	No
2nd	Entire	Roof deck outside rear meeting room abated under ACP7	0	No	No
2nd	Pipe chases	Pipe insulation abated under ACP7	0	No	No
3rd	Hall and office	Textured plaster on ceiling	3	No	No
3rd	Offices	1x1 Tan floor tile	2	No	No
3rd	Perimeter walls	Plaster walls	5	No	No
3rd	Office	Linoleum tiles	2	No	No
3rd	Pipe chases	Pipe insulation in walls abated under ACP7	0	No	No
Roof	Entire	Roofing materials abated under ACP7	2	No	No
Exterior	Windows	Window caulk	2	No	No

10. ANALYTICAL LABORATORY:

NAME	ELAP # (NYS DDH CERTIFICATION)	DATE(S) SAMPLES ANALYZED
Atlas Environmental Labs, Inc.	11999	8/15/2014

11. NYS DOL Asbestos Handling license # 28545 Company Name DVD Environmental, Inc.

I hereby declare the information provided herein is true and complete

TIMOTHY DONOHUE 8/17/2015 116879 1/18/2016
 DEP Certified Asbestos Investigator's Signature Date Certificate Number Expiration Date
 Tel. # (917) 378-6404 Fax # _____ Email tdonohoe@dvdenvironmental.com

The investigator shall assume that some or all of the areas investigated contain ACM, and for each area that is not assumed to contain ACM, collect and submit for analysis bulk samples in accordance with §§ 1-36, 1-37, and 1-44 of the DEP Asbestos Rules and EPA publications 560/5-85-024 and 560/5-85-030a and 40 CFR 763.86.

SEAL
OF THE
NYC DEP
CERTIFIED
ASBESTOS
INVESTIGATOR



Is it a Build-It-Back project? ☐ Yes, App ID # _____ ☒ No



25210558

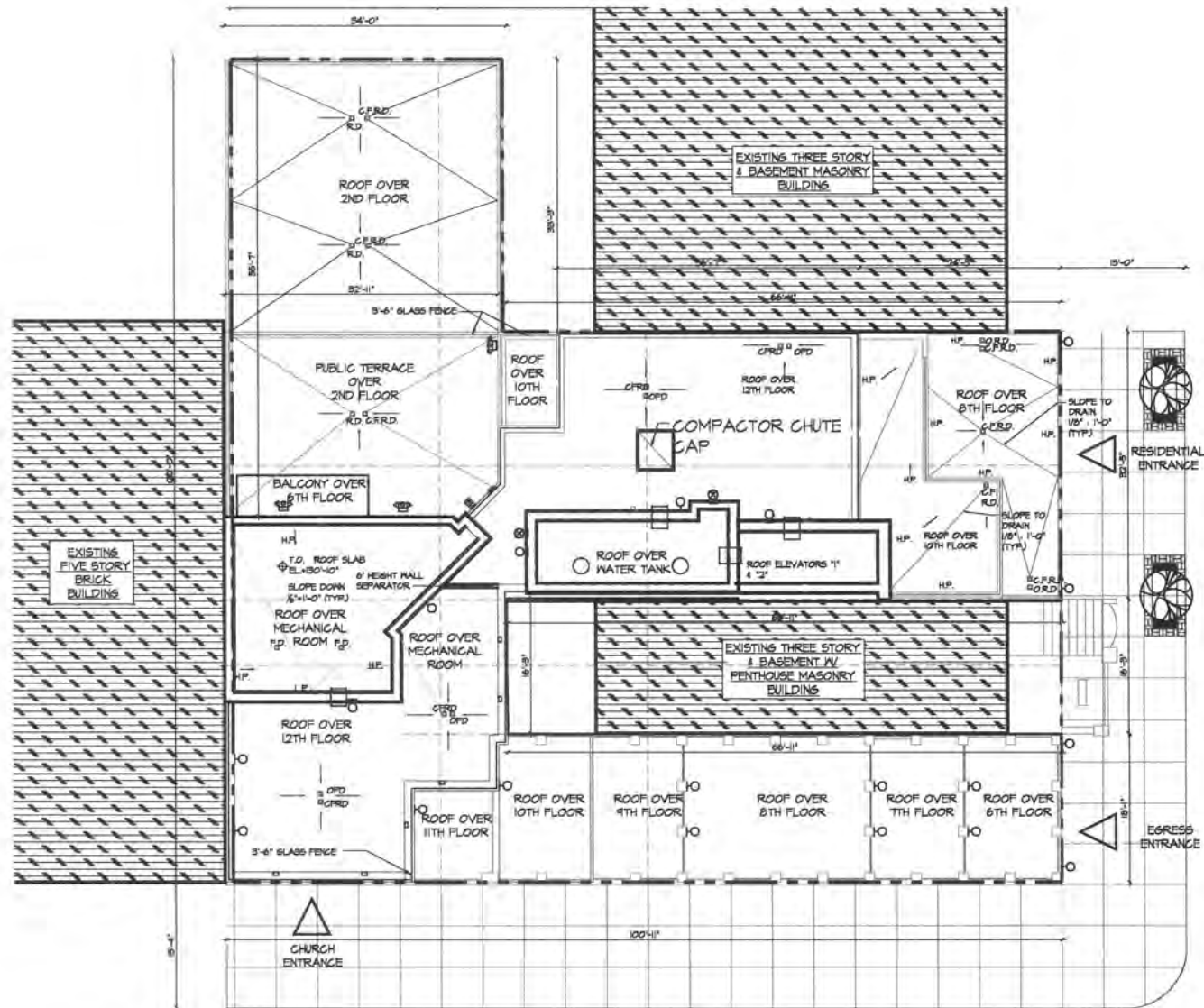
SITE PLAN
&
FLOOR PLANS

Please note that all dimensions are approximate.

The approximate Square Footage of a Unit set forth on the Floor Plans are gross square footages of the Unit, which is obtained by measuring the floor area of the Unit horizontally from the exterior side of the exterior walls or windows (columns, mechanical pipes, shafts, shaft ways, chases, chase ways, and conduits are not deducted) to the centerline of the partitions separating one Unit from another Unit, or the exterior of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit. Each Unit consists of the area measured vertically on each floor of the Building, if applicable, from the top of the concrete floor slab below to the underside of the finished ceiling. The gross square footage of a Unit is greater than the Approximate Square Footage of a Unit measured by using the legal definition of the Unit which appears in the Declaration of the Condominium in Part II of the Plan. As is customary in New York City, these gross square footages substantially exceed the useable floor area of each Unit.

Exterior terrace areas are measured from the exterior face of the Unit to the exterior face of the terrace walls.

Any floor layout, plan or sketch shown to a prospective Purchaser is only an approximation of the square foot area and layout of the Unit in question.



SITE PLAN

SCALE : 1" = 20'-0"

MORNINGSIDE AVENUE
(100' WIDE)



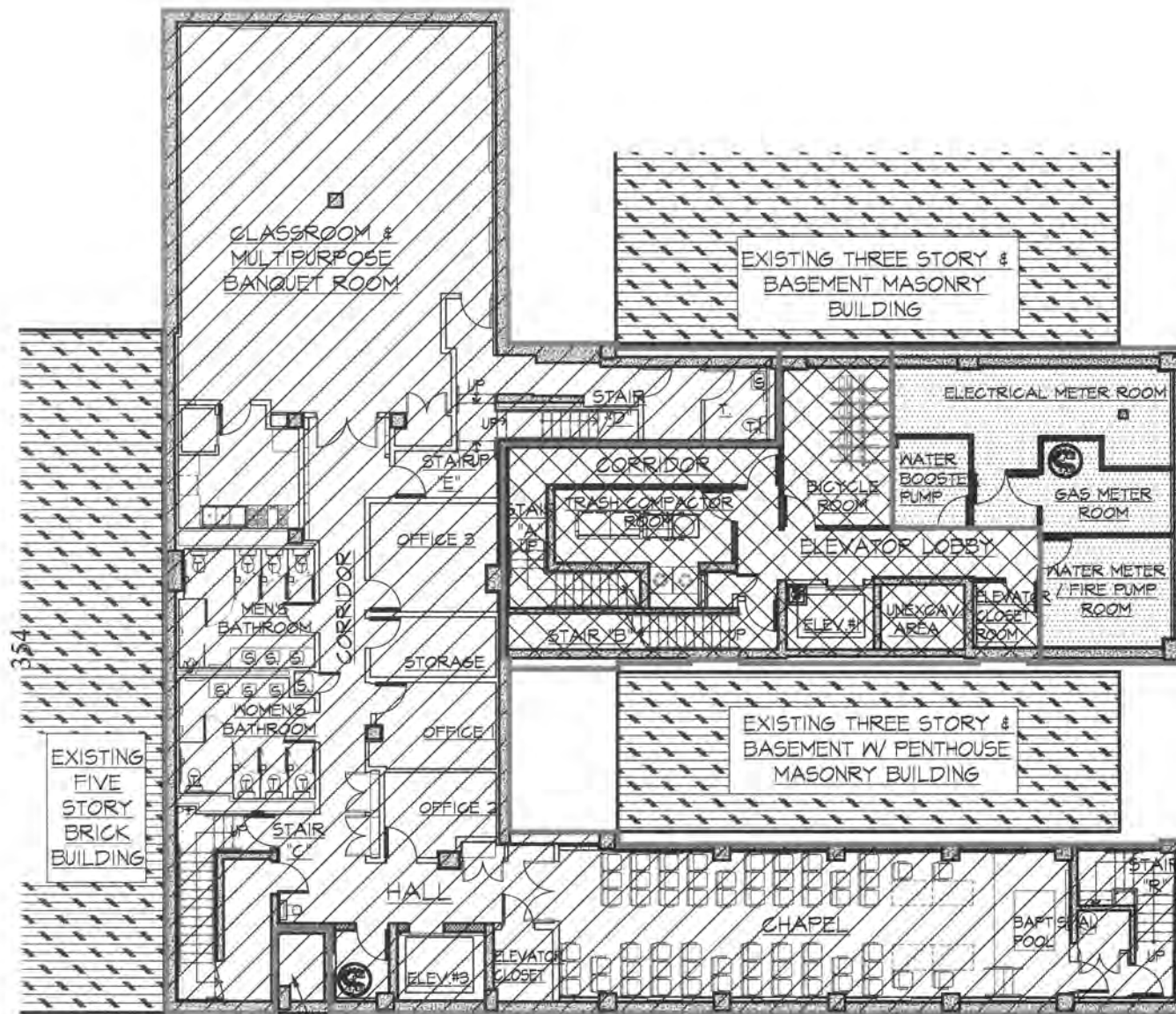
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
SCHEMATIC SITE PLAN

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO.:
C-002.02

NORTH ARROW





CELLAR FLOOR PLAN

SCALE: $\frac{1}{16}" = 1'-0"$



LEGEND:

-  RESIDENTIAL COMMON ELEMENTS
-  GENERAL COMMON ELEMENTS
-  COMMUNITY FACILITY UNIT

AUFGANG
ARCHITECTS

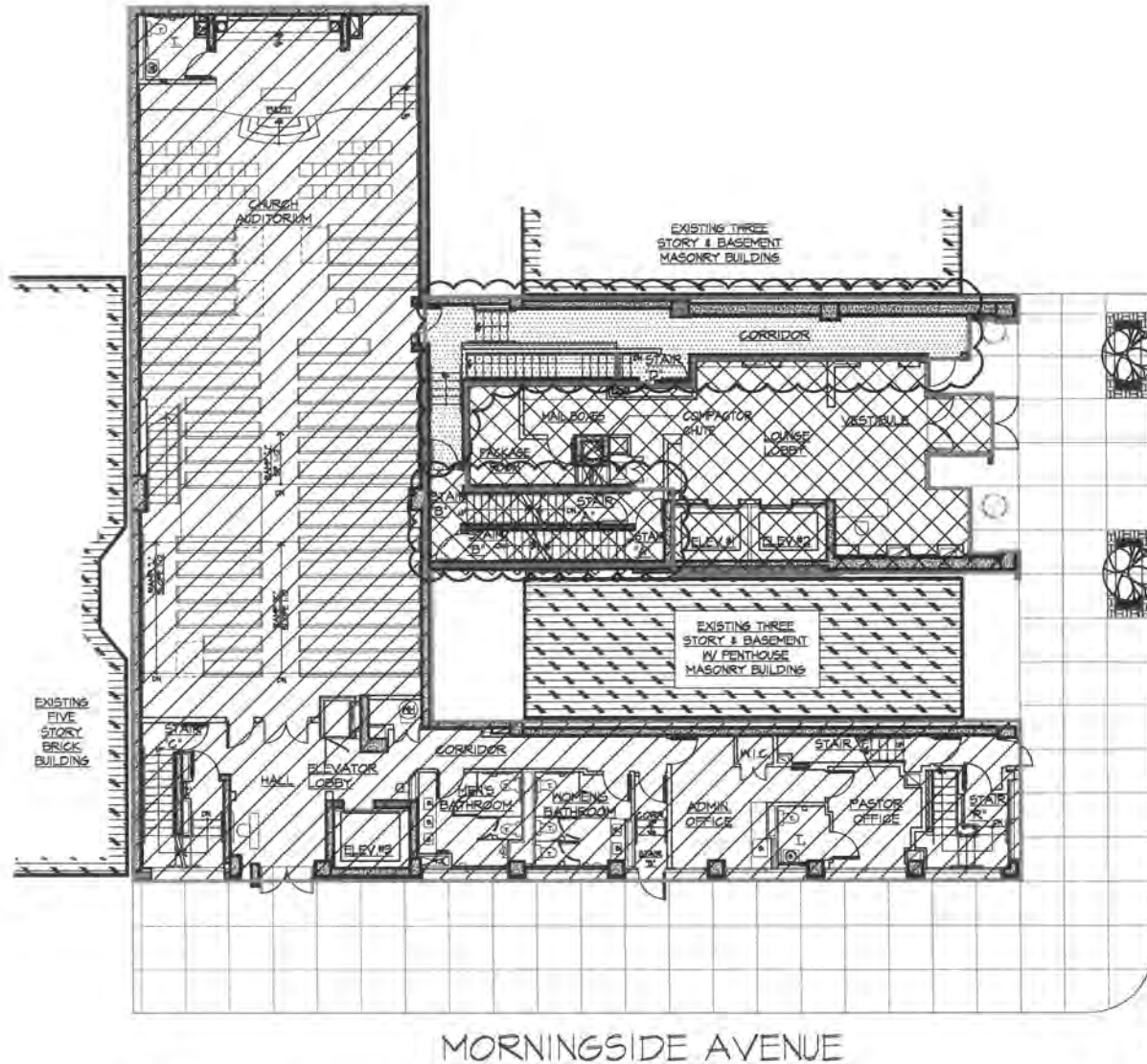
PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
CELLAR FLOOR PLAN

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO: 100.02

NORTH ARROW:



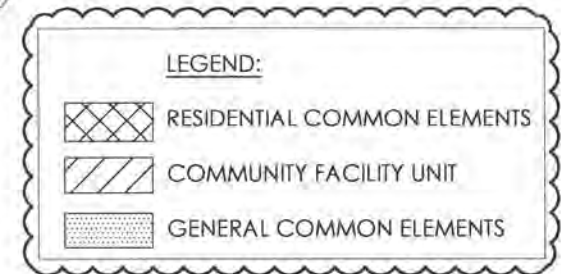
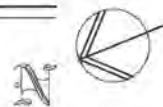
355



W 23RD STREET

FIRST FLOOR PLAN

SCALE : 1" = 20'-0"

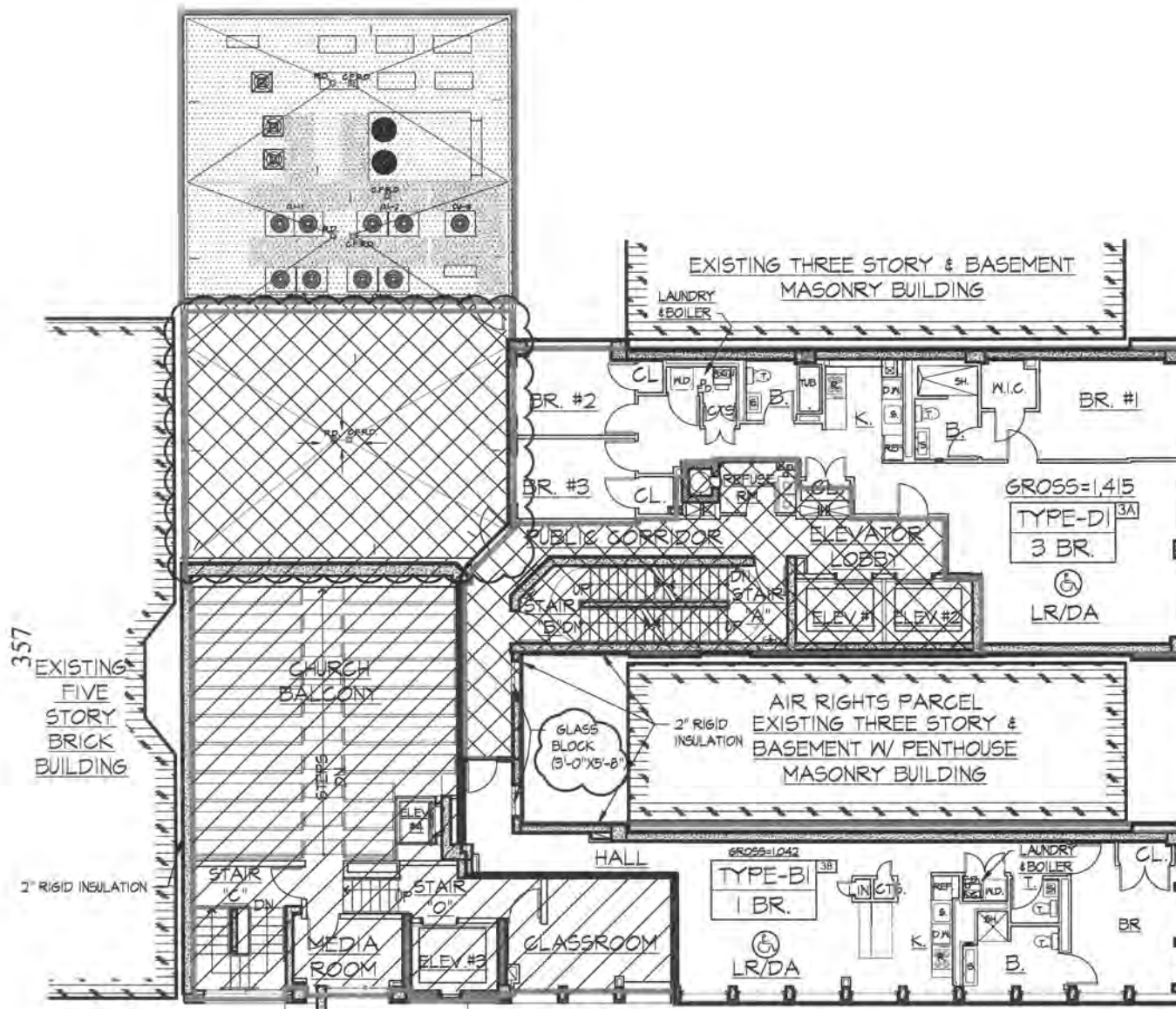


AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
1ST FLOOR PLAN

BLOCK NO.:	1414
LOT NO.:	1, 101
DATE:	12-24-19
DRAWING NO.:	101.02





3RD FLOOR PLAN

SCALE : $\frac{1}{16}" = 1'-0"$



LEGEND:

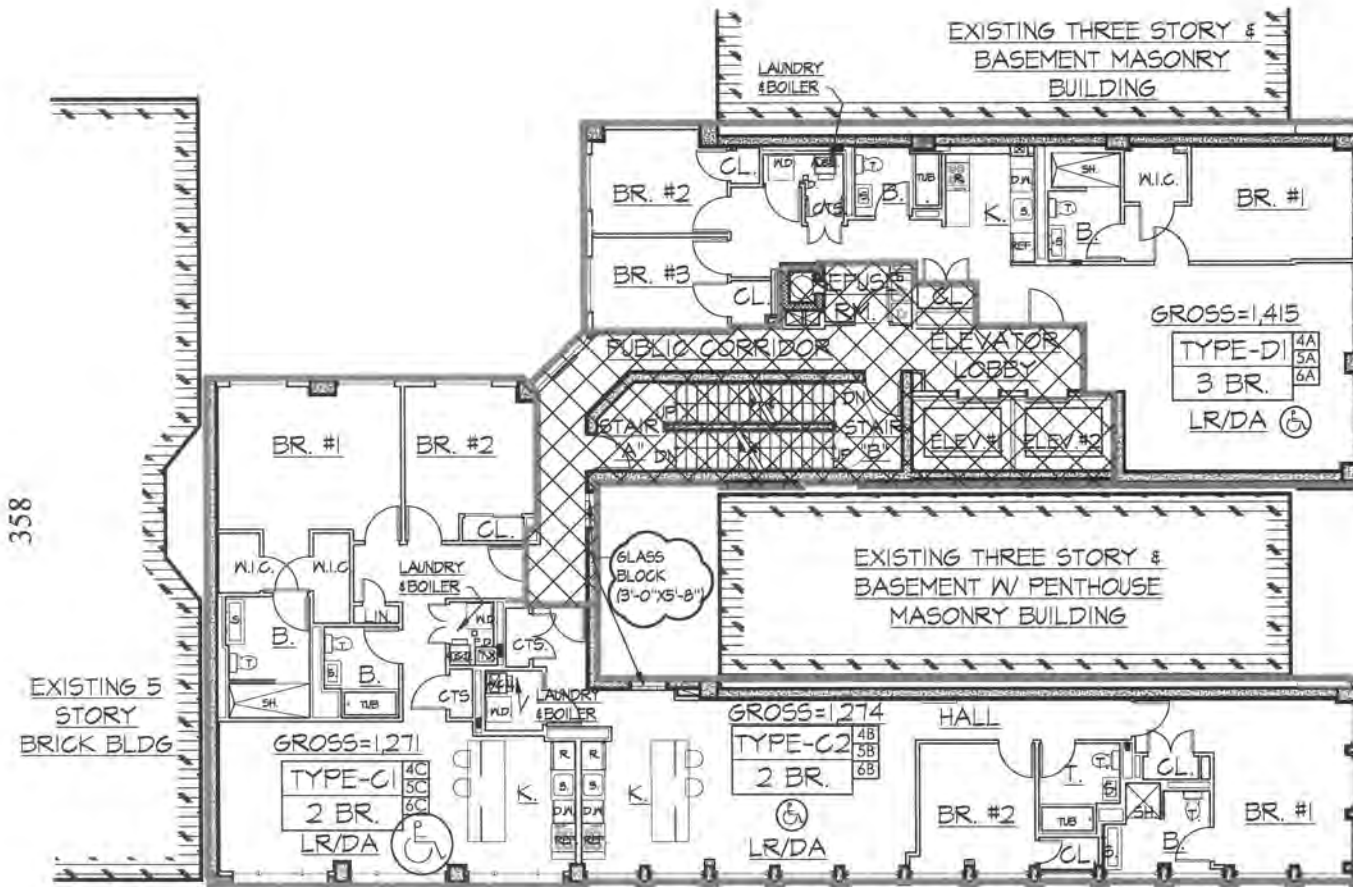
- RESIDENTIAL COMMON ELEMENTS
- GENERAL COMMON ELEMENTS
- COMMUNITY FACILITY UNIT

AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
3RD FLOOR PLAN

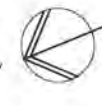
BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO: 103.02

NORTH ARROW:



TYPICAL 4TH THRU 6TH FLOOR PLAN

SCALE : $\frac{1}{16}" = 1'-0"$



LEGEND:



RESIDENTIAL COMMON ELEMENTS

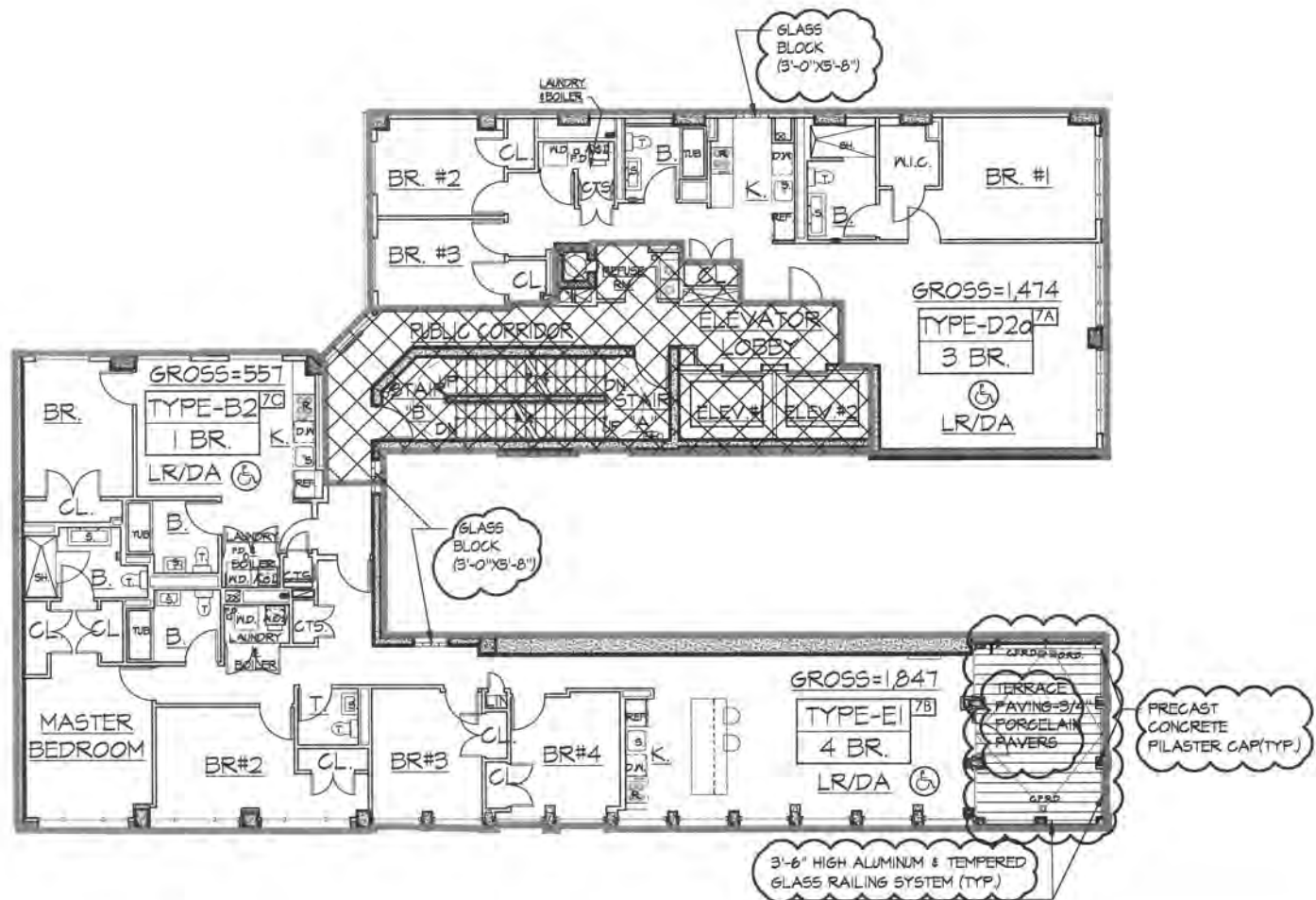
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
4TH FLOOR PLAN

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO: 104.02

NORTH ARROW:





7TH FLOOR PLAN

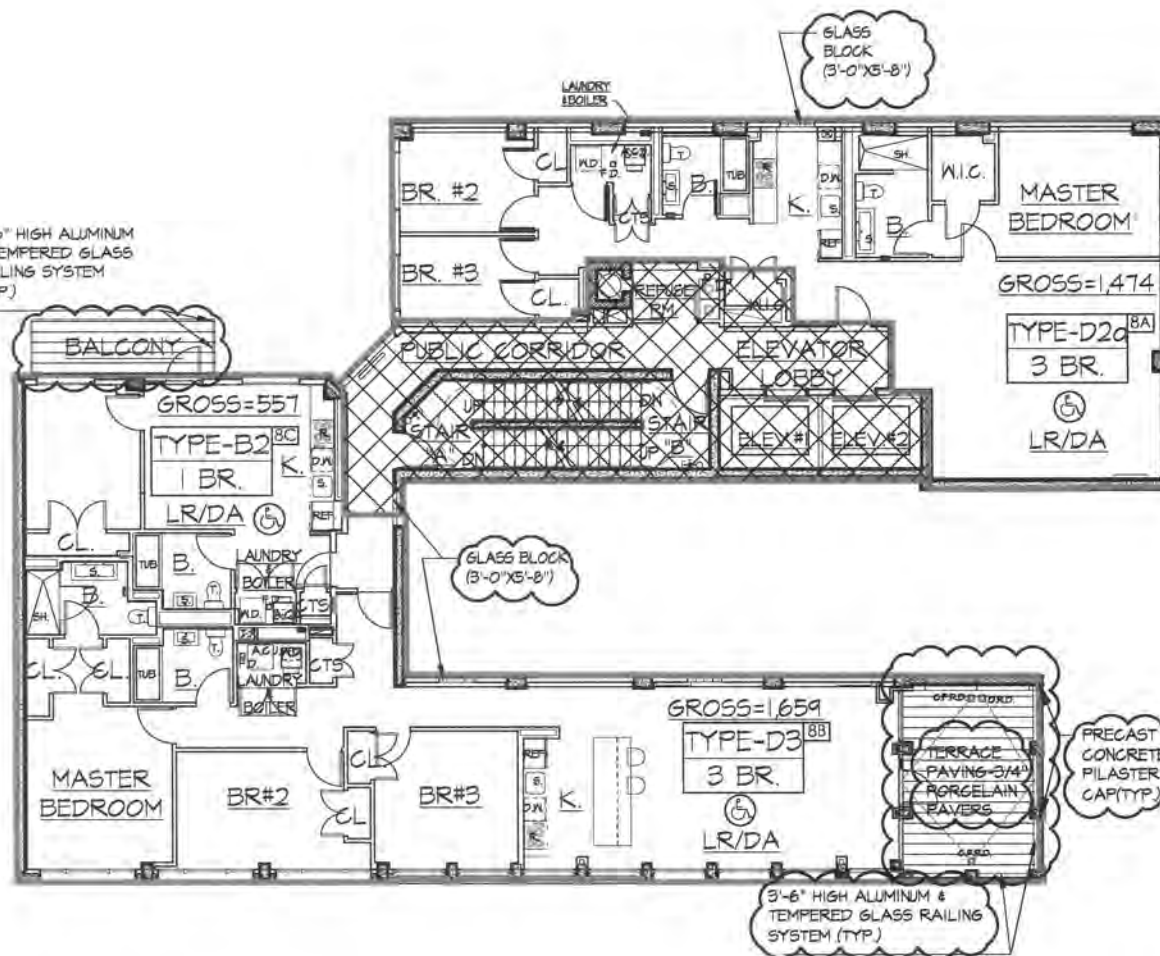
SCALE : $\frac{1}{16}'' = 1'-0''$



LEGEND:

-  RESIDENTIAL COMMON ELEMENTS
-  RESIDENTIAL LIMITED COMMON ELEMENTS

3'-6" HIGH ALUMINUM
& TEMPERED GLASS
RAILING SYSTEM
(TYP)



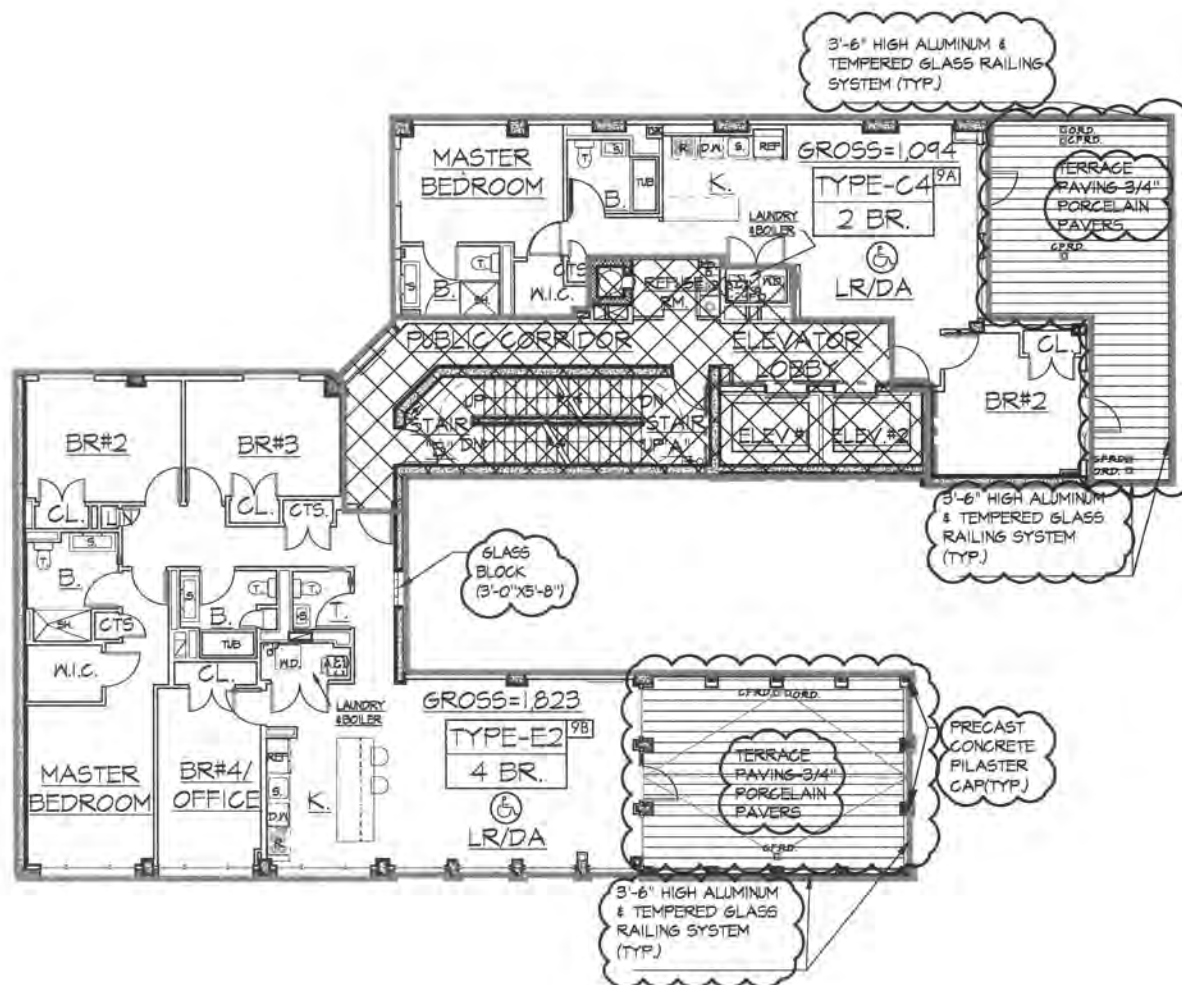
8TH FLOOR PLAN

SCALE : $1'' = 1'-0''$



LEGEND:

-  RESIDENTIAL COMMON ELEMENTS
-  RESIDENTIAL LIMITED COMMON ELEMENTS



9TH FLOOR PLAN

SCALE : $\frac{1}{8}'' = 1'-0''$

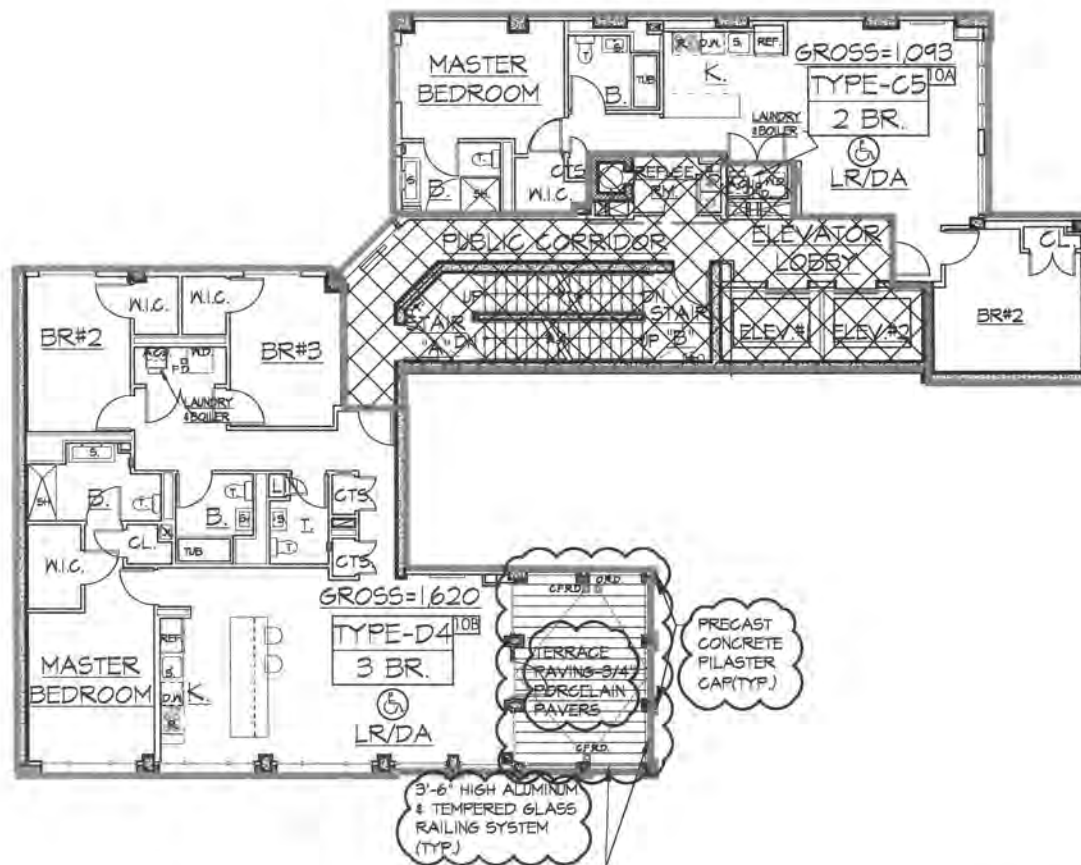


LEGEND:



RESIDENTIAL COMMON ELEMENTS

RESIDENTIAL LIMITED COMMON
ELEMENTS



10TH FLOOR PLAN

SCALE : $\frac{1}{16}'' = 1'-0''$



LEGEND:

-  RESIDENTIAL COMMON ELEMENTS
-  RESIDENTIAL LIMITED COMMON ELEMENTS

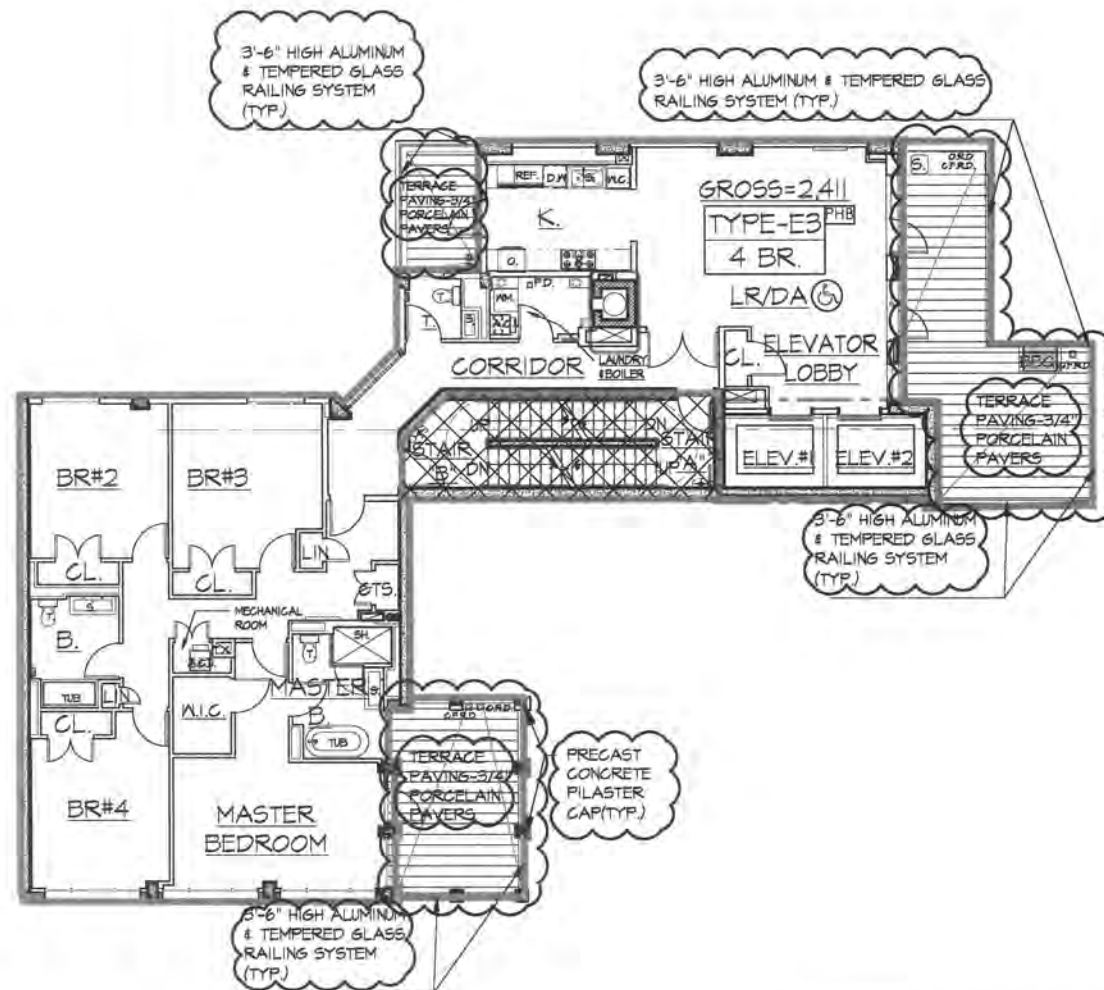
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ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
10TH FLOOR PLAN

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO: 108.02

NORTH ARROW:





11TH FLOOR PLAN

SCALE : $\frac{1}{16}'' = 1'-0''$



LEGEND:

-  RESIDENTIAL COMMON ELEMENTS
-  RESIDENTIAL LIMITED COMMON ELEMENTS

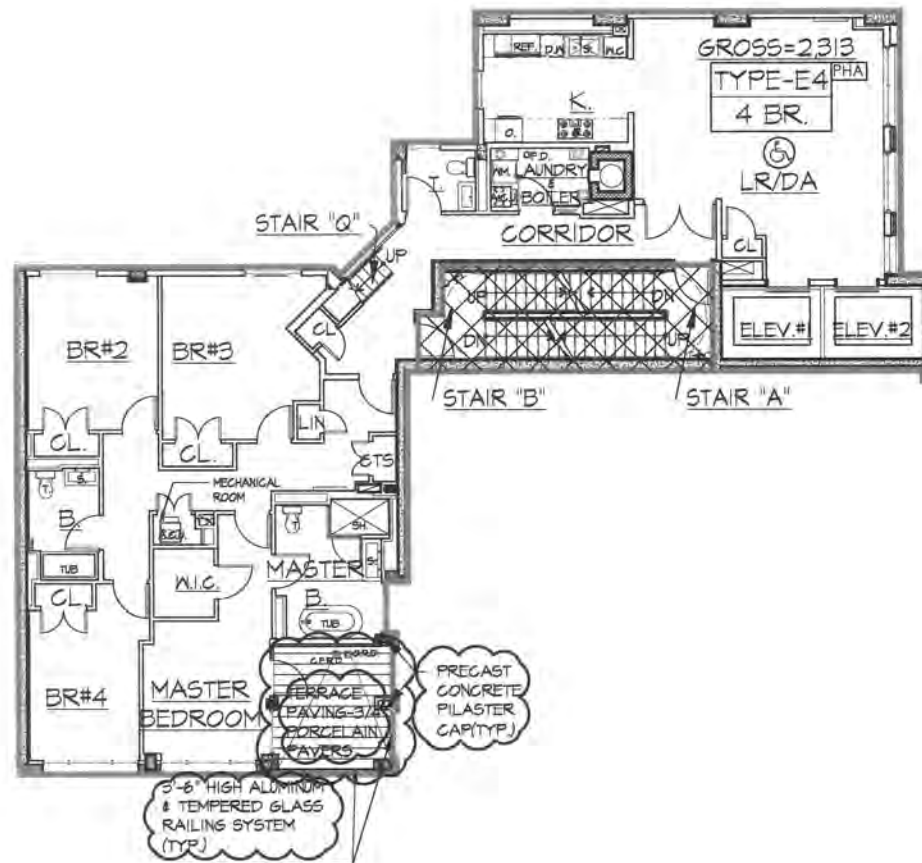
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
11TH FLOOR PLAN

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO: 109.02

NORTH ARROW:





12TH FLOOR PLAN

SCALE : $\frac{1}{16}'' = 1'-0''$



LEGEND:



RESIDENTIAL COMMON ELEMENTS



RESIDENTIAL LIMITED COMMON
ELEMENTS

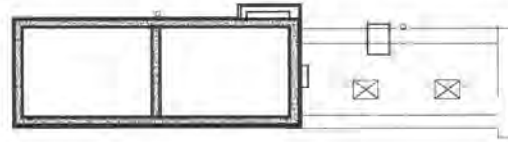
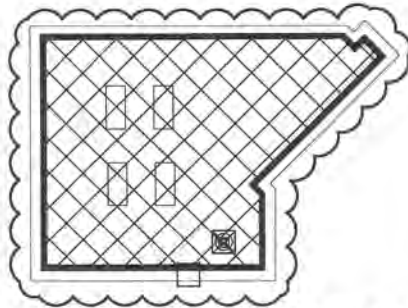
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
12TH FLOOR PLAN

BLOCK NO.:	1414
LOT NO.:	1, 101
DATE:	12-24-19
DRAWING NO.:	110.02

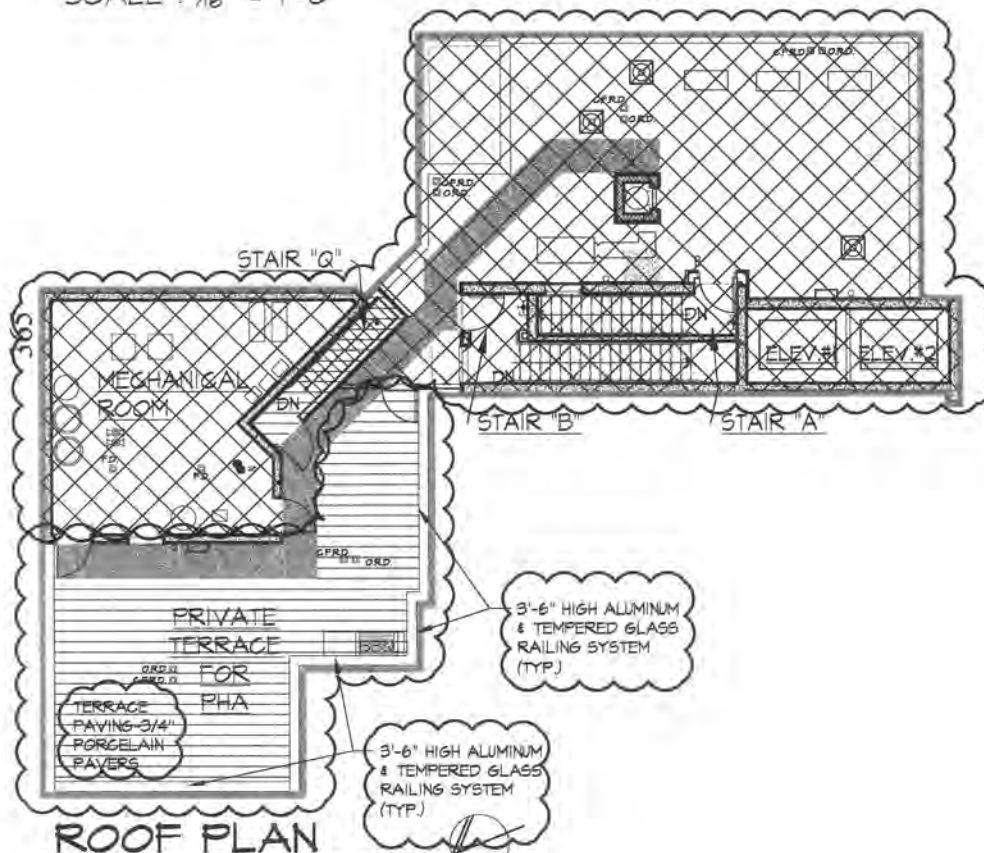
NORTH ARROW:





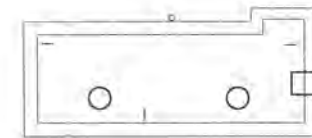
ROOF BULKHEAD PLAN

SCALE : $\frac{1}{16}'' = 1'-0''$



ROOF PLAN

SCALE : $\frac{1}{16}'' = 1'-0''$



WATER TANK BULKHEAD PLAN

SCALE : $\frac{1}{16}'' = 1'-0''$



LEGEND:



RESIDENTIAL COMMON ELEMENTS



RESIDENTIAL LIMITED COMMON ELEMENTS

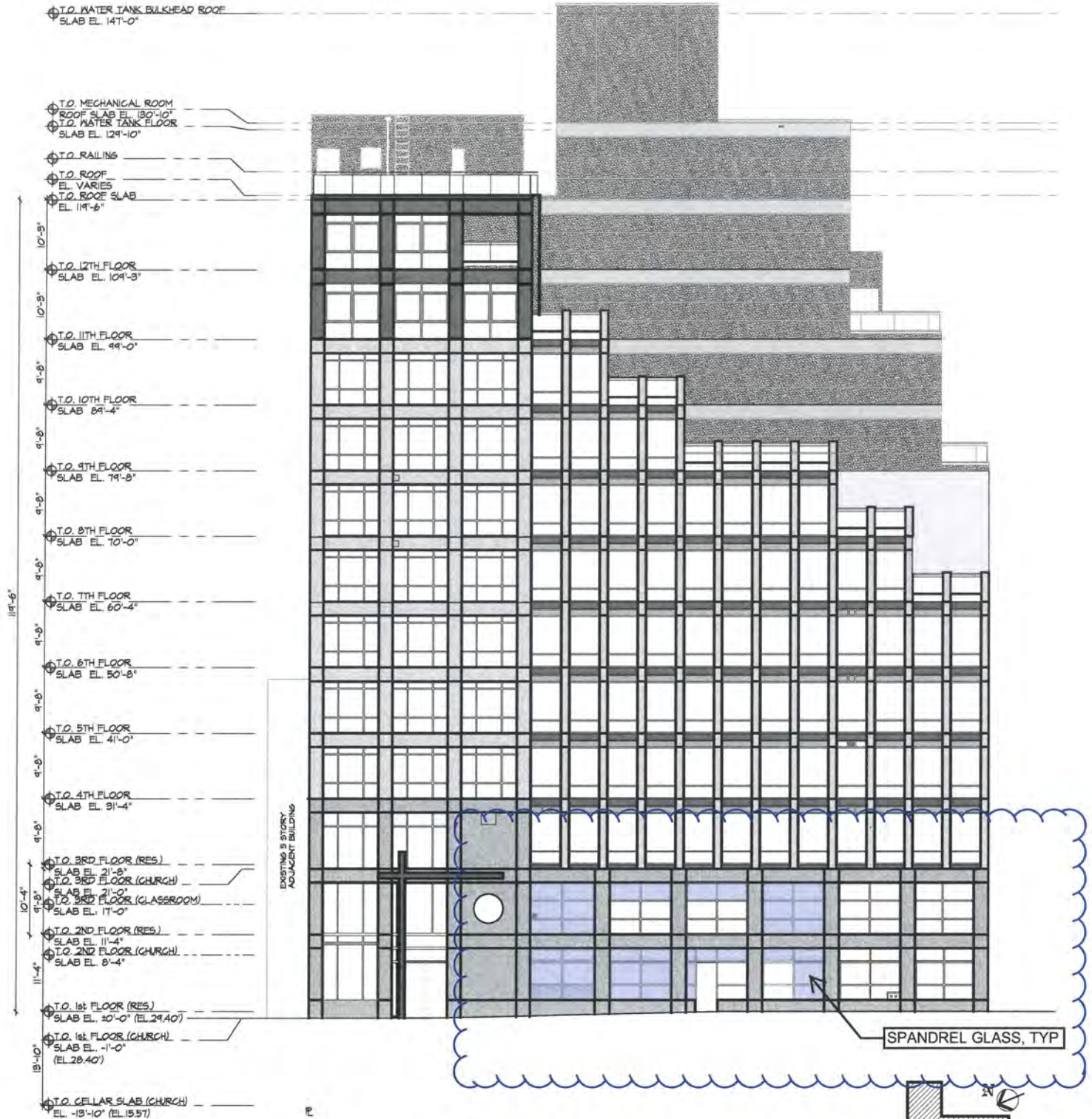
AUFGANG
ARCHITECTS

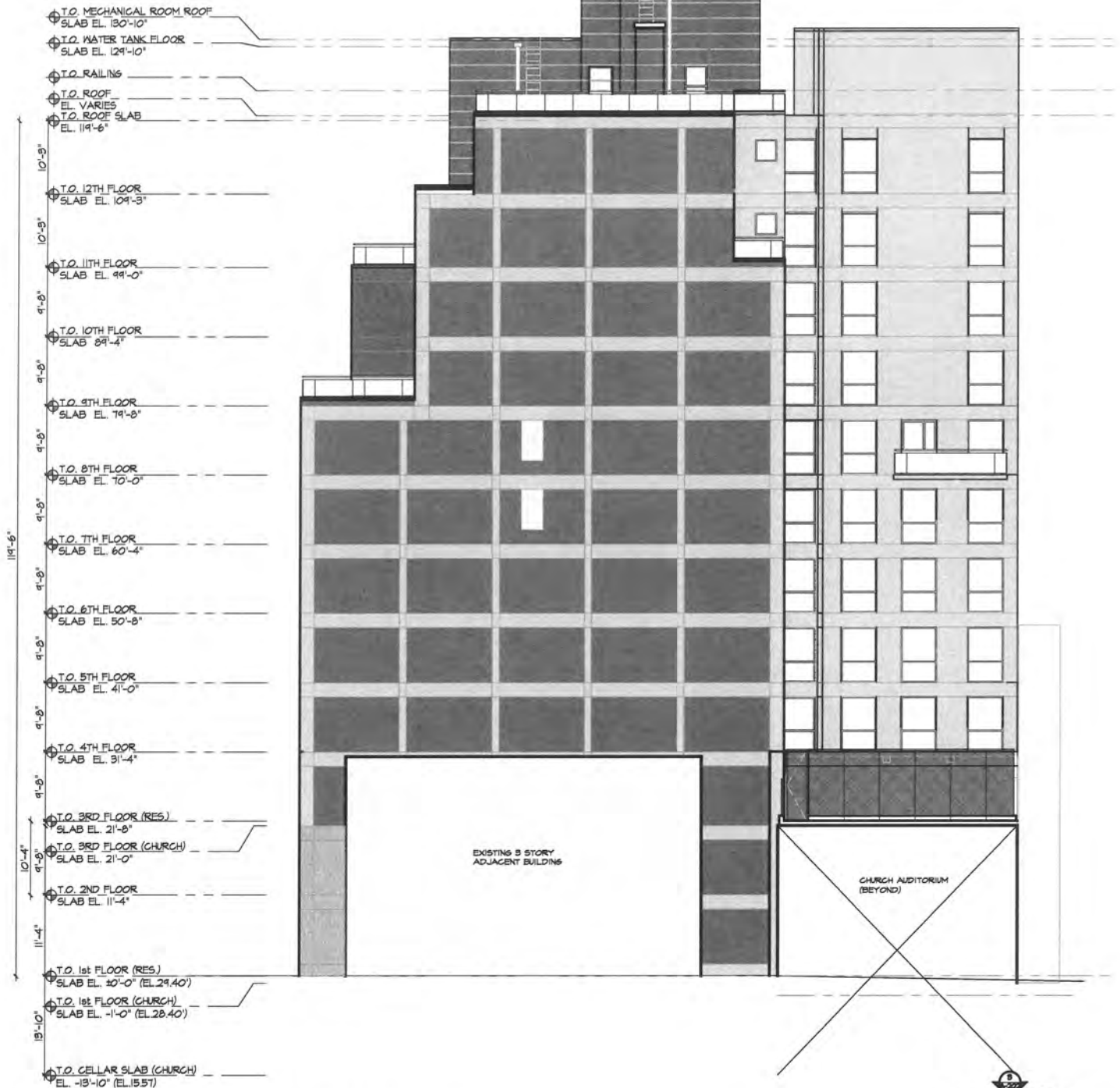
PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
ROOF PLAN

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO.: 111.01

NORTH ARROW:







⊕ T.O. MECHANICAL ROOM ROOF
SLAB EL. 130'-10"

⊕ T.O. WATER TANK FLOOR
SLAB EL. 129'-10"

④ T.O. RAILING

T.O. ROOF
EL. VARIES

T.O. ROOF SLAB
EL. 119'-6"

T.O. 12TH FLOOR
SLAB EL. 109'-3"

 T.O. 11TH FLOOR
 SLAB EL. 99'-0"

T.O. 10TH FLOOR
SLAB 89'-4"

10. 9TH FLOOR
SLAB EL. 79'-8"

T.O. 8TH FLOOR
SLAB EL. 70'-0"

T.O. 7TH FLOOR
SLAB EL. 60'-4"

④ T.O. 6TH FLOOR
CLAB. FL. 50' 8"

T.O. 5TH FLOOR

T.O. 4TH FLOOR

↑ TO 3RD FLOOR

SLAB EL. 21'-0"

T.O. 2ND FLOOR
SLAB EL. 11'-4"

T.O. 1st FLOOR (R)

SLAB EL. $\pm 0'-0"$ (T.O. 1st FLOOR (CH

PLATELET CELL ADHESION

EXISTING 3 STORY
ADJACENT BUILDING

CHURCH AUDITORIUM
(BEYOND)

3

EAST ELEVATION

A-202

SCALE : 1" = 20'-0"



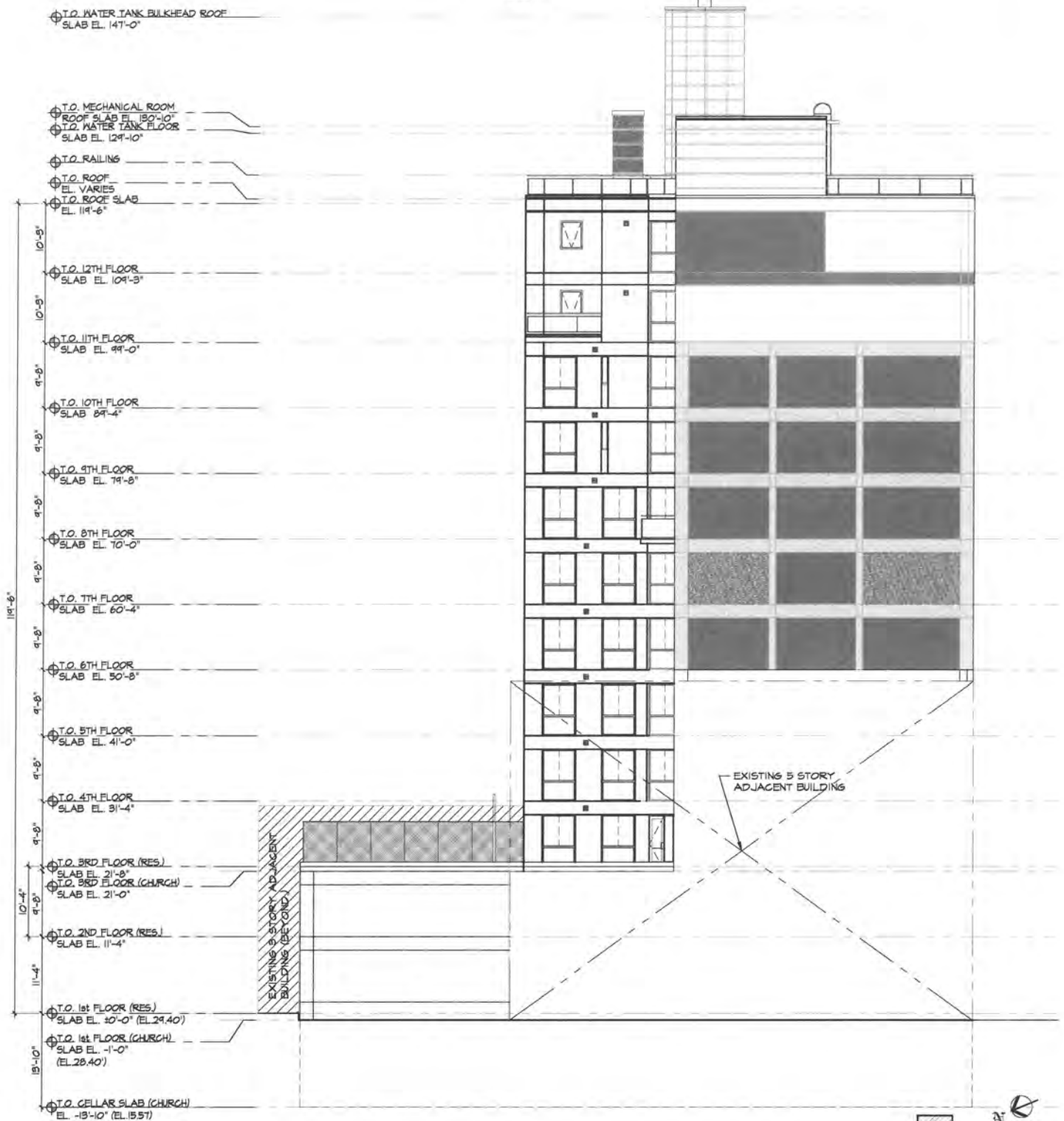
KEY PLAN
NOT TO SCALE

AUFGANG
ARCHITECTS

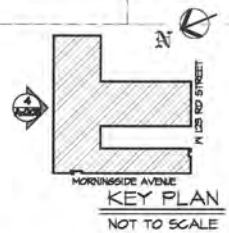
PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
W 123 RD STREET ELEVATION

BLOCK NO.:	1414
LOT NO.:	1, 101
DATE:	12-24-19
DRAWING NO.:	

NORTH ARROW:



4 NORTH ELEVATION
 A-203 SCALE: 1" = 20'-0"



T.O. WATER TANK BULKHEAD
ROOF SLAB EL. 147'-0"

⊕ T.O. MECHANICAL ROOM ROOF
SLAB EL. 130'-10"

⊙ T.O. WATER TANK FLOOR
SLAB EL. 129'-10"

T.O. RAILING

T.O. ROOF _____
 EL. VARIES
 T.O. ROOF SLAB _____
 EL. 11'9"-6"

10. 12TH FLOOR
SLAB EL. 109'-3"

T.O. 11TH FLOOR
SLAB EL. 99'-0"

T.O. 10TH FLOOR
SLAB 89'-4"

T.O. 9TH FLOOR
SLAB EL. 79'-8"

④ T.O. 8TH FLOOR
SLAB EL. 70'-0"

T.O. 7TH FLOOR
SLAB EL. 60'-4"

T.O. 6TH FLOOR
SLAB EL. 50'-8"

T.O. 5TH FLOOR
SLAB EL. 41'-0"

T.O. 4TH FLOOR
SLAB EL. 31'-4"

TO 3RD FLOOR (RES.) BEYOND
SLAB EL. 21'-8"

④ T.O. 3RD FLOOR (CHURCH)
SLAB EL. 21'-0"

1ST FLOOR
SLAB EL. 11'-4"

T.O. 1st FLOOR (RES.)
SLAB EL. $\pm 0'-0"$ EL. 29.40'

1st FLOOR (CHURCH)

(EL. 28.40')
+ T.O. SLAB (CHURCH)

EL. -2'-0" (EL. 27.15')

(CHURCH)
EL. -13'-10" (EL.1557)

B-B CROSS SECTION

A-211

SCALE : 1" = 20'-0"

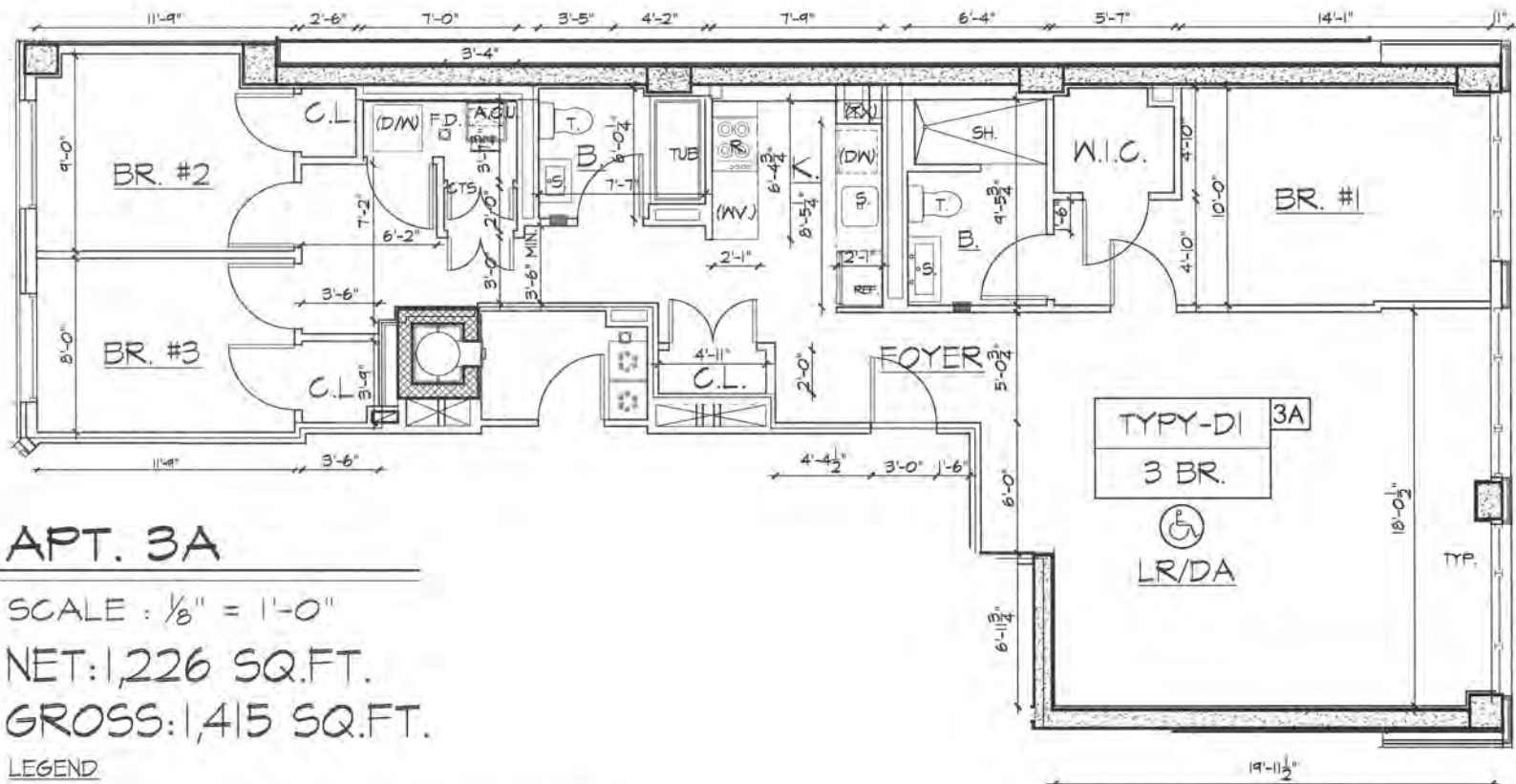
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDA AVE.
NEW YORK, NY 10027
CROSS SECTION B-B

BLOCK NO.:	1414
LOT NO.:	1, 101
DATE:	12-24-19
DRAWING NO:	211.01

NORTH ARROW:





APT. 3A

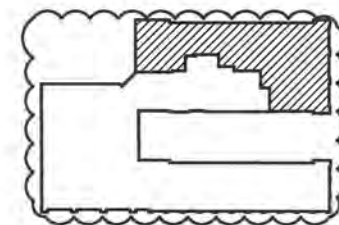
SCALE : $\frac{1}{8}" = 1'-0"$

NET: 1,226 SQ.FT.

GROSS: 1,415 SQ.FT.

LEGEND

BR.	BED ROOM	W.C.	WINE COOLER
B.	BATH	T.X.	EXHAUST SHAFTS
L.R.	LIVING ROOM	S.H.	SHOWER
D.R.	DINNING ROOM	T.	TOILET
W.I.C.	WALK IN CLOSET	A.C.U.	AIR COOLING UNIT
W/D	WASHER/DRYER	M.C.	MECHANICAL ROOM
R.	RANGE	CFRD	CONTROL FLOW ROOF DRAIN
REF.	REFRIGERATOR	ORD	OVERFLOW ROOF DRAIN
S.	SINK	F.D.	FLOOR DRAIN
CL	CLOSET	L.P.	LOW POINT
DW	DISH WASHER		



KEY PLAN

SCALE : $\frac{1}{64}" = 1'-0"$

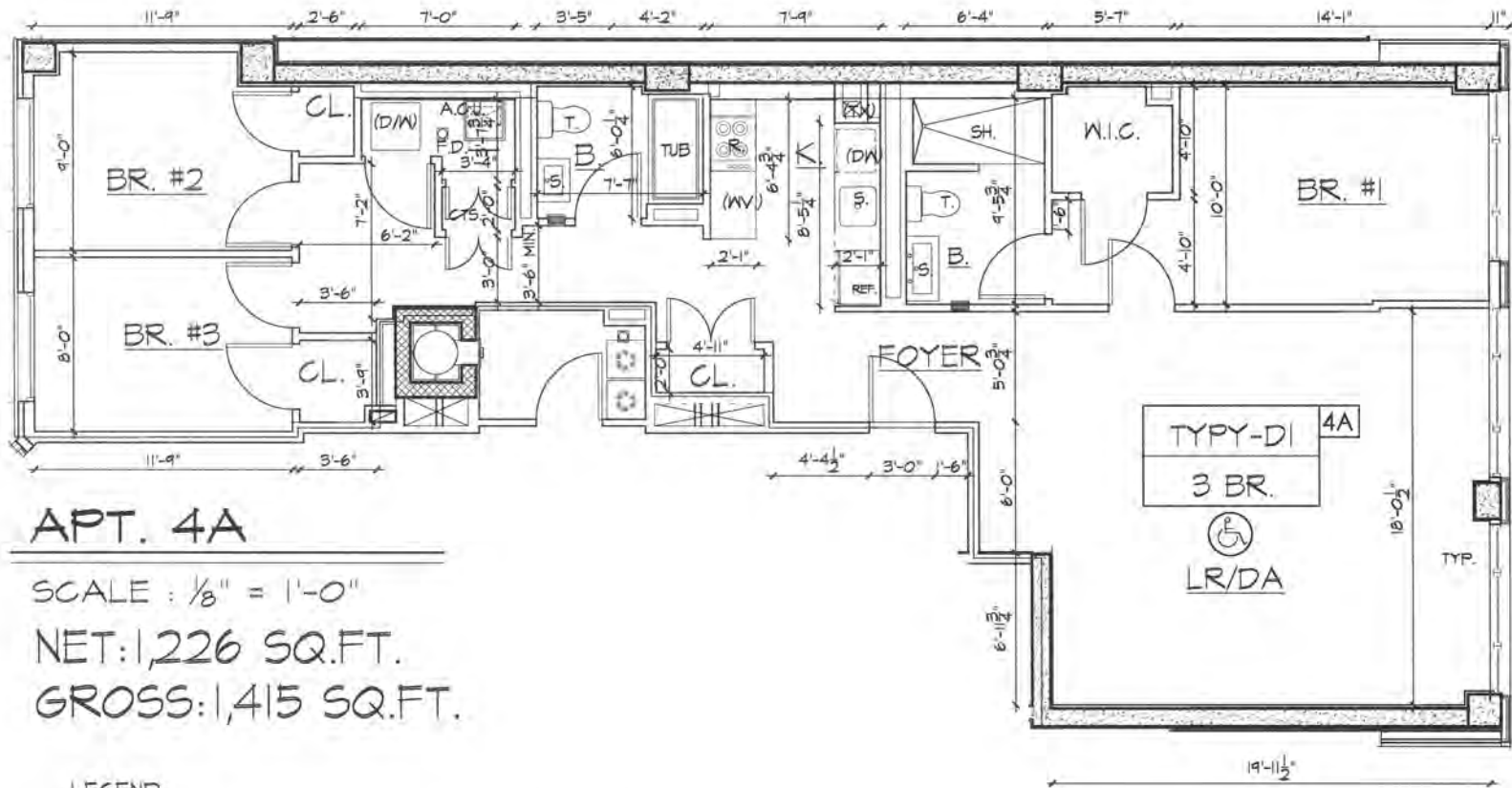
AUFGANG
ARCHITECTS

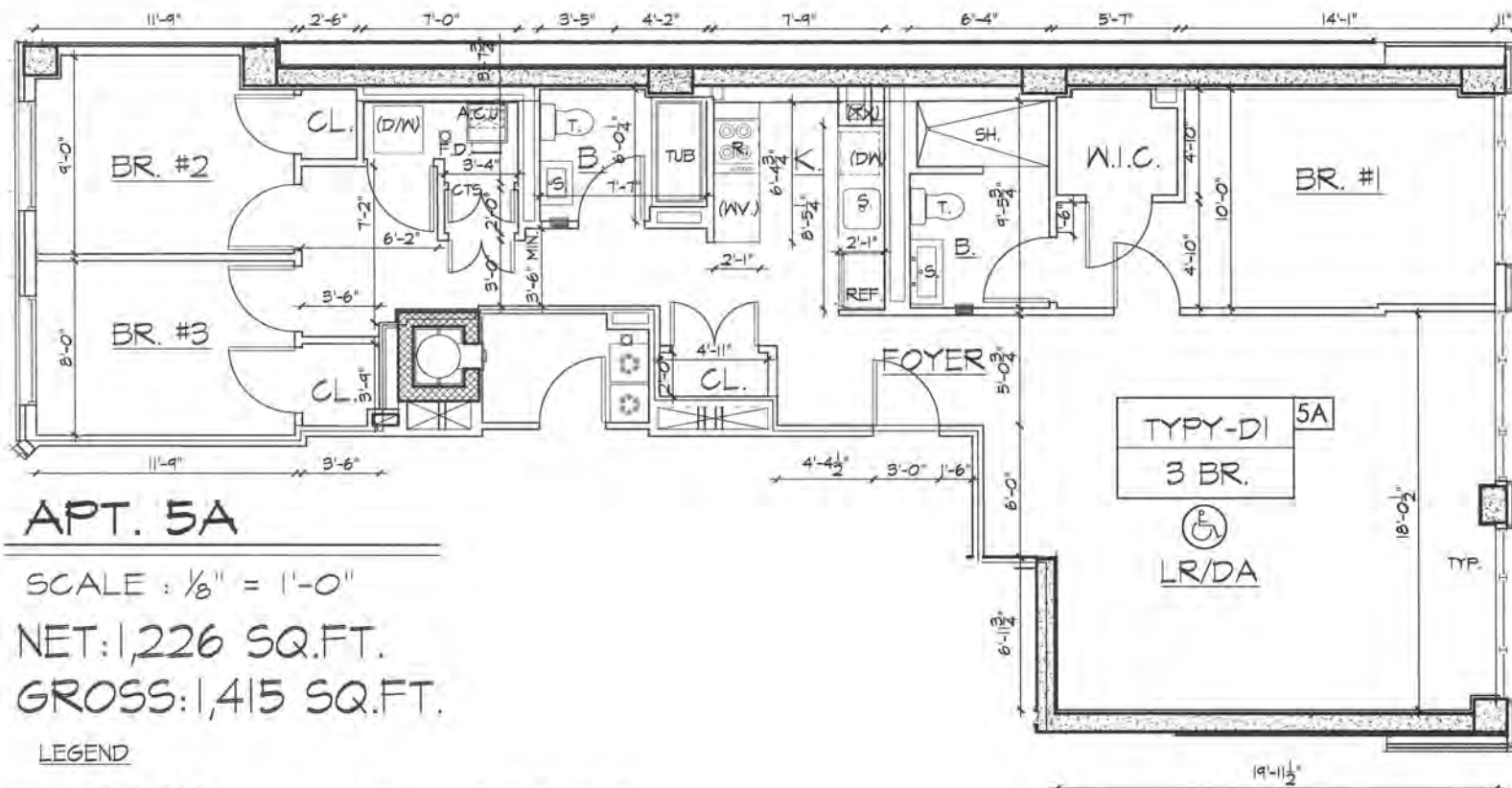
PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSID AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
D1

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO.: 500.01

NORTH ARROW:







APT. 5A

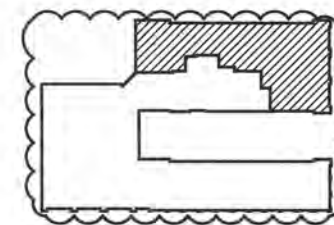
SCALE : $\frac{1}{8}" = 1'-0"$

NET: 1,226 SQ.FT.

GROSS: 1,415 SQ.FT.

LEGEND

BR.	BED ROOM	W.C.	WINE COOLER
B.	BATH	T.X.	EXHAUST SHAFTS
L.R.	LIVING ROOM	S.H.	SHOWER
D.R.	DINNING ROOM	T.	TOILET
W.I.C.	WALK IN CLOSET	A.C.U.	AIR COOLING UNIT
WD	WASHER/DRYER	M.C.	MECHANICAL ROOM
R.	RANGE	CFRD	CONTROL FLOW ROOF DRAIN
REF.	REFRIGERATOR	ORD	OVERFLOW ROOF DRAIN
S.	SINK	F.D.	FLOOR DRAIN
CL	CLOSET	L.P.	LOW POINT
DW	DISH WASHER		



KEY PLAN

SCALE : $\frac{1}{64}" = 1'-0"$

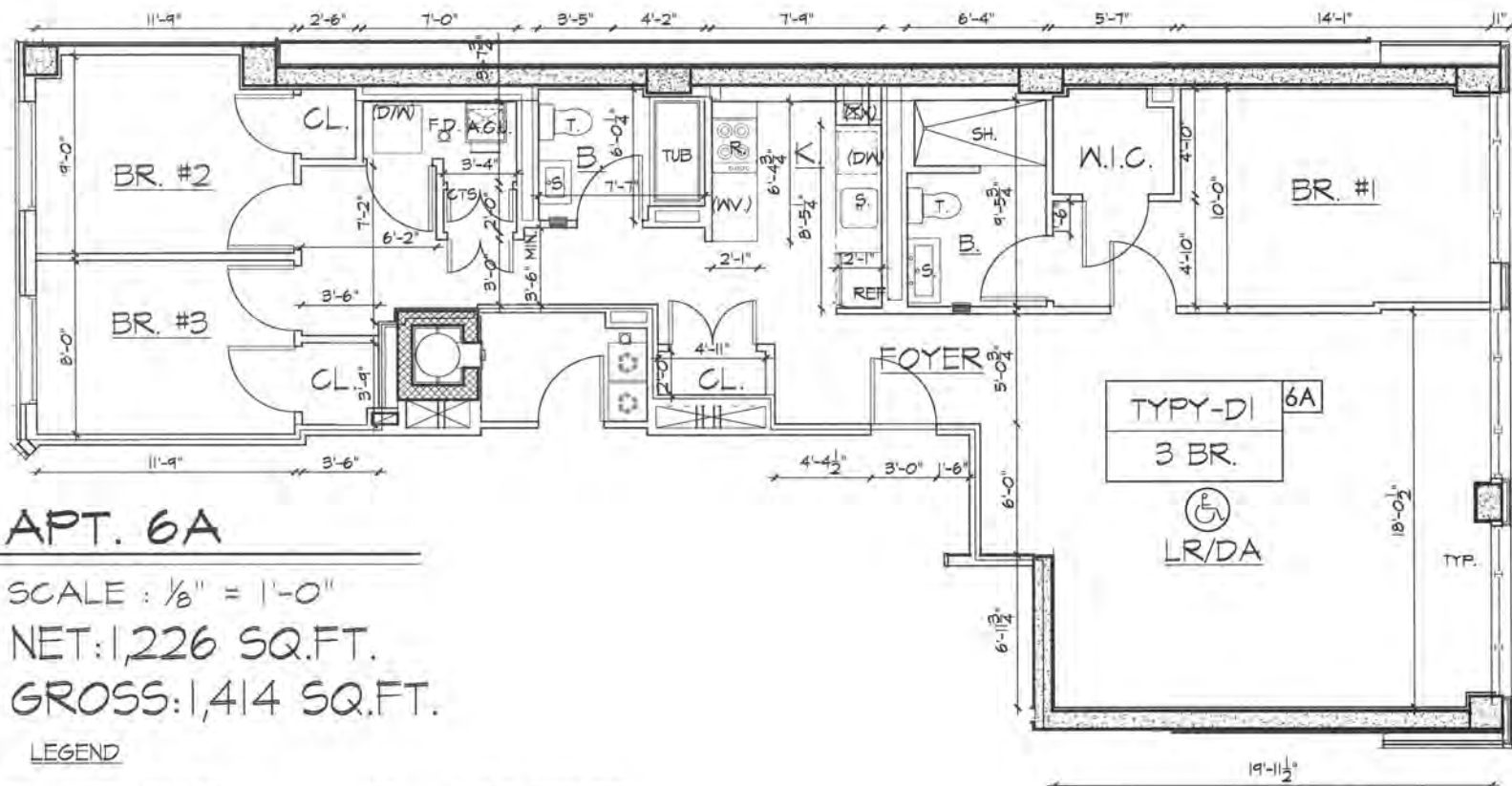
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
D1

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO.: 502.01

NORTH ARROW:





APT. 6A

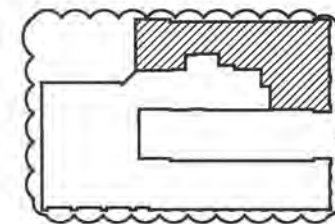
SCALE: $\frac{1}{8}" = 1'-0"$

NET: 1,226 SQ.FT.

GROSS: 1,414 SQ.FT.

LEGEND

BR.	BED ROOM	W.C.	WINE COOLER
B.	BATH	T.X.	EXHAUST SHAFTS
L.R.	LIVING ROOM	S.H.	SHOWER
D.R.	DINNING ROOM	T.	TOILET
W.I.C.	WALK IN CLOSET	A.C.U.	AIR COOLING UNIT
W/D	WASHER/DRYER	M.C.	MECHANICAL ROOM
R.	RANGE	CFRD	CONTROL FLOW ROOF DRAIN
REF.	REFRIGERATOR	ORD	OVERFLOW ROOF DRAIN
S.	SINK	F.D.	FLOOR DRAIN
CL	CLOSET	L.P.	LOW POINT
DW	DISH WASHER		



KEY PLAN

SCALE: $\frac{1}{64}" = 1'-0"$

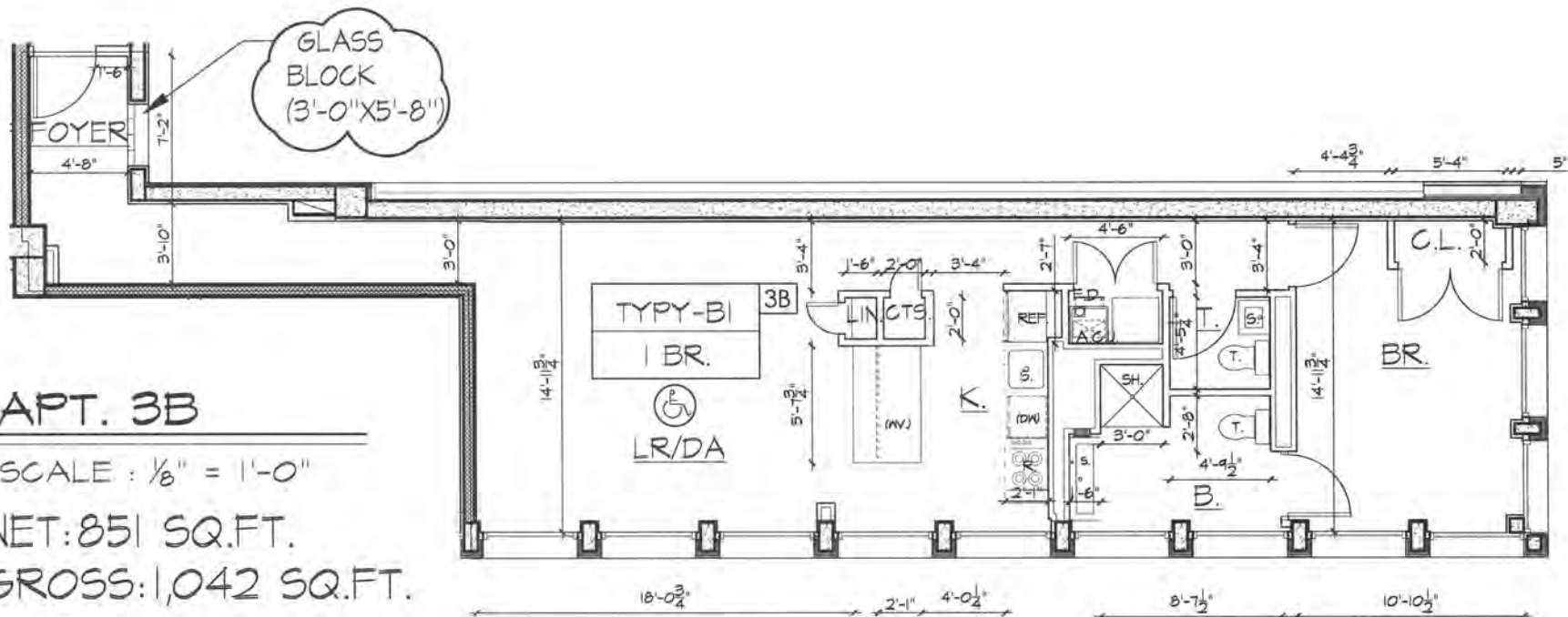
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSID AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
D1

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO.: 503.01

NORTH ARROW:





APT. 3B

SCALE : $\frac{1}{8}" = 1'-0"$

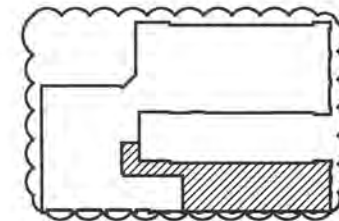
NET: 851 SQ.FT.

GROSS: 1,042 SQ.FT.

377

LEGEND

BR.	BED ROOM	W.C.	WINE COOLER
B.	BATH	T.X.	EXHAUST SHAFTS
L.R.	LIVING ROOM	S.H.	SHOWER
D.R.	DINNING ROOM	T.	TOILET
W.I.C.	WALK IN CLOSET	A.C.U.	AIR COOLING UNIT
W/D	WASHER/DRYER	M.C.	MECHANICAL ROOM
R.	RANGE	CFRD	CONTROL FLOW ROOF DRAIN
REF.	REFRIGERATOR	ORD	OVERFLOW ROOF DRAIN
S.	SINK	F.D.	FLOOR DRAIN
CL	CLOSET	L.P.	LOW POINT
DW	DISH WASHER		



KEY PLAN

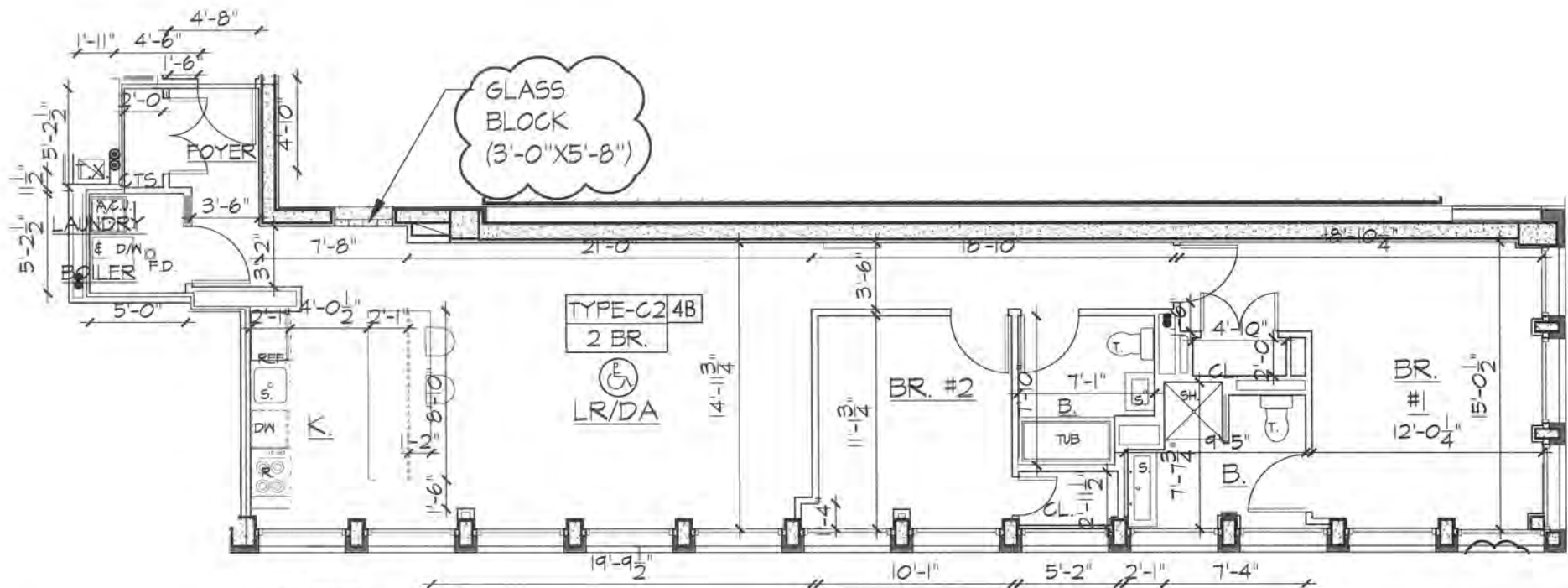
SCALE : $\frac{1}{64}" = 1'-0"$

AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSID AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
B1

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO: 504.01



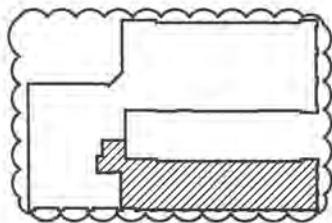


APT. 4B

SCALE: $\frac{1}{8}'' = 1'-0''$

NET: 1,092 SQ.FT.

GROSS: 1,274 SQ.FT.



KEY PLAN

SCALE: $\frac{1}{64}'' = 1'-0''$

LEGEND

BR.	BED ROOM	W.C.	WINE COOLER
B.	BATH	T.X.	EXHAUST SHAFTS
L.R.	LIVING ROOM	S.H.	SHOWER
D.R.	DINING ROOM	T.	TOILET
W.I.C.	WALK IN CLOSET	A.C.U.	AIR COOLING UNIT
W/D	WASHER/DRYER	M.C.	MECHANICAL ROOM
R.	RANGE	CFRD	CONTROL FLOW ROOF DRAIN
REF.	REFRIGERATOR	ORD	OVERFLOW ROOF DRAIN
S.	SINK	F.D.	FLOOR DRAIN
CL	CLOSET	L.P.	LOW POINT
DW	DISH WASHER		

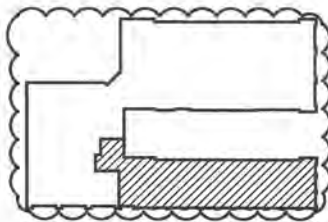
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
C2

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO.: 505.01

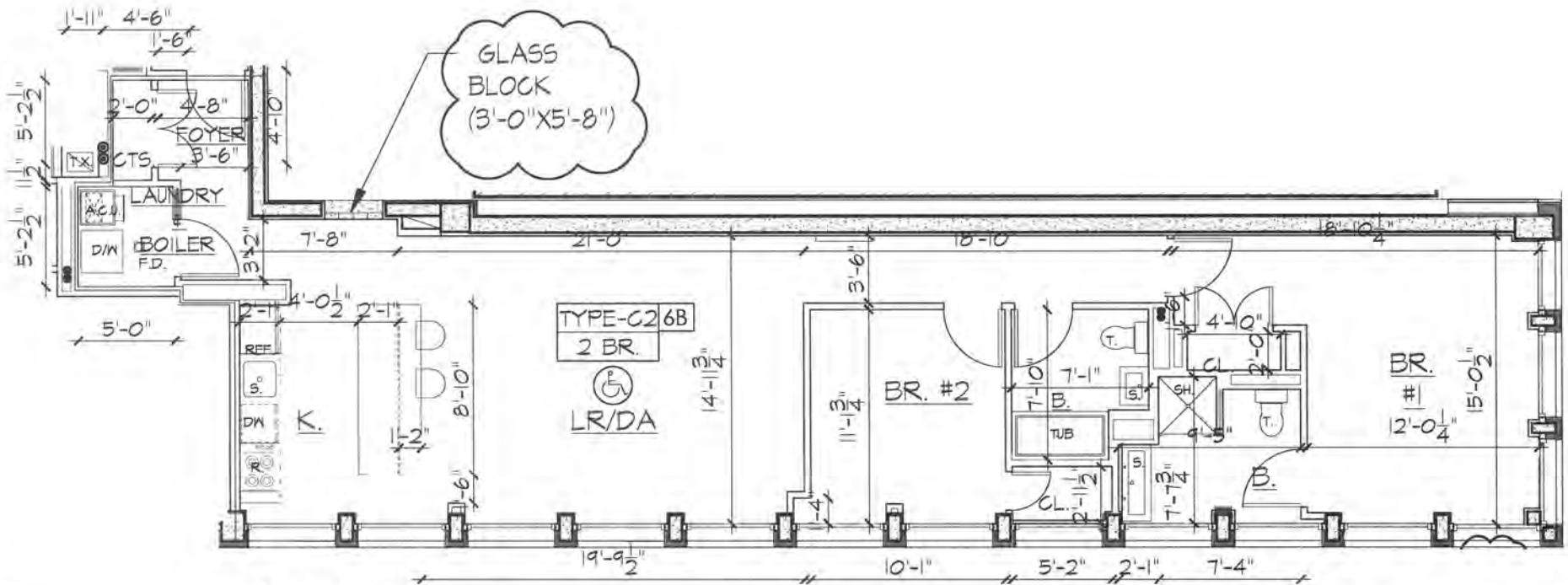


SCALE : $\frac{1}{8}'' = 1'-0''$
NET: 1,092 SQ.FT.
GROSS: 1,274 SQ.FT.



SCALE : 1/64" = 1'-0"

<u>BR.</u>	BED ROOM	W.C.	WINE COOLER
<u>B.</u>	BATH	T.X.	EXHAUST SHAFTS
<u>L.R.</u>	LIVING ROOM	S.H.	SHOWER
<u>D.R.</u>	DINNING ROOM	T.	TOILET
W.I.C.	WALK IN CLOSET	A.C.U	AIR COOLING UNIT
W/D	WASHER/DRYER	M.C.	MECHANICAL ROOM
R.	RANGE	CFRD	CONTROL FLOW ROOF DRAIN
REF.	REFRIGERATOR	ORD	OVERFLOW ROOF DRAIN
S.	SINK	F.D.	FLOOR DRAIN
CL	CLOSET	L.P.	LOW POINT
DW	DISH WASHER		

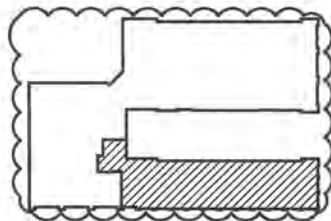


APT. 6B

SCALE : $\frac{1}{8}" = 1'-0"$

NET: 1,092 SQ.FT.

GROSS: 1,274 SQ.FT.



KEY PLAN

SCALE : $\frac{1}{64}" = 1'-0"$

LEGEND

BR.	BED ROOM	W.C.	WINE COOLER
B.	BATH	T.X.	EXHAUST SHAFTS
L.R.	LIVING ROOM	S.H.	SHOWER
D.R.	DINNING ROOM	T.	TOILET
W.I.C.	WALK IN CLOSET	A.C.U.	AIR COOLING UNIT
W/D	WASHER/DRYER	M.C.	MECHANICAL ROOM
R.	RANGE	CFRD	CONTROL FLOW ROOF DRAIN
REF.	REFRIGERATOR	ORD	OVERFLOW ROOF DRAIN
S.	SINK	F.D.	FLOOR DRAIN
CL	CLOSET	L.P.	LOW POINT
DW	DISH WASHER		

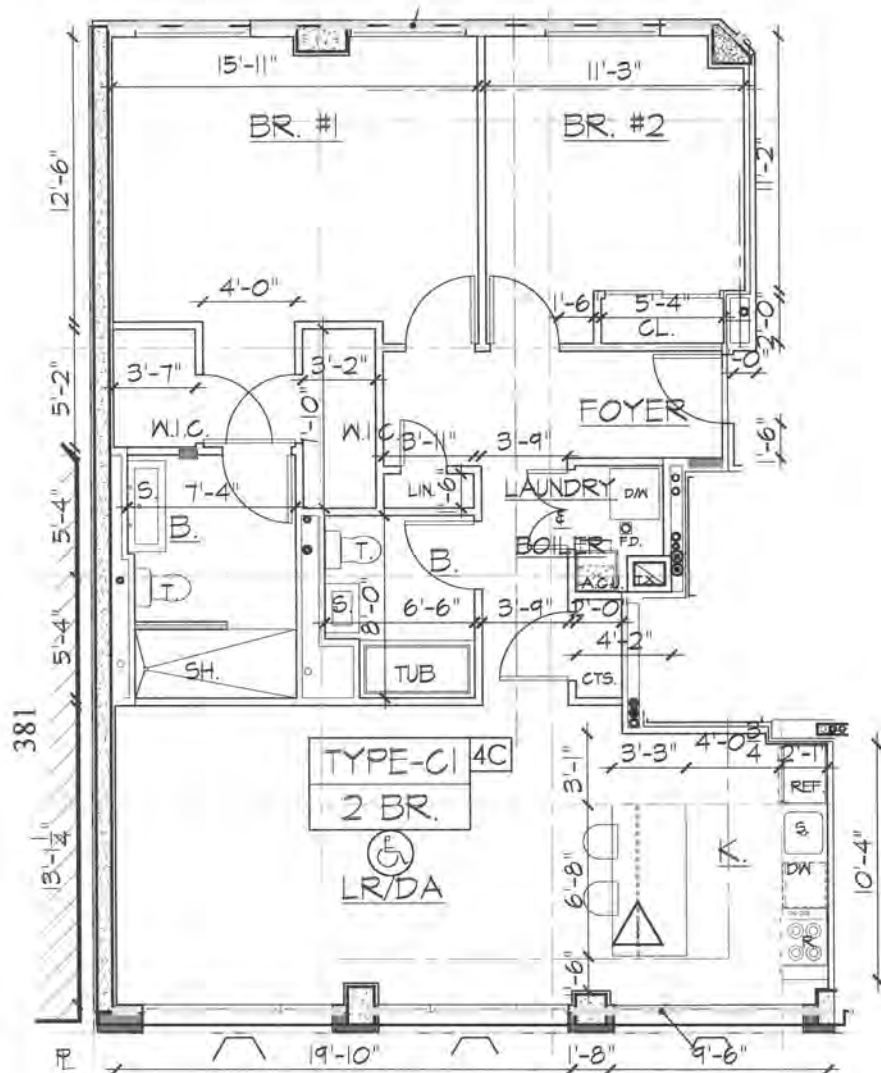
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
C2

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO: 507.01

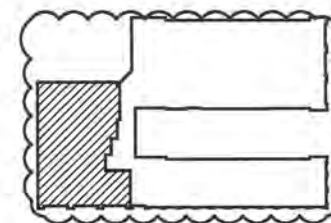
NORTH ARROW:





APT. 4C

SCALE : $\frac{1}{8}" = 1'-0"$
 NET: 1,130 SQ.FT.
 GROSS: 1,271 SQ.FT.



KEY PLAN

SCALE : $\frac{1}{64}" = 1'-0"$

LEGEND

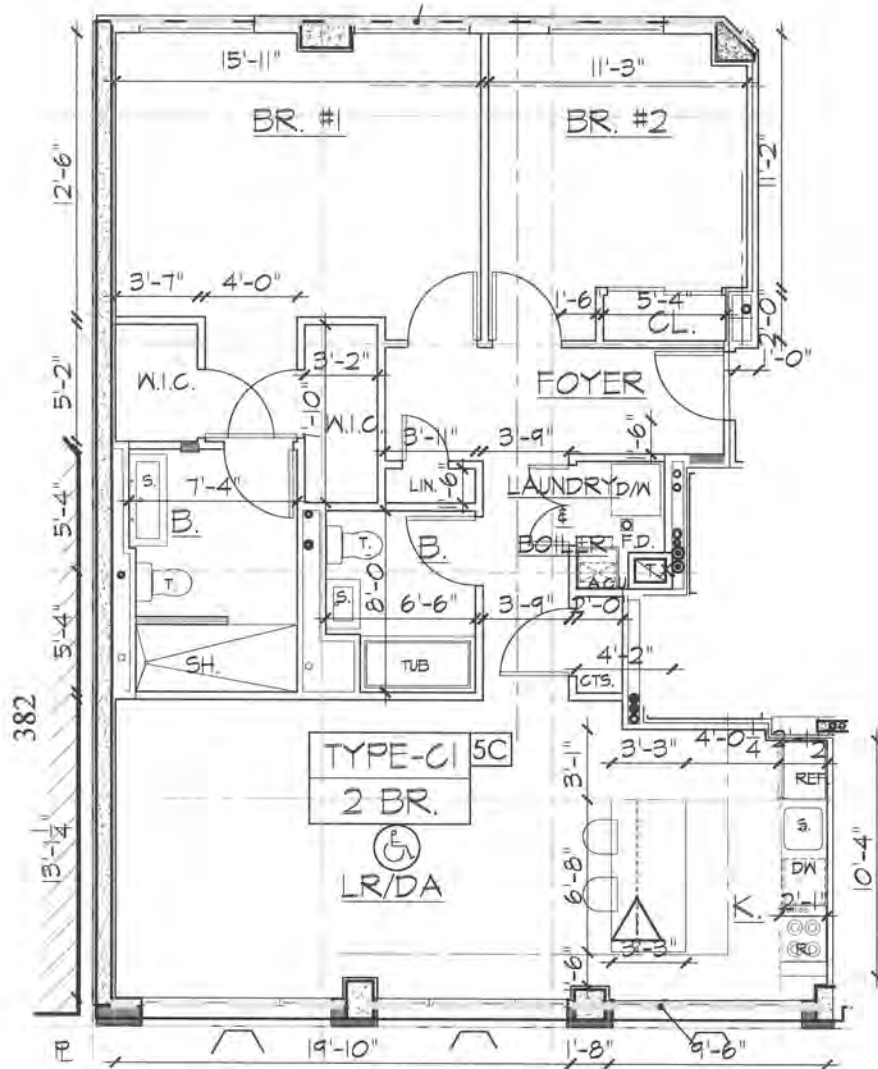
BR.	BED ROOM	W.C.	WINE COOLER
B.	BATH	T.X.	EXHAUST SHAFTS
L.R.	LIVING ROOM	S.H.	SHOWER
D.R.	DINNING ROOM	T.	TOILET
W.I.C.	WALK IN CLOSET	A.C.U.	AIR COOLING UNIT
WD	WASHER/DRYER	M.C.	MECHANICAL ROOM
R.	RANGE	CFRD	CONTROL FLOW ROOF DRAIN
REF.	REFRIGERATOR	ORD	OVERFLOW ROOF DRAIN
S.	SINK	F.D.	FLOOR DRAIN
CL	CLOSET	L.P.	LOW POINT
DW	DISH WASHER		

AUFGANG
 ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
 NEW YORK, NY 10027
 APARTMENT LAYOUTS
 C1

BLOCK NO.: 1414
 LOT NO.: 1, 101
 DATE: 12-24-19
 DRAWING NO: 508.01



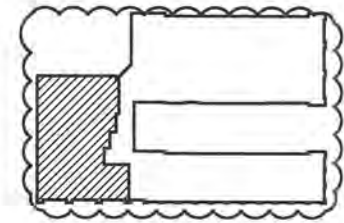


APT. 5C

SCALE : $\frac{1}{8}" = 1'-0"$

NET: 1,130 SQ.FT.

GROSS: 1,271 SQ.FT.



KEY PLAN

SCALE : $\frac{1}{64}" = 1'-0"$

LEGEND

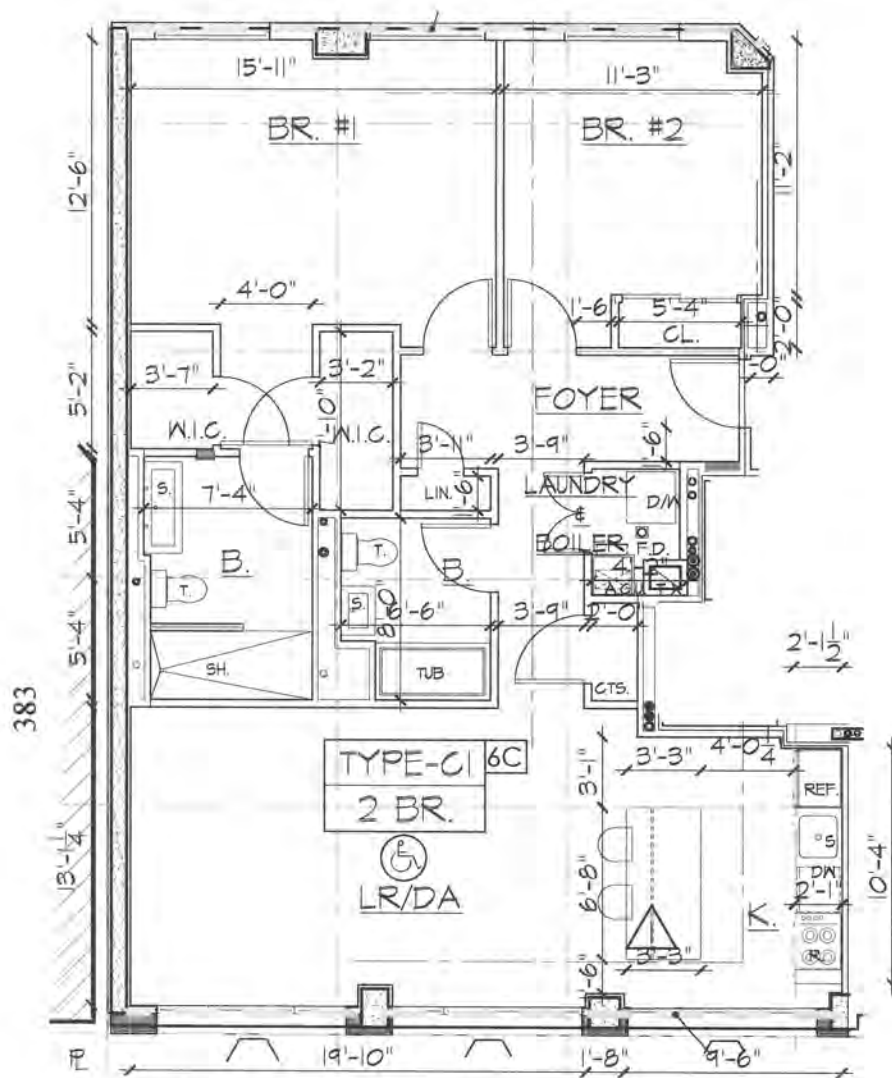
BR.	BED ROOM	W.C.	WINE COOLER
B.	BATH	T.X.	EXHAUST SHAFTS
L.R.	LIVING ROOM	S.H.	SHOWER
D.R.	DINNING ROOM	T.	TOILET
W.I.C.	WALK IN CLOSET	A.C.U.	AIR COOLING UNIT
W/D	WASHER/DRYER	M.C.	MECHANICAL ROOM
R.	RANGE	CFRD	CONTROL FLOW ROOF DRAIN
REF.	REFRIGERATOR	ORD	OVERFLOW ROOF DRAIN
S.	SINK	F.D.	FLOOR DRAIN
CL	CLOSET	L.P.	LOW POINT
DW	DISH WASHER		

AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
C1

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO.: 509.01



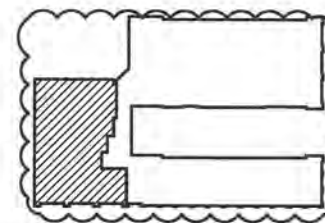


APT. 6C

SCALE : $\frac{1}{8}'' = 1'-0''$

NET: 1,130 SQ.FT.

GROSS: 1,271 SQ.FT.



KEY PLAN

SCALE : $\frac{1}{64}'' = 1'-0''$

LEGEND

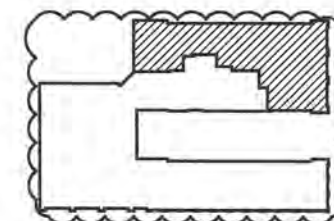
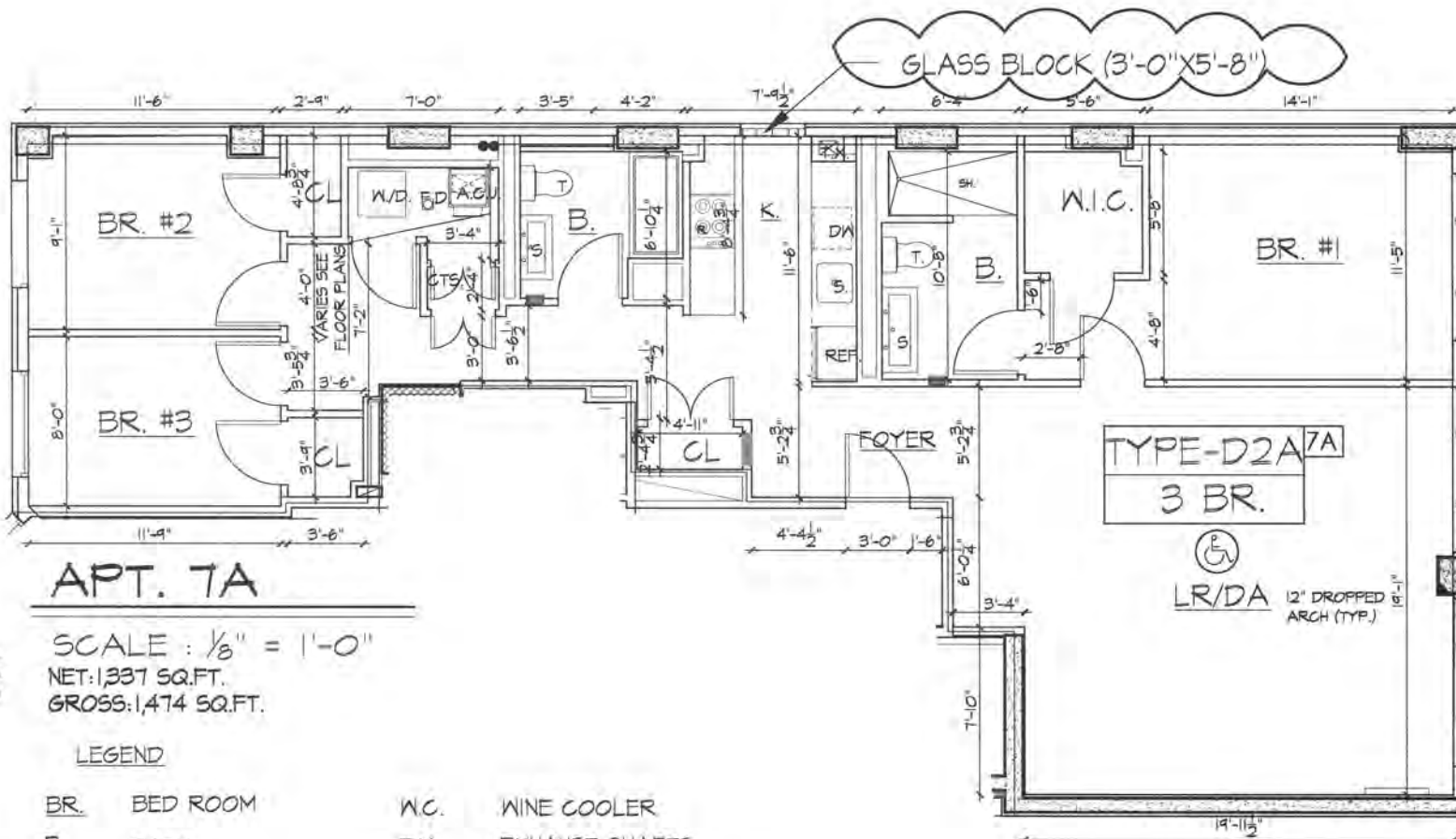
BR.	BED ROOM	W.C.	WINE COOLER
B.	BATH	T.X.	EXHAUST SHAFTS
L.R.	LIVING ROOM	S.H.	SHOWER
D.R.	DINNING ROOM	T.	TOILET
W.I.C.	WALK IN CLOSET	A.C.U.	AIR COOLING UNIT
W/D	WASHER/DRYER	M.C.	MECHANICAL ROOM
R.	RANGE	CFRD	CONTROL FLOW ROOF DRAIN
REF.	REFRIGERATOR	ORD	OVERFLOW ROOF DRAIN
S.	SINK	F.D.	FLOOR DRAIN
CL	CLOSET	L.P.	LOW POINT
DW	DISH WASHER		

AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
C1

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO: 510.01

NORTH ARROW:



KEY PLAN

SCALE : $\frac{1}{64}" = 1'-0"$

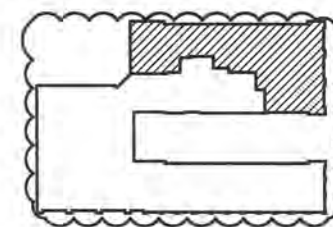
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
D2A

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO: 511.00

NORTH ARROW:





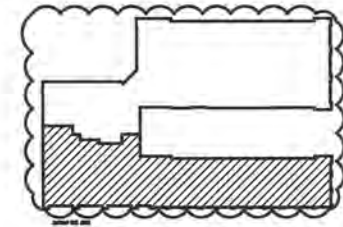
SCALE : 1/64" = 1'-0"

NORTH ARROW:

A circular symbol with a thick line pointing towards the top-left, indicating North.

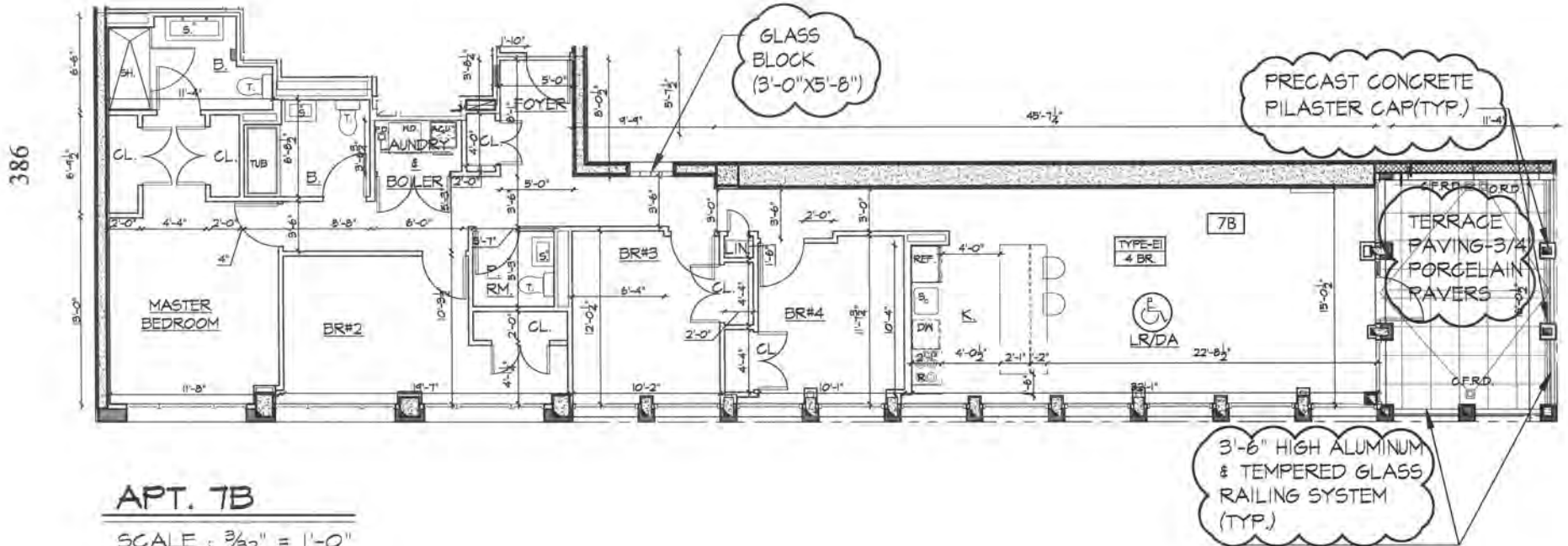
LEGEND

BR.	BED ROOM	W.C.	WINE COOLER
B.	BATH	T.X.	EXHAUST SHAFTS
L.R.	LIVING ROOM	S.H.	SHOWER
D.R.	DINNING ROOM	T.	TOILET
W.I.C.	WALK IN CLOSET	A.C.U.	AIR COOLING UNIT
WD.	WASHER/DRYER	M.C.	MECHANICAL ROOM
R.	RANGE	CFRD	CONTROL FLOW ROOF DRAIN
REF.	REFRIGERATOR	ORD	OVERFLOW ROOF DRAIN
S.	SINK	F.D.	FLOOR DRAIN
CL.	CLOSET	L.P.	LOW POINT
DW.	DISH WASHER		



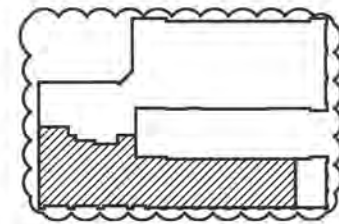
KEY PLAN

SCALE : 1/64" = 1'-0"



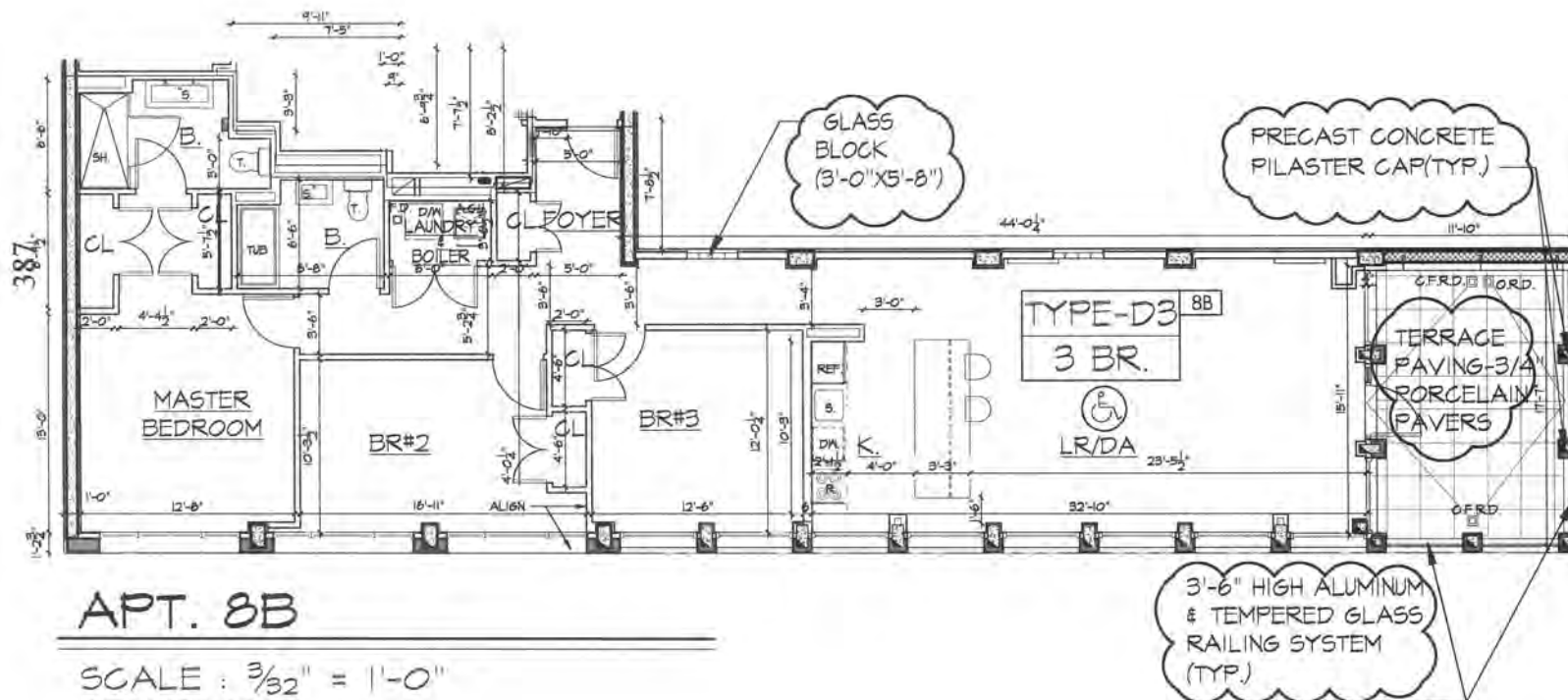
LEGEND

BR. BED ROOM	W.C. WINE COOLER
B. BATH	T.X. EXHAUST SHAFTS
L.R. LIVING ROOM	S.H. SHOWER
D.R. DINNING ROOM	T. TOILET
W.I.C. WALK IN CLOSET	A.C.U. AIR COOLING UNIT
W/D WASHER/DRYER	M.C. MECHANICAL ROOM
R. RANGE	CFRD CONTROL FLOW ROOF DRAIN
REF. REFRIGERATOR	ORD OVERFLOW ROOF DRAIN
S. SINK	F.D. FLOOR DRAIN
CL CLOSET	L.P. LOW POINT
DW DISH WASHER	



KEY PLAN

SCALE: 1/64" = 1'-0"



APT. 8B

SCALE: 3/32" = 1'-0"

NET: 1,435 SQ.FT.

GROSS: 1,659 SQ.FT.

TERRACE: 183 SQ.FT.

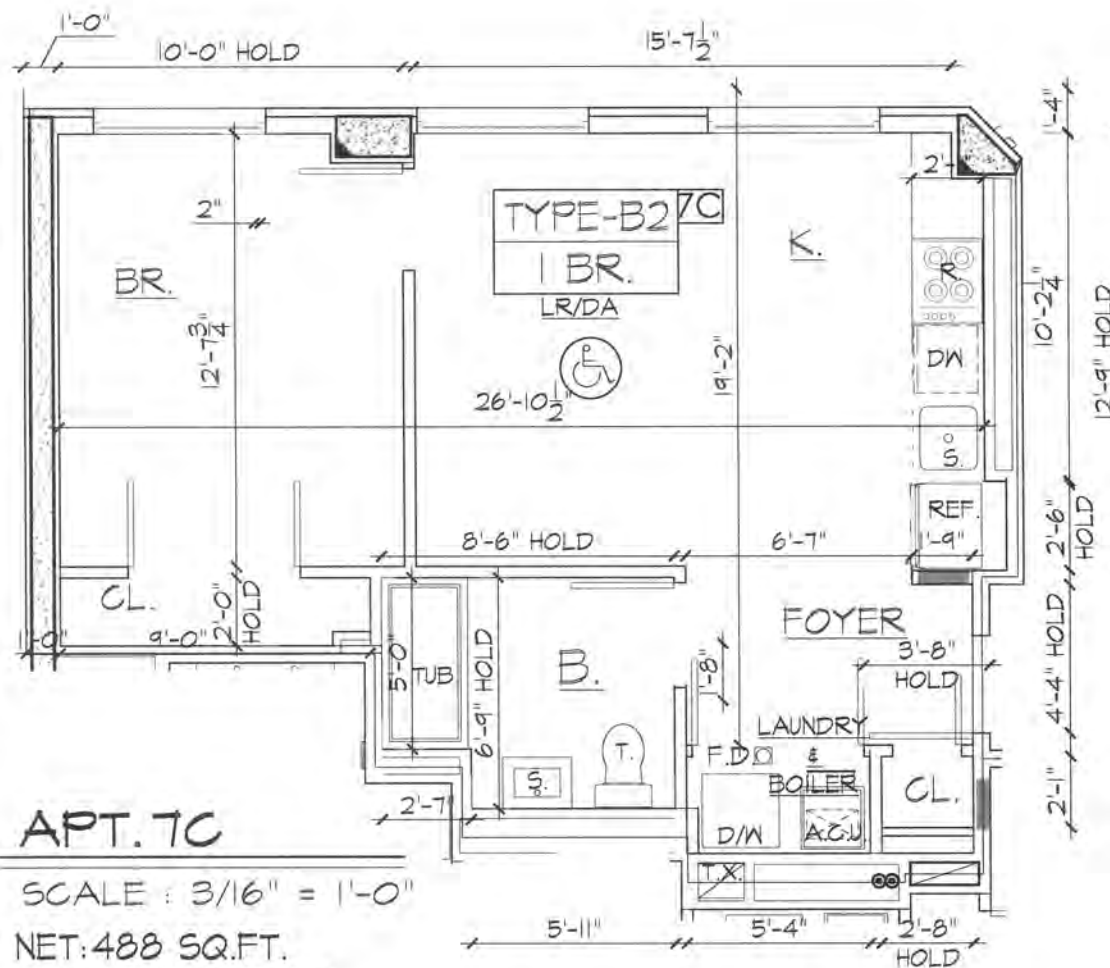
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSID AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
D3

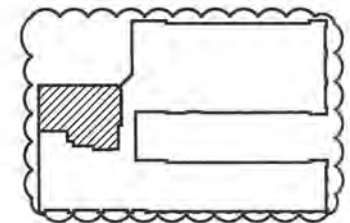
BLOCK NO.:	1414
LOT NO.:	1, 101
DATE:	12-24-19
DRAWING NO:	514.01

NORTH ARROW:



LEGEND

- BR. BED ROOM
 B. BATH
 L.R. LIVING ROOM
 D.R. DINNING ROOM
 W.I.C. WALK IN CLOSET
 W/D WASHER/DRYER
 R. RANGE
 REF. REFRIGERATOR
 S. SINK
 CL. CLOSET
 DW. DISH WASHER
 W.C. WINE COOLER
 T.X. EXHAUST SHAFTS
 S.H. SHOWER
 T. TOILET
 A.C.U. AIR COOLING UNIT
 M.C. MECHANICAL ROOM
 CFRD CONTROL FLOW ROOF DRAIN
 ORD OVERFLOW ROOF DRAIN
 F.D. FLOOR DRAIN
 L.P. LOW POINT

KEY PLAN

SCALE : 1/64" = 1'-0"

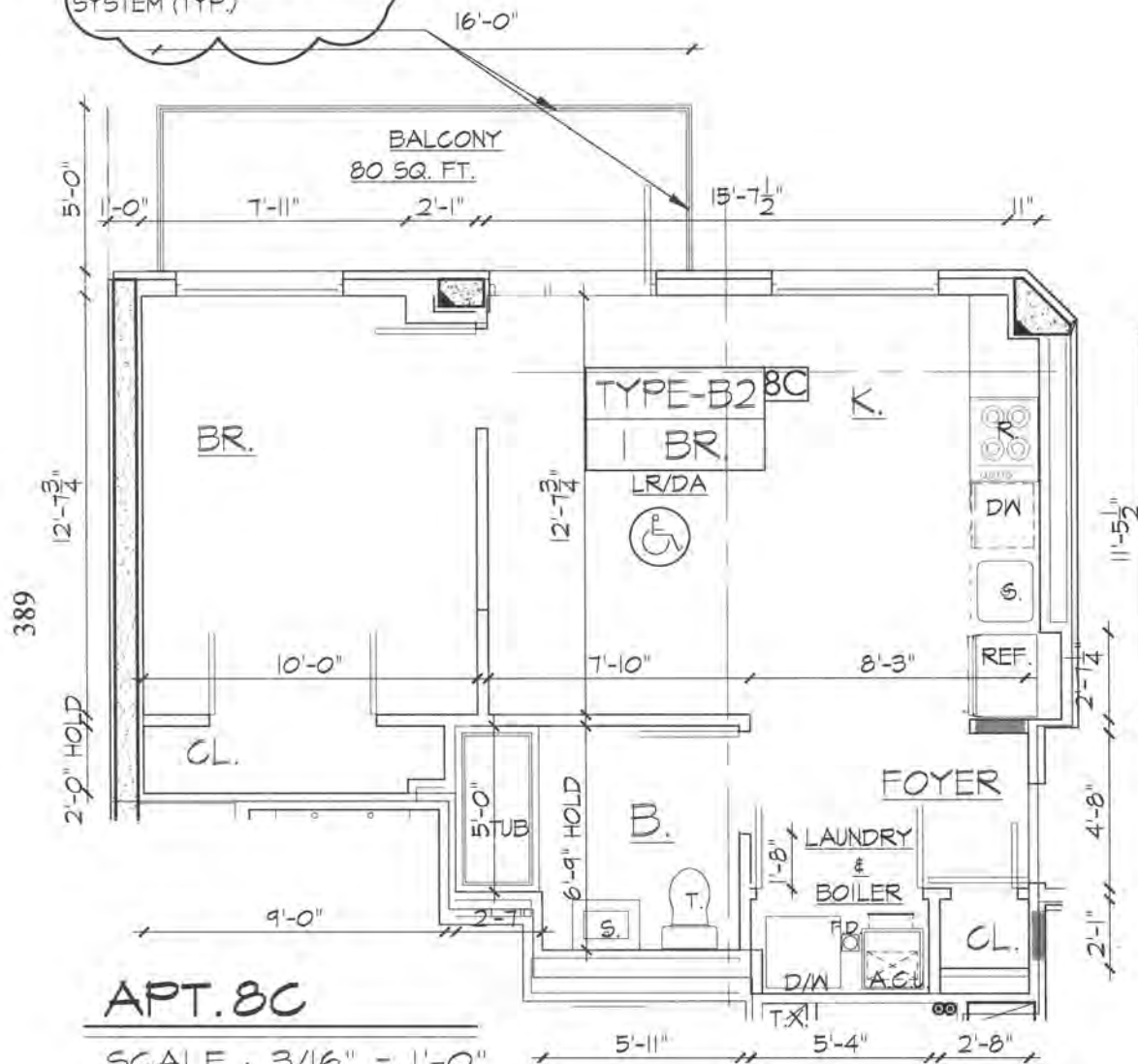
AUFGANG
 ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
 101 MORNINGSID AVE.
 NEW YORK, NY 10027
 APARTMENT LAYOUTS
 B2

BLOCK NO.:	1414
LOT NO.:	1, 101
DATE:	12-24-19
DRAWING NO.:	515.01



3'-6" HIGH ALUMINUM &
TEMPERED GLASS RAILING
SYSTEM (TYP.)



APT. 8C

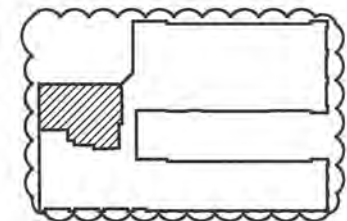
SCALE : 3/16" = 1'-0"

NET: 488 SQ. FT.

GROSS: 557 SQ. FT.

LEGEND

- BR. BED ROOM
- B. BATH
- L.R. LIVING ROOM
- D.R. DINING ROOM
- W.I.C. WALK IN CLOSET
- W/D WASHER/DRYER
- R. RANGE
- REF. REFRIGERATOR
- S. SINK
- CL. CLOSET
- DW. DISH WASHER
- W.C. WINE COOLER
- T.X. EXHAUST SHAFTS
- S.H. SHOWER
- T. TOILET
- A.C.U. AIR COOLING UNIT
- M.C. MECHANICAL ROOM
- CFRD CONTROL FLOW ROOF DRAIN
- ORD OVERFLOW ROOF DRAIN
- F.D. FLOOR DRAIN
- L.P. LOW POINT



KEY PLAN

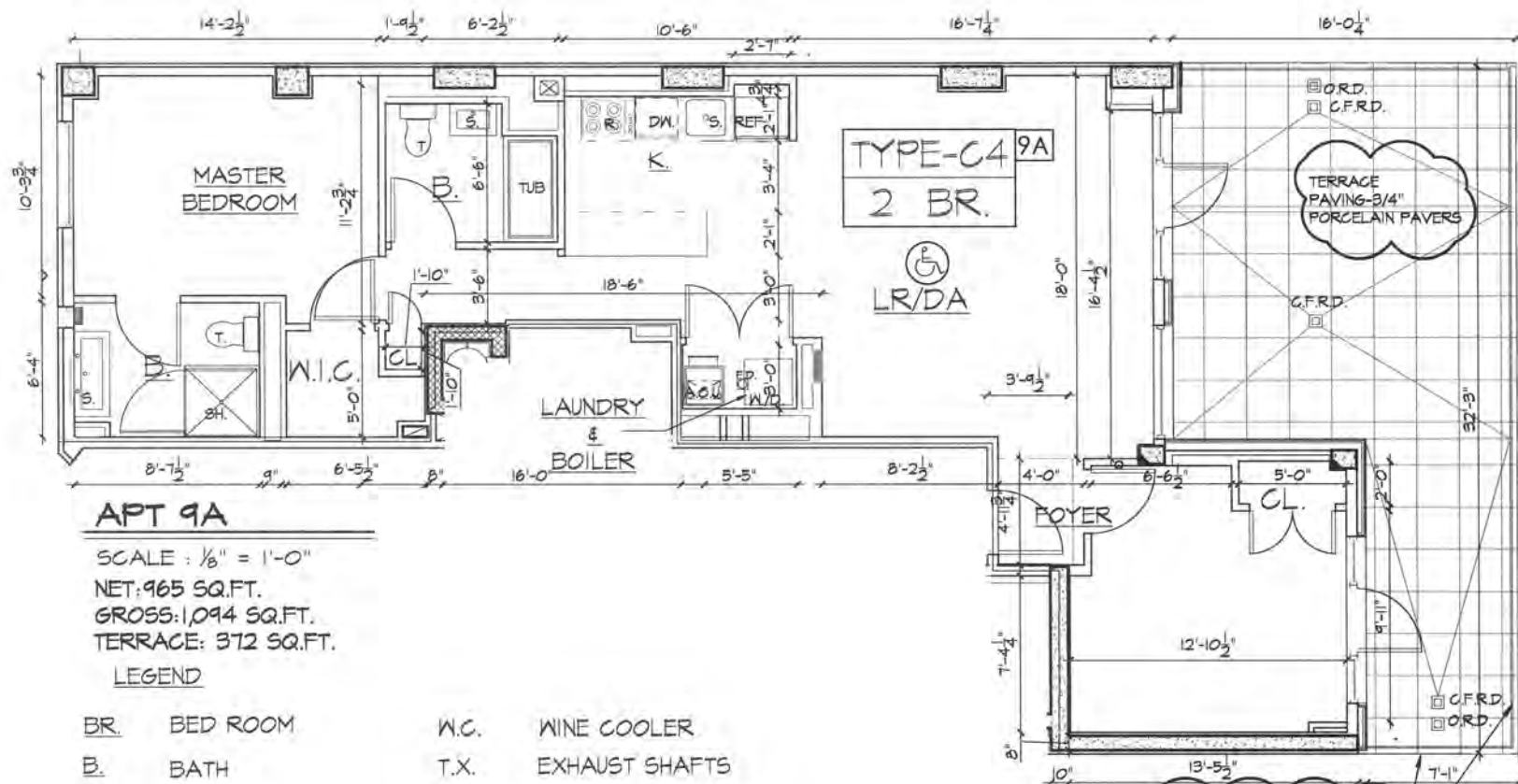
SCALE : 1/64" = 1'-0"

AUFGANG
ARCHITECTS

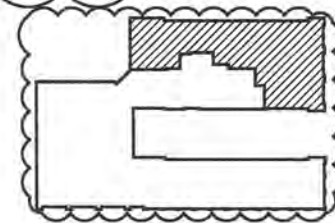
PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDA AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
B2

BLOCK NO.:	1414
LOT NO.:	1, 101
DATE:	12-24-19
DRAWING NO.:	516.01





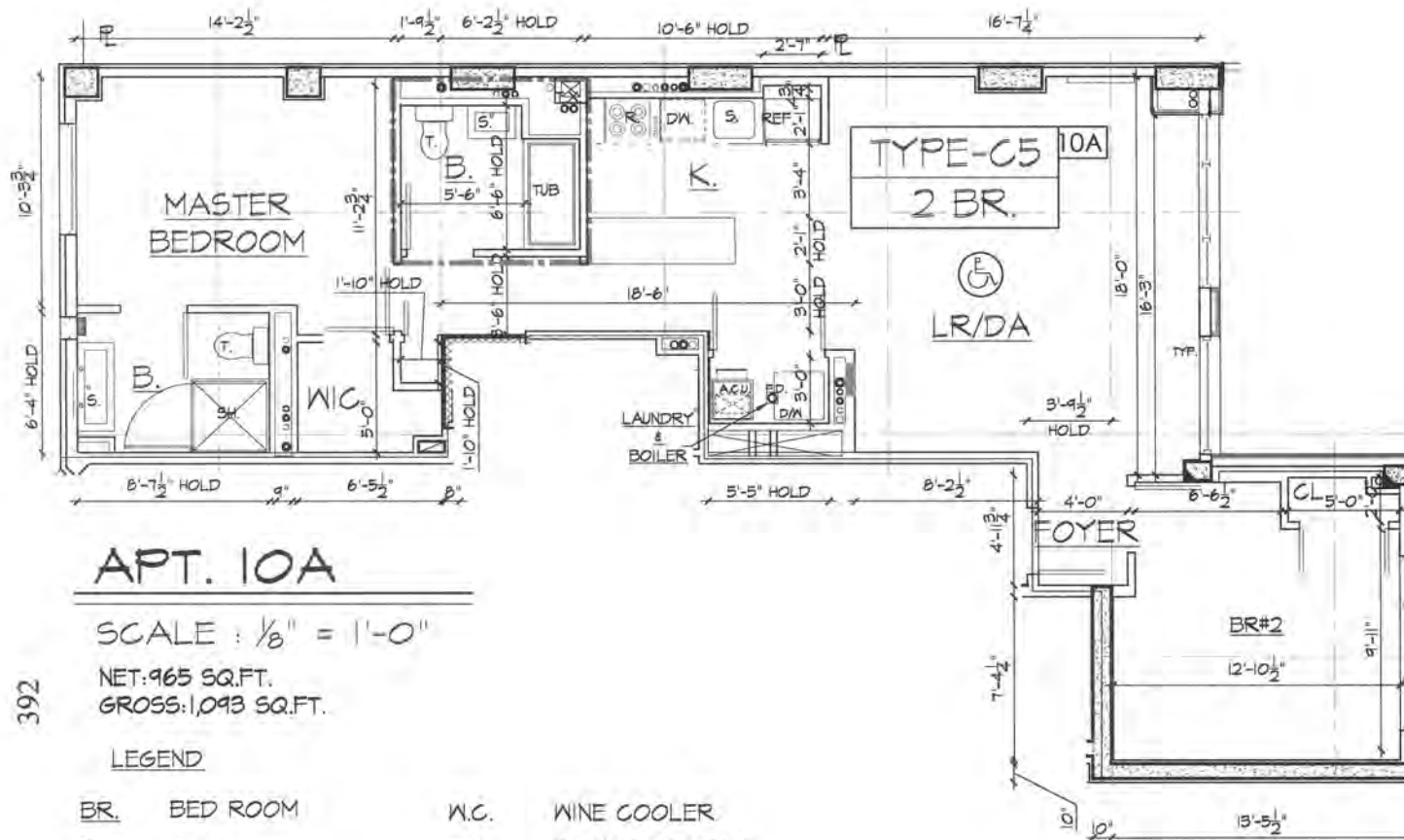
3'-6" HIGH ALUMINUM & TEMPERED GLASS RAILING SYSTEM (TYP)



KEY PLAN

SCALE: $\frac{1}{64}'' = 1'-0''$





APT. 10A

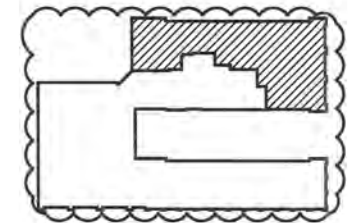
SCALE : $\frac{1}{8}'' = 1'-0''$

NET: 965 SQ.FT.

GROSS: 1,093 SQ.FT.

LEGEND

BR.	BED ROOM	W.C.	WINE COOLER
B.	BATH	T.X.	EXHAUST SHAFTS
L.R.	LIVING ROOM	S.H.	SHOWER
D.R.	DINNING ROOM	T.	TOILET
W.I.C.	WALK IN CLOSET	A.C.U.	AIR COOLING UNIT
W.D.	WASHER/DRYER	M.C.	MECHANICAL ROOM
R.	RANGE	CFRD	CONTROL FLOW ROOF DRAIN
REF.	REFRIGERATOR	ORD	OVERFLOW ROOF DRAIN
S.	SINK	F.D.	FLOOR DRAIN
CL	CLOSET	L.P.	LOW POINT
DW	DISH WASHER		



KEY PLAN

SCALE : $\frac{1}{16}'' = 1'-0''$

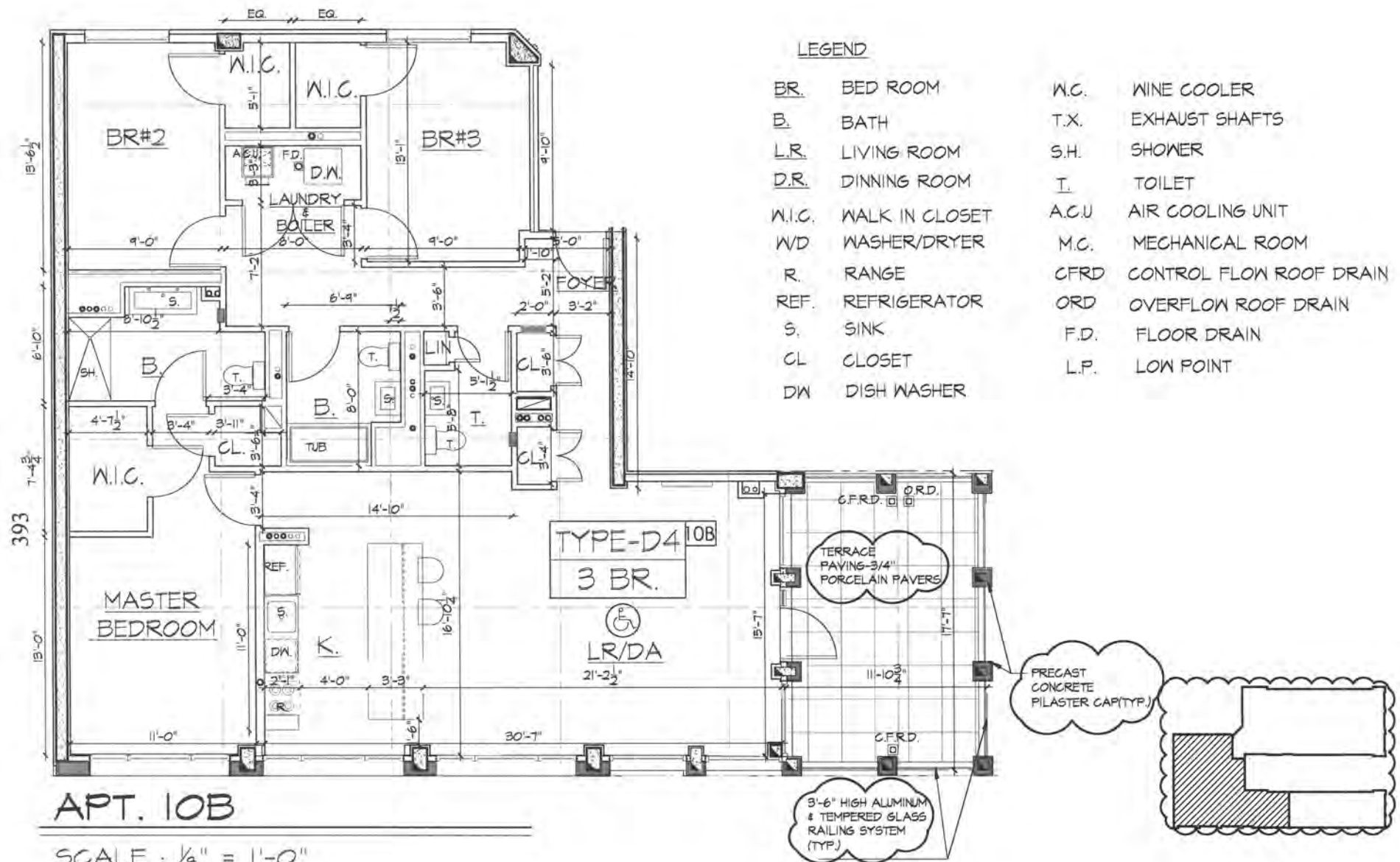
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
C5

BLOCK NO.: 1414
LOT NO.: 1, 101
DATE: 12-24-19
DRAWING NO:
519.01

NORTH ARROW:



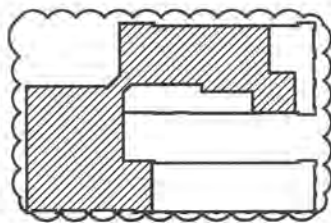


AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
 101 MORNINGSIDE AVE.
 NEW YORK, NY 10027
 APARTMENT LAYOUTS
 D4

BLOCK NO.: 1414
 LOT NO.: 1, 101
 DATE: 12-24-19
 DRAWING NO: 520.01

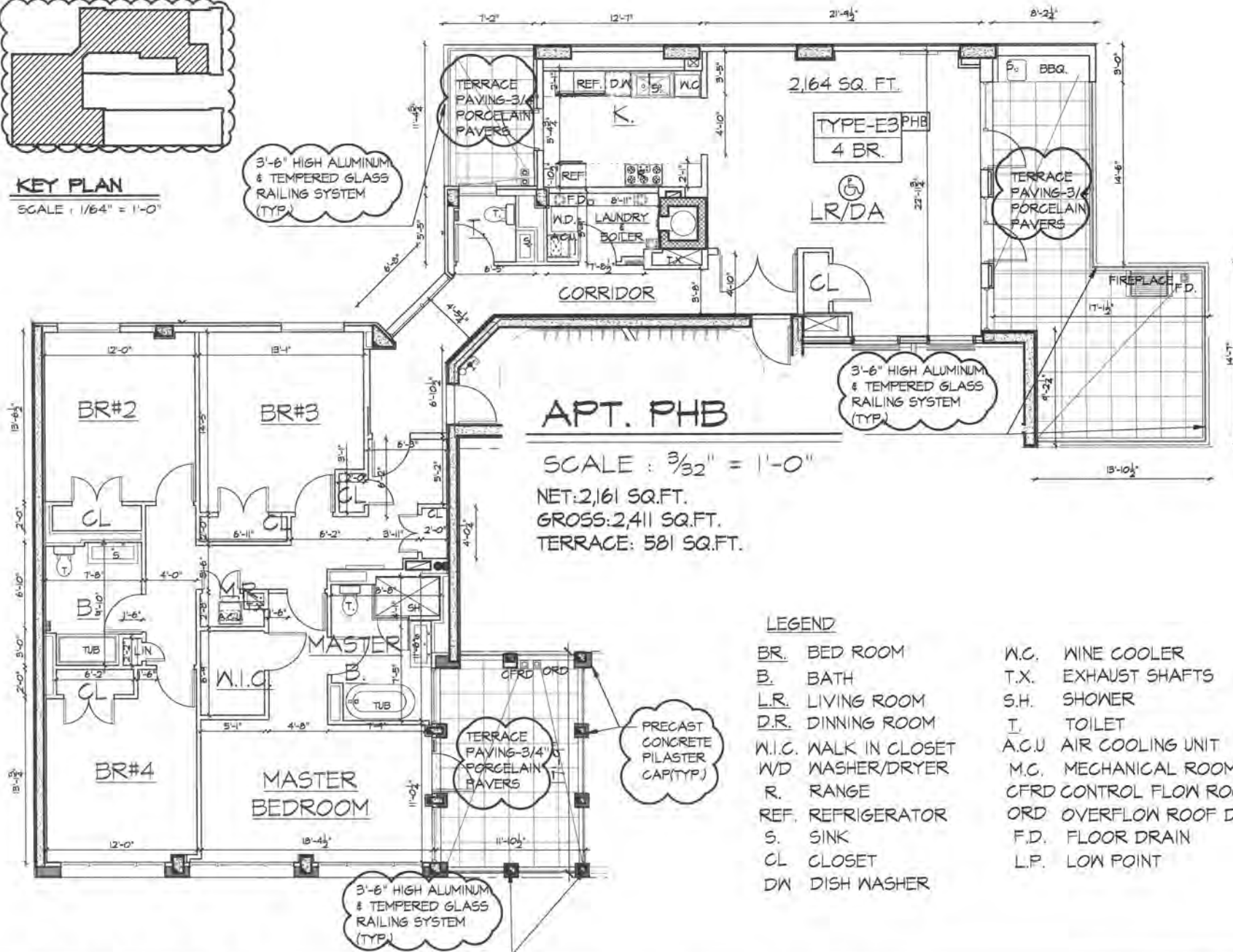




KEY PLAN

SCALE: 1/64" = 1'-0"

394



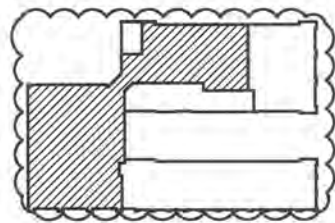
AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
 101 MORNINGSIDE AVE.
 NEW YORK, NY 10027
 APARTMENT LAYOUTS
 E3

BLOCK NO.: 1414
 LOT NO.: 1, 101
 DATE: 12-24-19
 DRAWING NO: 521.00

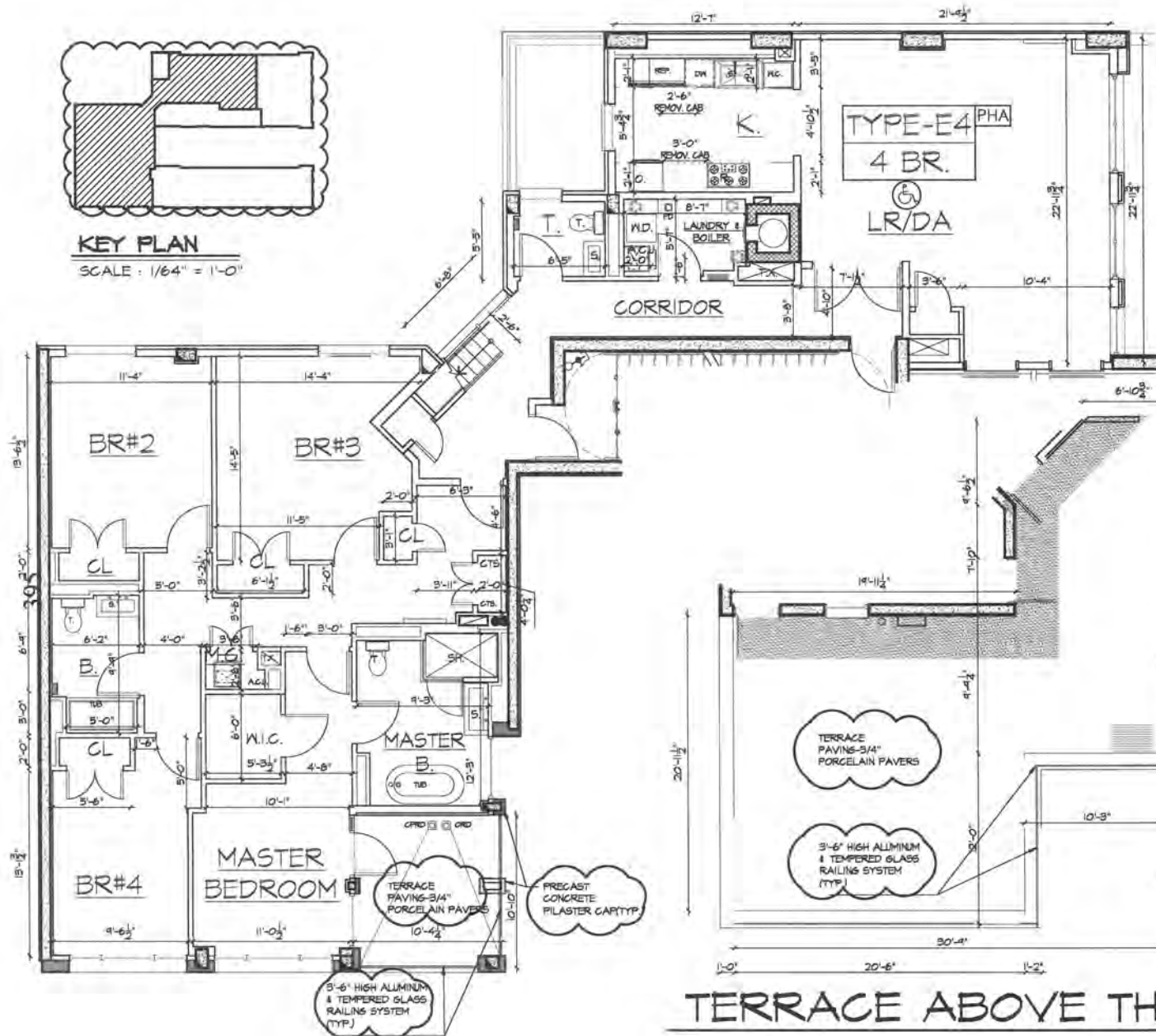
NORTH ARROW





KEY PLAN

SCALE: 1/64" = 1'-0"



APT. PHA

SCALE: 3/32" = 1'-0"

NET: 2,079 SQ.FT.

GROSS: 2,313 SQ.FT.

TERRACE: 684 SQ.FT.

LEGEND

- BR. BED ROOM
- B. BATH
- L.R. LIVING ROOM
- D.R. DINING ROOM
- W.I.C. WALK IN CLOSET
- W/D WASHER/DRYER
- R. RANGE
- REF. REFRIGERATOR
- S. SINK
- CL. CLOSET
- DW. DISH WASHER
- W.C. WINE COOLER
- T.X. EXHAUST SHAFTS
- S.H. SHOWER
- T. TOILET
- A.C.U. AIR COOLING UNIT
- M.C. MECHANICAL ROOM
- CFRD CONTROL FLOW ROOF DRAIN
- ORD OVERFLOW ROOF DRAIN
- F.D. FLOOR DRAIN
- L.P. LOW POINT
- O. OVEN

TERRACE ABOVE THE 12TH FLOOR

SCALE: 3/32" = 1'-0"

AUFGANG
ARCHITECTS

PROPOSED NEW DEVELOPMENT FOR:
101 MORNINGSIDE AVE.
NEW YORK, NY 10027
APARTMENT LAYOUTS
E4

BLOCK NO.:	1414
LOT NO.:	1, 101
DATE:	12-24-19
DRAWING NO.:	522.00



DECLARATION

Establishing a Plan for Condominium Ownership of Premises located at 375 West 123rd Street, New York County, City and State of New York Pursuant to Article 9-B of the Real Property Law of the State of New York.

**NAME: "99 MORNINGSIDE," A CONDOMINIUM
LOCATED AT 375 West 123RD STREET
NEW YORK, NEW YORK 10027**

SPONSOR:

99 Morningside LLC
40 Fulton Street, 12th Floor
New York, New York 10038

DATE OF DECLARATION: _____, 20__.

The land affected by the within instrument lies in Block 1950 Formerly Tax Lots 1, 2, 4 and 102 now known as Lot 1 and to be Known as Tax Lots ____ to ____ on the Tax Map of the Borough of Manhattan, County, City and State of New York.

Record and Return:

D'AGOSTINO, LEVINE, LANDESMAN, LEDERMAN, RIVERA & SAMPSON, LLP
Attorneys for Sponsor
345 Seventh Avenue, 23rd Floor
New York, New York 10001
(212) 564-9800

Declaration Establishing a Plan for Condominium Ownership of Premises to be known as "99 Morningside," a Condominium located at 375 West 123rd Street, Borough of Manhattan, County of New York, City and State of New York, Pursuant to Article 9-B of Real Property Law of the State of New York.

99 Morningside LLC, limited liability companies organized and existing under the laws of the State of New York, with offices at 40 Fulton Street, 12th Floor, New York, New York 10038, hereinafter collectively referred to as the "Sponsor" and/or "Declarant" do hereby declare:

1. **Submission of Property:** Sponsor hereby submits the land hereinafter described, together with the building and improvements thereon erected (the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York. Specifically excluded are any unused transferable air rights and/or development rights pertaining to the Land or Building, which rights are being reserved by Sponsor for itself and any successors or assigns in accordance with Paragraph 20 of this Declaration.
2. **Area and Location of Land.** The land ("Land") has an area of approximately 6,779 square feet and consists of all that certain tracts, plots, pieces and parcels of land situate, lying and being in the County of New York, City and State of New York, more particularly described on Schedule A annexed hereto and made a part hereof. The Land is owned by the Sponsor in fee simple.
3. **Name of Condominium.** The Condominium shall be known as "99 Morningside Condominium."
4. **Description of the Building.** The Sponsor is constructing a new building to be situated at the Property. The new building will be a mixed-use community facility/residential building, consisting of twelve (12) designated floors plus a cellar level. As shown on the Floor Plans (defined hereinafter), the floors of the Building are designated cellar, first floor, second floor through the twelfth floor. The eleventh and twelfth floors will also be known as the penthouse level. All floor references in this Declaration and in the By-Laws of the Condominium, to particular floors of the Building are in accordance with such floor designations. Further, a portion of the main roof level at the third floor level will be comprised of a common outdoor roof terrace for the exclusive use of all the Residential Unit Owners and a mechanical terrace area for the use of all of the Unit Owners. A portion of the main roof at the twelfth floor shall be a private roof terrace for the exclusive use of the owner of Unit 12A. The remainder of the roof at the twelfth floor is comprised of a mechanical room, mechanical equipment, and the cooling towers, if any, and other mechanical service areas for the residential portion of the Building. Additionally, the second floor of the Building will contain certain recreational amenities, including, but not limited to, a gym and a multi-purpose room, all of which will be for the exclusive use of all of the Residential Unit Owners.

The newly constructed Building shall be comprised of one (1) community facility unit (the "Community Facility Unit") and twenty-three (23) residential units (the "Residential Units"), plus other common elements of the Building as defined herein (the "Common Elements"). The Common Elements shall either be for the use of all of the Unit Owners ("General Common Elements") or for the exclusive use of one or more Unit Owners ("Limited Common Elements").

The Community Facility Unit will be located on portions of the cellar, first, second and third floors of the Building which are not Common Elements or part of the Residential Units. Two (2) Residential Units will be located on the third floor. The fourth, fifth, sixth, seventh and eighth floors will contain three (3) Residential Units. Two (2) Residential Units will be located on each of floors nine and ten. The eleventh and twelfth floors shall each contain one (1) Residential Unit. The two (2) Residential Units located on the eleventh and twelfth floors will be known as the Penthouse Units. The Unit located on the twelfth floor will have a private roof terrace, accessible from the living area of this Unit by internal stairs, located at the roof above the twelfth floor of the Building, in addition, to several other terraces which are directly accessed from this Unit at the twelfth floor. The Residential Units are one, two, three or four bedroom Units. In addition, some of the other Residential Units have adjacent private terraces and/or balconies which are directly accessed from those Units. The private terraces and balconies shall be Limited Common Elements for the exclusive use of the Unit Owners having direct access thereto. All private terraces and balconies adjacent to and directly accessed from a Residential Unit shall have a traffic bearing surface consisting of either concrete or concrete pavers or such other equivalent material.

The Building being newly constructed is projected to be completed in January 2020. Pursuant to the New York City Building Code, the Class of Construction for the Building is Class I-B (Non-Combustible) construction. A new Certificate of Occupancy will be obtained by the Sponsor upon final completion of the project.

The Building has a cellar level consisting of a part of the Community Facility Unit and portions of the Common Elements. The Common Elements located at the cellar level of the Building include a bicycle room, electrical meter room, gas meter room, a water meter/fire pump room, elevator closet room, an elevator and elevator pits, a trash compactor, trash compactor room, water booster pump room and common service or public corridors and fire staircases.

Common Elements located at the first floor level include the main residential entrance to the Building located on West 123rd Street, the vestibule, residential lobby, mail area and package room, compactor chute, the two (2) passenger elevators at the central core of the Building, as well as common service or public corridors and fire staircases.

Common Elements located at the second floor of the Building include a gym room, gym storage room, multi-purpose room, and half bathroom, all of which shall be Common Elements of the Condominium. The elevators, elevator lobby, refuse room with compactor chute, any mechanical rooms or equipment closets, fire staircases and public corridors on each floor above the first floor are also Common Elements of the Building.

Located at or above the main roof level of the Building, above the twelfth floor are the bulkheads for the two (2) passenger elevators, cooling towers, if any, mechanical rooms and equipment all of which are Common Elements. Other than the public or common roof terrace, the gym room and the multi-purpose room at the second floor, there are no other common recreational areas or facilities at the Property. Any other roofs of the Building, including, but not limited to, the mechanical terrace areas located at the main roof or other roofs of the Building, are either common areas not meant for public access or use or Limited Common Elements for the exclusive use of one or more Unit Owners. Additionally, there are no parking facilities which are part of the Property and the Building does not have balconies or terraces other than the roof terraces described above.

There are two (2) "scissor stair" fire staircases at the Building which run from the cellar level to the main roof of the Building. The Building will have two (2) passenger elevators at the central core of the Building. Both elevators will service substantially all of the floors of the Building from, and including, the cellar, to and including, the twelfth floor of the Building. There are no fire escapes at the Building.

In addition, the Community Facility Unit, located on portions of the cellar, first floor, second floor and third floor, has internal fire staircases and corridors, mechanical rooms and equipment, and elevators which service the Community Facility Unit only. These areas are part of the Community Facility Unit. The main entrance to the Community Facility Unit is located on Morningside Avenue.

The foundation system of the Building consists of concrete slab on grade. The Building's superstructure consists of concrete floors on concrete columns. The exterior walls will consist of a combination of reinforced cast in place concrete, light gauge metal frame walls or glass block wall. The exterior walls shall be finished with EIFS.

The roof will consist of a cast-in-place reinforced concrete slab. Rigid insulation will be installed as part of the roofing system and the roof finish at the terraces shall be concrete or porcelain pavers.

The Building will have gas-fired hot water heaters which will be located in the mechanical room at the main roof of the Building. The hot water heaters will provide domestic hot water to the Residential Units and all residential common

areas. Heating in the Residential Units is provided by a split system heat pump air conditioning system. Each Unit is equipped with a dedicated outdoor condensing unit and several indoor air conditioning units. The Community Facility shall have a separate heating and hot water system.

Air conditioning systems are designed to meet the requirements of the New York City and New York State Codes. The Building's cooling system will be provided by a split multi-heat pump system with condensing units on the roof. Each Residential Unit shall be provided with ceiling-hung direct expansion fan coil units. Public area air conditioning systems are composed of split heat pump systems and corridors shall be provided with a packaged rooftop gas heat air conditioning unit.

The Community Facility Unit Owner shall be responsible for any additional equipment installations necessary to heat and/or air condition the Community Facility Unit or to provide hot water therein.

Gas consumption for heat in all of the Residential Units, including supplemental heat for the public corridors, hot water in the Residential Units and Common Elements and gas consumed in the Common Elements, shall be collectively metered by one (1) or more meters or submeters and shall be a Residential Common Expense of all of the Residential Unit Owners. The Community Facility Unit will be separately metered for heat, hot water, cooking and other gas usage in the Community Facility Unit and the gas consumption and cost measured thereby shall be a Community Facility Common Expense of the Community Facility Unit Owner only.

Additionally, gas consumption for cooking shall be collectively metered by one (1) or more meters and shall be a Residential Common Expense of all the Residential Unit Owners.

Each of the Units shall be separately metered or submetered for the consumption and cost of electricity in the respective Unit. A common meter or meters or submeters shall measure the consumption of electricity in the common areas or Common Elements, including the Residential Common Elements which shall be paid by the Board of Managers as a Residential Common Expense of all of the Residential Unit Owners only. Water and sewer services are provided for by the City of New York. The Residential Units and Common Elements shall be metered and/or submetered for water usage by one or more meters. The cost of water consumption in all of the Residential Units and in the General Common Elements and Residential Common Elements shall be a Residential Common Expense of all of the Unit Owners. The Community Facility Unit shall be separately sub-metered for water service and all related sewer rents within the Community Facility Unit and the cost of consumption measured thereby shall be a Community Facility Common Expense of the Community Facility Unit Owner only.

There is no public or common laundry room in the Building. Each of the Residential Units will be provided with a laundry closet or laundry room with individual hook-ups for one (1) electric washer and one (1) electric ventless dryer or, at the sole discretion of Sponsor, for one (1) stackable unit which is a combination thereof. The washer and dryer are being supplied by the Sponsor as part of the Offering Plan.

The Building is being constructed in accordance with all applicable zoning and buildings laws, regulations, codes and other requirements of the New York City Building Code and applicable zoning requirements.

5. **The Units.** Schedule B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: unit designation; tax lot number; percentage interest in the Common Elements; contributing share percentage; approximate square footage area of the Unit and its exclusive Limited Common Elements, if any; location; number of rooms and baths; and the portion of the Common Elements to which the Unit has immediate access. The location of each Unit is more clearly designated on the Floor Plans (as hereinafter defined) and reference should be made thereto for the statement of the location of each Unit.

As shown on the Floor Plans of the Building (the "Floor Plans"), certified by Aufgang Architect LLC, Architects, and intended to be filed in the New York County Office of the Register of the City of New York, simultaneously with the recording of this Declaration, the approximate physical dimensions of each Residential Unit consists of the area measured horizontally on one or more floors from the Unit side of the glass or the line of the outside face of the drywall attached to the exterior walls of the Building (concrete columns and mechanical pipes and chases, whether located at the perimeter of the Unit and/or within the Unit, are not deducted for square footage calculations) to the outside face of the drywall or the inside face of the exposed concrete structural member or the inside face of the exposed blockwork of the interior walls and partitions separating the Unit for another Unit, corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements; or to the Unit side of the glass or the line of the outside face of the drywall attached to the opposite exterior walls of the Building. Vertically, each Residential Unit consists of the space on each floor of the Building, if applicable, between the upper face of the concrete floor and the upper face of the

drywall ceiling above or where there is no dry wall ceiling, the under face of the concrete floor above. Doors and windows which open from or form a border of a Residential Unit shall be deemed part of the Unit.

As shown on the aforementioned Floor Plans, the Community Facility Unit located on portions of the cellar level, first floor, second floor and third floor of the

Building, consists of the area on those levels measured horizontally from the Unit side of the glass or the inside face of the exposed concrete structural member or the exposed blockwork or brickwork of the exterior walls or foundations of the Building, as the case may be, (perimeter concrete columns and perimeter mechanical pipes and chases are not deducted for square footage calculations) to the outside face of the drywall or the inside face of the exposed concrete structural member or the inside face of the exposed blockwork of the interior walls and partitions separating the Unit from another Unit, corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements; or the line of the outside face of the drywall or exposed concrete or blockwork of the opposite exterior walls or foundations of the Building, as the case may be. Vertically, the Community Facility Unit consists of the space on those portions of the cellar level, first floor, second floor and third floor levels of the Building between the upper face of the concrete floor and the upper face of the drywall ceiling above or where there is no drywall ceiling, the under face of the concrete floor above. Doors and windows, together with any storefront attached and/or adjacent thereto, which open from or form border of the Community Facility Unit shall be deemed a part of the Community Facility Unit. Further, the bathrooms, elevators, staircases, fire staircases, classrooms, meeting rooms, mechanical rooms and hallways located within the Community Facility Unit shall be deemed part of the Community Facility Unit.

Any mechanical equipment, including, but not limited to, sprinkler, heating, hot water and air-conditioning equipment, with all related ductwork and piping attached thereto, located outside or inside a Unit which only services a particular Unit shall be a fixture which is the personal property of the Unit Owner of the Unit it services. Such Unit Owner shall be responsible for the cost of any maintenance, repair or replacement of such mechanical equipment.

Any Common Elements located within a Unit will not be considered a part of such Unit.

6. **Common Elements.** The Common Elements of the Condominium consist of the entire Property, including all parts of the Building and improvements thereon other than the Units or unless otherwise specified. Common Elements are comprised of General Common Elements and Limited Common Elements. They include, without limitation, the following:

- A. General Common Elements:

- (1) The land on which the Building is physically erected, including any rear or side yard areas, if any, and all other lands comprising the Property, if any. Specifically excluded are any unused transferable air rights and/or development rights pertaining to the Land and

Building, which rights are being reserved by Sponsor for itself or for its Designee and any successors or assigns thereof. Yard areas or other areaways at the Property, if any, are not intended for public use except for fire egress purposes and are subject to the easement rights, if any, in favor of the Sponsor or a Sponsor-designee;

- (2) At the cellar, first floor, second floor and third floor levels: all foundations, footings, columns, girders, floor slabs and concrete ceilings, beams, supports, and interior bearing walls (except to the extent included below as Limited Common Elements); also at those levels, those portions of the exterior walls and any insulation or framing beyond the unexposed face of the dry wall at the exterior face of the Building, or where applicable, those portions of the exterior walls beyond the interior face of the exterior walls or the concealed block work or concealed structural members of those walls (except to the extent included below as Limited Common Elements); those portions of the walls and partitions dividing the Community Facility Unit from the corridors, the elevator shafts, mechanical equipment spaces and fire staircases which are not part of the Community Facility Unit, fire staircases and stairs located beyond the unexposed face of the dry walls enclosing the Community Facility Unit, or where applicable, the blockwork or concrete work of the interior walls of the Building separating the Community Facility Unit from another Unit, or separating the Community Facility Unit from corridors, the elevator shafts, mechanical equipment spaces which are not part of the Community Facility Unit or the Limited Common Elements; fire staircases, stairs, vestibules, if any, or lobbies not within the Community Facility Unit or which are not specifically designated below as Limited Common Elements; the subfloors and framing joists, if any, including any framing attached to such joists from which the dry wall ceiling of the Community Facility Unit is attached; all cellar areas which are not included within the Community Facility Unit or which are not specifically designated below as Limited Common Elements;
- (3) The utility and mechanical rooms and areas located at the cellar level of the Building, the fire pump room, water service room, and gas and electric meter rooms at the cellar level, the gas meters, water meters and electric meters in the cellar; any and all cellar or other areas and Facilities which are not designated as part of a Unit or a Limited Common Element;

- (4) All installations and Facilities on the Property outside the Units for services such as gas, power, light, cable television, heat, telephone and water which service all of the Units and/or the General Common Elements;
- (5) Those portions of the main roofs, bulkheads and those portions of the roof at the third floor level of the Building which have been designated for the installation of mechanical equipment, including, but not limited to, roof tanks, if any, cooling towers, if any, any air-conditioning equipment or other related Facilities which service all of the Units and/or the General Common Elements;
- (6) The boilers, hot water heaters, if any, heating and/or air-conditioning equipment, cooling towers and water tanks, if any, and related machinery or Facilities, wherever located in the Building, which service all of the Units or the General Common Elements;
- (7) All street vaults, if any, located at the cellar level adjacent to the common areas of the Building which are not designated below as Limited Common Elements; any other protrusion beyond the lot lines of the Building which are not part of a Unit or designated a Limited Common Element, all of which are subject to an easement in favor of the Community Facility Unit Owners for fire egress purposes;
- (8) Any piping and/or ductwork which is necessary for the functioning of the boilers and hot water heaters, if any, heating and/or air-conditioning equipment and cooling towers, if any, wherever located in the Building, which service both the Community Facility Unit and the Residential Units or the General Common Elements;
- (9) All sewer pipes and drainage pipes;
- (10) Any common tanks, common water towers or tanks, the storm water detention tank, pumps, including, but not limited to, motors, fans, compressors, ducts, siamese connections, and, in general, all apparatus and installations and Facilities existing for common use; and
- (11) Except as specifically noted, all other apparatus and installations and Facilities existing in the Building for common use or necessary or convenient to the existence, maintenance or safety of the Building.

B. **Limited Common Elements.** The following portions of the Common Elements will be Limited Common Elements which shall be for the exclusive use of either

all of the Residential Unit Owners ("Residential Common Elements") or the Community Facility Unit Owner ("Community Facility Common Elements") or an individual Residential Unit Owner ("Residential Limited Common Elements"):

(1) Residential Common Elements:

- (1a) At the third floor through and including the twelfth floor and/or Penthouse levels: all columns, girders, floor slabs and concrete ceilings, beams, and supports, any interior bearing walls; also at those levels, those portions of the exterior walls and any insulation or framing beyond the unexposed face of the dry wall at the exterior face of the Building, or where applicable, those portions of the exterior walls beyond the interior face of the exterior walls or the concealed block work or concealed structural members of those walls; those portions of the walls and partitions dividing the Units from the corridors, the elevator shafts, mechanical equipment spaces which are not part of a Unit, fire staircases and stairs located beyond the unexposed face of the dry walls enclosing a Unit, or where applicable, the blockwork or concrete work of the interior walls of the Building separating a Unit from another Unit, or separating a Unit from corridors, the elevator shafts, mechanical equipment spaces which are not part of a Unit, fire staircases, stairs, vestibules or lobbies not within a Unit, the subfloors and framing joists, if any, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roof bulkheads or roof areas which are not for the exclusive use of a particular Unit or which are not specifically designated below as Community Facility Common Elements, the use of which shall be at the sole discretion of the Board of Managers; skylights, if any, other than those directly over Units; sprinkler systems, standpipe systems, or parts thereof installed in common areas of the Building, if any, service corridors, fire corridors, halls, stairs, and stairway areas located beyond the unexposed face of the dry walls or blockwork or concrete work of the walls enclosing a Unit which are not specifically designated below as Community Facility Common Elements; storage and utility areas, if any, which are not part of a Unit or which are not specifically designated below as Community Facility Common Elements and located beyond the unexposed face of the drywalls or blockwork or concrete work enclosing a Unit; the Residential Sidewalks, including any tree, shrubbery, flower or other planting or horticulture tub or box located thereon, subject to an easement in favor of the Community Facility Unit Owner for ingress or egress or for any other lawful purpose; the residential entrances to and exits from the Building located on West 123rd Street;

- (1b) All passages, hallways, stairs, fire staircases and corridors, all mechanical space, offices, and all other rooms, areas, spaces and other parts of the Building (except for the service corridor at the easterly side of the Building which shall be a General Common Element), including, but not limited to, the cellar level, which are not Residential Units or part of the Community Facility Unit, Community Facility Common Elements or the General Common Elements; but subject to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen to install, access, maintain, repair and/or replace any and all mechanical equipment servicing the Community Facility Unit;
- (1c) Any bike room or rooms located at the cellar level which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers. The use of the bike room or rooms shall be subject to the By-Laws of the Condominium and any and all rules and regulations promulgated with regard thereto by the Board of Managers in their sole discretion;
- (1d) The trash compactor room and trash compactor machinery and related Facilities located at the cellar level of the Building, together with the trash compactor chute located on all floors of the Building, as set forth on the Floor Plans, which shall be for the exclusive use of all the Residential Unit Owners in a manner to be determined by the Board of Managers;
- (1e) The two (2) passenger elevators, elevator closet room on the cellar level, passenger elevator machinery, its shafts and pits; the elevator bulkhead, together with all Facilities related thereto, located at the main roof of the Building or in the elevator hoistways, which shall be for the exclusive use of all the Residential Unit Owners in a manner to be determined by the Board of Managers, but subject to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen to install, access, maintain, repair and/or replace any and all mechanical equipment servicing the Community Facility Unit;
- (1f) The elevator lobby, together with the adjoining refuse room and any mechanical rooms or equipment closets, located on each of floors numbered one through and including ten; all Facilities related thereto; all of which shall be for the exclusive use of the all the

Residential Unit Owners in a manner to be determined by the Board of Managers;

- (1g) The main residential entrance, together with its canopy, if any, located on the West 123rd Street side of the Building, the residential lobby together with the adjoining vestibule, mail and package rooms, all of which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers but subject to an easement in favor of the Community Facility Unit Owner, or tenants thereof, to the extent required by Law, for fire egress purposes and access and/or egress to or from the Community Facility Unit;
- (1h) The multi-purpose room, gym, gym storage room and half bathroom, together with all Facilities related thereto, located at the second floor of the Building which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers;
- (1i) The common or public terrace at the third floor roof of the Building, including any tree, shrubbery, flower or other planting or horticulture tub or box located thereon, all of which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers, but subject to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen to install, access, maintain, repair and/or replace any and all equipment servicing the Community Facility Unit;
- (1j) Those portions of the main roofs or other roofs of the Building which have been designated for the installation of mechanical equipment, including, but not limited to, any heating, air-conditioning, ventilation equipment or Facilities which services the Residential Units only, which shall be for the exclusive use of the Residential Unit Owners;
- (1k) Any and all roofs of the Building, including, but not limited to, those portions of the roofs which are below the common or public terrace which are for the exclusive use of all of the Residential Unit Owners;
- (1l) Any heating, air-conditioning and/or ventilation equipment, hot water heaters, if any, and related machinery or Facilities, wherever located in the Building, which only service the Residential Units, which shall be for the exclusive use of all of the Residential Unit Owners;

- (lm) Any piping and/or ductwork which is necessary for the functioning of any heating, air-conditioning and/or ventilation equipment, cooling towers, hot water heaters, if any, wherever located in the Building, which only service the Residential Units, which shall be for the exclusive use of all of the Residential Unit Owners;
- (ln) The cooling tower(s), if any, or tanks on the roofs of the Building together with any related Facilities which only service the Residential Units or the residential portions of the Building;
- (lo) The residential gas, water and/or electric meters and mechanical, gas, water and/or electric panels, closets, and respective rooms and/or feeders, risers and other improvements, residential cables, pipes, all of which serve the Residential Units and residential portions of the Building exclusively;
- (lp) Any and all windows of the Building which are not part of a particular Residential Unit or the Community Facility Unit;
- (lq) All installations or Facilities on the Property outside the Units for services such as gas, power, light, cable television, heat, telephone and water, except to the extent that they are designated below as Community Facility Common Elements; and
- (lr) All other improvements, installations, apparatus or Facilities exclusively serving all of the Residential Units or residential portions of the Building and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the residential portions of the Building.

Notwithstanding anything to the contrary in this Paragraph numbered 6, if a Residential Common Element benefits only certain Residential Unit Owners, then the costs of alteration, additional, 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 benefitting Residential Unit Owner bears to the Common Interests of all benefitting Residential Unit Owners. In addition, except as otherwise provided in Article VI, Section 10 of 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.

(2) Community Facility Common Elements:

- (2a) Those portions of the main roof, the roof of the Building at the third floor level or other roofs of the Building which have been designated

for the installation of mechanical equipment, including, but not limited to, any heating, air-conditioning, ventilation equipment or Facilities which service the Community Facility Unit, which shall be for the exclusive use of the Community Facility Unit Owner;

- (2b) The portions of the exterior walls of the Building which enclose the Community Facility Unit;
- (2c) Commercial mechanical and/or electric meter(s), separate cold water meter(s), gas meter(s) and other utility meters (if any) and/or mechanical, electrical, gas, water rooms and/or closets servicing or available for the exclusive use of the Commercial Units;
- (2d) All installations or Facilities on the Property outside the Units for services such as gas, power, light, cable television, heat, telephone and water which service the Community Facility Unit only;
- (2e) the Community Facility Sidewalks; and
- (2f) All remaining improvements, installations, apparatus or Facilities exclusively serving the Community Facility Unit or which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Community Facility Unit.

Notwithstanding anything to the contrary in this Paragraph numbered 6, since the Community Facility Common Elements benefit only the Community Facility Unit Owner, then the costs of alteration, addition, repair, replacement and restoration thereto shall be borne solely by the Community Facility Unit Owner. In addition, except as otherwise provided in Article VI, Section 10 of the By-Laws, the Community Facility Unit Owner shall be responsible for the normal operation, maintenance and repair of any such Community Facility Common Element at their sole cost and expense.

(3) Residential Limited Common Elements:

- (3a) The skylights, if any, existing or installed at some future date, that are directly above any Unit which shall be for the exclusive use of such Unit Owner. The maintenance, repair and replacement of such skylights shall be the responsibility of the individual Unit Owners of such Units; and
- (3b) The private balconies and/or private roof terraces, together with any fencing delineating such areas, which are adjacent to or directly accessed from a particular Residential Unit, as delineated on the Floor Plans, which shall be for the exclusive use of such Unit

Owner. Nonstructural, ordinary repairs and maintenance of the private balconies and/or private roof terraces, together with any fencing which delineates such area, shall be the responsibility of the individual Unit Owner(s) who have the exclusive use thereof.

Notwithstanding anything to the contrary in this Paragraph numbered 6, since a Residential Limited Common Element benefits only a particular Residential Unit Owner, the costs of alteration, additional, repair, replacement and restoration thereto shall be borne solely by the Residential Unit Owner who benefits from the Residential Limited Common Element. In addition, except as otherwise provided in Article VI, Section 10 of the By-Laws, such Residential Unit Owner shall be responsible for the normal operation, maintenance and repair of any such Residential Limited Common Element at their sole cost and expense.

7. **Use of Units.** Subject to compliance with the By-Laws of the Condominium, each of the Residential Units may be used only for general residential use (Use Group 2), except that a Residential Unit Owner may use his Residential Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Such Residential Units may also be used as professional offices by a resident thereof provided such professional use does not violate any zoning law and ordinances and provided further, that the prior written consent of the Board of Managers to such professional use is obtained. Notwithstanding the foregoing, the Sponsor or its designee may, without the permission of the Board of Managers, retain ownership of one or more Units for use as models, sales and/or production offices in connection with the sale or rental of the Units.

A Residential Unit 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 designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential 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 in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use

and/or ownership of such Unit; and (vii) family members, domestic employees and/or non-paying guests of the foregoing.

The Community Facility Unit may be used for Community Facility purposes, including, but not limited to, as a house of worship and related facilities, and residential use with respect to the portion of the Community Facility Unit comprised of a class A residential apartment, or for any other lawful purpose. As noted above, the Community Facility Unit will be owned by and operated as a church and related facilities. The usage of the Community Facility Unit as a church and related facilities may result in an excessive amount of noise emanating from the Community Facility Unit, especially during church services. Further, the usage of the Community Facility Unit as a church may result in a large number of people entering and exiting the Community Facility Unit, through the main entrances to the Community Facility Unit located on Morningside Avenue. No sale, lease or sublease or use of all or any portion of the Community Facility Unit shall be deemed to adversely affect the Residential Units. The Board of Managers does not have the right to approve or change the use of the Community Facility Unit, or any part thereof, or to apply for or cause any amendment to the Building's Certificate of Occupancy to authorize a different use, except at the request or direction of, or the Community Facility Unit Owner, as applicable. Notwithstanding anything herein to the contrary, the non-residential portion of Community Facility Unit may not be converted to residential use without the prior approval of the Board of Managers.

8. **The Community Facility Unit.** The Community Facility Unit is located on a portion of the cellar level, first floor, second floor and third floor of the Building.

The Community Facility Unit Owner shall have the right, without the payment of any fees or charges to the Condominium, Board of Managers or the Managing Agent, to sell or lease the Community Facility Unit, or any part thereof, without the Board of Managers having any right of first refusal to purchase or lease such Unit, and all sale and/or rental proceeds shall belong solely to the Community Facility Unit Owner.

The Board of Managers shall be obligated to permit the Community Facility Unit Owner, at such Unit Owner's sole cost and expense, to install and use additional equipment in the risers and conduits serving the Building, provided the Community Facility Unit Owner reimburses the Board of Managers for the actual costs attributable to such installation and use.

The Board of Managers does not have the right to (i) approve any change in the use of the Community Facility Unit or any part thereof other than with respect to the conversion of any non-residential portion of the Community Facility Unit to residential use or (ii) to apply for or cause any amendment to the Building's Certificate of Occupancy to authorize a different use of the Community Facility

Unit except at the request of the Community Facility Unit Owner. The Community Facility Unit Owner shall have the right, without obtaining the consent of the Board of Managers or the Residential Unit Owners or mortgagees of Units other than the affected Community Facility Unit, to subdivide the Community Facility Unit into two or more Community Facility Units and to reallocate the Common Interest of the Community Facility Unit among the newly established Community Facility Units in proportion to their respective floor areas. Such subdivision must be reflected in a duly recorded amendment to the Declaration filed by the new Unit Owners. Under no circumstances will the Common Interest of any Residential Unit Owner be changed as a result of such subdivision or will the aggregate Common Interest for the new Units be greater than the Common Interest for the original Units. If the Community Facility Unit is so subdivided, the Owner or Owners thereof shall have the right, without obtaining the consent of the Board of Managers, Residential Unit Owners, or mortgagees of Units other than the affected Community Facility Unit, to thereafter change the size, layout, use, and/or number of the respective Community Facility Units under the same terms, conditions and restrictions as those imposed on the original Community Facility Unit Owner. Any change in use of the non-residential portions of the Community Facility to residential use shall require the consent of the Board of Managers.

At the request of the Community Facility Unit Owner, the Board of Managers will execute any application or other document required to be filed with any governmental agency having or asserting jurisdiction in connection with any addition, alteration, improvement, repair or subdivision of such Unit or operation or use of the Community Facility Unit, at which time, the requesting party shall indemnify and hold the Board of Managers of the Condominium and the other Unit Owners harmless from any expense or liability by virtue of the execution of the application or such other documents.

The Owner of the Community Facility Unit, and any tenant or tenants of the Community Facility Unit pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation, and without the consent of the Board of Managers to install, repair and maintain either within or in the immediate location of the Community Facility Unit below the windows at the third floor level and on the sidewalk adjacent to the Community Facility Unit's entrance or entrances on Morningside Avenue, a sign or signs, which may be illuminated, including neon, flags, banners, lettering, fixtures or decorations of any size, material or content, for advertising or identification purposes and shall have the right to use any adjacent sidewalk on Morningside Avenue in conjunction with its use of the Community Facility Unit to the extent permitted by law. Additionally, the Owner of the Community Facility Unit, and any tenant or tenants of such Unit pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation and without the consent of the Board of Managers to install, or erect, repair and maintain in the immediate location of the Community Facility Unit

below the windows at the second floor level along Morningside Avenue, but not to interfere with the entrance of any other Unit, a canopy and/or awning for advertising or identification purposes. Such Unit Owner and any tenant of space in such Unit shall comply with all of the laws, orders, rules and regulations of the governmental authorities, including the Landmarks Preservation Commission, if applicable, having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Community Facility Unit Owner or its tenant shall obtain and pay for all permits required for such signs, ATM, canopies and/or awnings and/or any necessary renewal fees related thereto.

The Community Facility Unit Owner and any tenant or tenants of the Community Facility Unit pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation and without consent of the Board of Managers, any Unit Owner or mortgagee thereof, to install a flue which will be sized for possible restaurant or Community Facility grade kitchen use in or on the common areas of the Building and such flue may run from the cellar or first floor level through the main roofs or some other point in the Building where it will terminate in accordance with the NYC Building Code. The Community Facility Unit Owner and any tenant or tenants thereof, shall have an easement, without charge or limitation, to use said flue for any lawful purpose and in conjunction with the use of the Community Facility Unit.

The Community Facility Unit Owner, and any tenants or tenants of the Community Facility Unit pursuant to the term of any lease pertaining thereto, shall have the right, and an easement, without charge or limitation and without the consent of the Board of Managers, any Unit Owner or mortgagee thereof, to install in the Community Facility Unit additional elevators, escalators, staircases and/or other mechanical equipment which is necessary in the sole discretion of the Community Facility Unit Owner for the lawful use of the Community Facility Unit. All such installation will comply with all applicable law, ordinances or building codes.

The Community Facility Unit Owner and any tenant or tenants of the Community Facility Unit pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation and without consent of the Board of Managers, any Unit Owner or mortgagee thereof, to replace all or any portion of the Community Facility Sidewalks. However, any replacement of the Community Facility Sidewalks must be an installation which is equal to or better than the Community Facility Sidewalks as originally set forth in the approved New Building Plans for the Building. The Community Facility Unit Owner and any tenant or tenants thereof, shall also have an easement, without charge or limitation, to use the Community Facility Sidewalks for any lawful purpose and in conjunction with the use of the Community Facility Unit.

In the event of a dispute between the Community Facility Unit Owner and the Condominium as to any issue relating to the Community Facility Unit, the Community Facility Unit Owner or any tenant of the Community Facility Unit Owner and the Condominium, at the sole option of the Community Facility Unit Owner only, the Board of Manager and the Condominium shall be obligated to arbitrate, on an expedited basis, the dispute pursuant to the provisions of Article XV of the By-Laws of the Condominium. The decision of the arbitrator shall be final and binding. In the event that the Community Facility Unit Owner elects not to arbitrate, the Community Facility Unit Owner and the Board of Managers of the Condominium on behalf of all of the Residential Unit Owners may exercise all remedies available to them in equity and at law.

9. **Determination of Percentages in Common Elements.** The percentage of Common Interest allocated to each Unit 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.
10. **Encroachments.** If any portion of the Common Elements now encroach upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any encroachment shall occur hereafter as a result of (a) settling or shifting of the Building, or (b) alteration or repair to the Common Elements made by or with the consent of the Board of Managers, or (c) as a result of repair or restoration of the Building or a Unit after damage by fire or other casualty, or (d) as a result of condemnation or eminent domain proceedings; a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Building shall stand.
- 10a. **Maintenance and Operation of Internal Drains.**
 - A. Pursuant to the requirements of all applicable laws, ordinances and/or building codes, each Unit Owner, together with the Condominium, shall be responsible for the maintenance and operation of the internal drains within the Property which are Common Elements ("Internal Drains"). The cost of such maintenance and operation shall be a Shared Common Expense of all the Unit Owners.
 - B. Any charge or assessment for said maintenance and operation of the Internal Drains shall be a charge upon the Land or Unit against which the same are made and shall be a continuing lien upon the Land or Unit so charged or assessed. In addition such charge or assessment shall be the personal obligation of the record owner of such Land or Unit against which the same is made.

- C. The Sponsor and/or Condominium and each Unit Owner thereof shall keep the Internal Drains wholly within the boundary lines of the Property, and its point of exit from the Property shall not be altered.
- D. The Sponsor and/or Condominium and each and every Unit Owner thereof shall maintain the Internal Drains at all times throughout the life of the Condominium and Property. They shall be responsible for the abatement of any nuisance due to the use of the Internal Drains that would have an adverse effect on the health, safety and welfare of the City and State of New York.
- E. The Sponsor shall insure that the utilization of the Internal Drains for the conveyance of the sanitary flow is to be designed as to size, shape, slope and velocity to have sufficient capacity to take the estimated peak sanitary flow from the Property.
- F. The Sponsor and/or Condominium and each and every Unit Owner thereof, shall utilize the Internal Drains in such a manner, that it will not in any way have an adverse effect on the City of New York's complete or pending sanitary and storm water drainage plans for the tributary drainage area or the separate sewer outlets.

II. Easements.

- A. Each Unit Owner shall have an easement in common with the owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units and serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires conduits, public utility lines and other Common Elements serving such other Units and located in such Unit. The Board of Managers shall have a right of access to all General Common Elements, to each Unit and any Limited Common Elements appurtenant thereto to inspect the same, to remove violations therefrom and/or to maintain, repair or replace the Common Elements contained within a particular Unit or elsewhere in the Building. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit and in favor of other Units and the Common Elements.
- B. The Sponsor and its designees, their successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across the Property for (i) construction, installation and development thereon of recreation facilities, if any, and for the construction and installation, ingress to and egress from, and use of (including the right to connect with) all pipes, conduits, ducts, flues, cables, wires, storm drainage

facilities, water, sewer and other utility lines for the benefit of the recreation facilities, if any, and (ii) construction and installation of, whether on the interior or exterior of the Building, ingress to and egress from and the right to use (in common with Unit Owners) all storm drainage facilities, water, sewer and other utility lines, pipes, conduits, flues, ducts, wires and cables necessary for the use of its Units, and (iii) ingress to and egress from all land areas of the Property and the use of said land areas (in common with Unit Owners) for any lawful purpose.

- C. The Sponsor, its designees and their successors, assigns, invitees, licensees, contractors, employees and tenants (i) shall have an easement to erect, maintain, repair and replace from time to time one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit as well as an easement in and access to Units and Common Elements consistent with the purposes of the Offering Plan for the Property, as same may be amended, and Sponsor's rights and obligations thereunder, including, without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units and Common Elements and (ii) reserve the right to establish, grant and create easements for any additional underground, exterior wall mounted, or roof-top electric transformer, amplifier, gas, cable television, telephone, satellite, telecommunication equipment, water, storm drainage, sewer or other utility lines or services and appurtenances in, under, over and through the Property, including, without limitation, an easement or easements for the benefit of any property adjacent to the Property, to relocate any existing utility or equipment easements in any portion of the Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company if the Sponsor or designee shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, or for the general health or welfare of any Unit Owner, or the residents of any property adjacent to the Property, or users of the recreation facilities, if any, provided that such additional utilities or equipment or the relocation of existing utilities or equipment will not prevent or unreasonably interfere with the use of the Residential Units for dwelling purposes or home occupation purposes and the Community Facility Unit for the permitted uses therein. Any utility company or service company or public benefit corporation furnishing services to the Property, and the employees and agents of any such company or corporation, shall have the right of access to any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right of access is exercised in such a manner as to not unreasonably interfere with the use of the Units.
- D. The Community Facility Unit Owner and any tenant or tenants of the Community Facility Unit pursuant to the terms of any lease pertaining

thereto, shall have the right, and an easement, without charge or limitation, to install, repair and maintain either within or in the immediate location of the Community Facility Unit below the windows at the third floor level, or on the Community Facility Sidewalks, a sign or signs which may be illuminated, including neon, flags, banners, lettering, fixtures or decorations of any size, material or content, for advertising or identification purposes and shall have an easement to use the Community Facility Sidewalks, in conjunction with its use of the Unit to the extent permitted by law. Additionally, the Community Facility Unit Owner and any tenant or tenants of the Community Facility Unit pursuant to the terms of any lease pertaining thereto, shall have the right, and an easement, without charge or limitation, and without the consent of the Board of Managers, to erect or install, repair and maintain, in the immediate location of the Community Facility below the windows at the second floor level along Morningside Avenue, but not to interfere with the entrance of any other Unit, a canopy and/or awning, but not to interfere with the entrance of any other Unit. Such Unit Owner and any tenant of space in the Unit shall comply with all of the laws, orders, rules and regulations of the governmental authorities, including the Landmarks Preservation Commission, if applicable, having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Unit Owner or its tenants shall obtain and pay for all permits required for such signs, ATM, canopies and/or awnings and any necessary renewal fees related thereto.

- E. The Community Facility Unit Owner, and any tenant or tenants of the Community Facility Unit pursuant to the terms of any lease pertaining thereto, shall have the right, and an easement, without charge or limitation, and without the consent of the Board of Managers, to install, to use, to repair and to maintain a flue which will be sized for possible restaurant or Community Facility grade kitchen use in a Community Facility Unit and which may be installed in or on the common areas of the Building by the Community Facility Unit Owner; said flue shall run from the cellar or first floor level through the main roofs or some other point in the Building where it will terminate in accordance with the NYC Building Code.
- F. The Community Facility Unit Owner, and any tenants or tenants of the Community Facility Unit pursuant to the term of any lease pertaining thereto, shall have the right and an easement, without charge or limitation and without the consent of the Board of Managers, any Unit Owner or mortgagee thereof, to install in the Community Facility Unit additional elevators, escalators, staircases and/or other mechanical equipment which is necessary in the sole discretion of the Community Facility Unit Owner for the lawful use of the Community Facility Unit. All such installation will comply with all applicable law, ordinances or building codes.

- G. The Community Facility Unit Owner and any tenant or tenants thereof, shall have an easement, without charge or limitation, to use all or any portion of the Community Facility Sidewalks, including, but not limited to, any plantings and/or planters located thereon, in conjunction with the use of the Community Facility Unit.
- H. All Unit Owners, their servicemen, consultants and/or repairmen, shall have an easement by means of the shortest distance and/or route from the service entrances to the Building and through the public staircase in, on, over and across the main roofs or other applicable roofs of the Building for the sole purpose of maintaining, repairing and/or replacing any mechanical equipment, including but not limited to, air-conditioning equipment, located on such roofs of the Building which services one or more of the Units.
- I. The Community Facility Unit Owner, its servicemen, consultants and/or repairmen, shall have an easement by means of the shortest distance and/or route from the entrances to the Building and through the public staircase in, on, over and across the cellar or other common areas of the Building for the sole purpose of maintaining, repairing and/or replacing any mechanical equipment, including but not limited to, heating, air-conditioning and/or boiler equipment, if any, located in the cellar or roof level mechanical rooms or the boiler room of the Building and which service the Community Facility Unit.
- J. Sponsor, its assignee or designee, and their respective successors, assigns, invitees, licensees, contractors, employees, agents and tenants shall have such rights of access, storage and use necessary to fulfill obligations under the Plan and/or to effectuate the rights of such parties to make alterations, additions, improvements or repairs to Units owned by each, respectively, including without limitation the right to (i) use elevators, stairs and other Building facilities during customary industry practice construction hours; (ii) maintain roll-off refuse containers on the Property and dumpsters adjacent to the Property; (iii) store and maintain tools and materials on the Property; (iv) connect to and use the Building's common electricity, water and other utility services and facilities with the cost thereof being a Common Expense paid by all Unit Owners as part of their Common Charges; (v) provided that an affected Unit Owner consents after prior reasonable notice, which consent shall not be unreasonably withheld, conditioned or delayed, to facilitate penetration and entry into Units to permit the extension and provision of Building services to space under construction or to work, and (vi) erect and maintain hoists, sidewalk sheds, sidewalk fences and temporary walkways, construction shacks and trailers in the street adjacent to and on the Property.

- K. Sponsor and its designee(s) shall have the right, until the fifth (5th) anniversary of the First Unit Closing, and only to the extent Sponsor owns an Unsold Unit in the Condominium to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.
 - L. The Board of Managers, their servicemen, consultants and/or repairmen, shall have an easement by means of the shortest distance and/or route from the service entrances to the Building and through the public staircase in, on, over and across the Community Facility Unit, Residential Units, Residential Common Elements, Residential Limited Common Elements, Community Facility Common Elements and General Common Elements, including, but not limited to, the main roofs or other applicable roofs of the Building and private terraces, for the sole purpose of maintaining, cleaning, repairing and/or replacing (i) any windows of the Building; (ii) the exterior facade of the Building; and (iii) any mechanical equipment, including but not limited to, air-conditioning equipment and/or window washing equipment, located on such roofs of the Building which services or is for the benefit of one or more of the Units. Such easement in favor of the Board of Managers, their servicemen, consultants and/or repairmen, shall include the right to temporarily remove any fencing or other improvements located on and/or which demarcate any such roof areas.
 - M. In addition, each Unit shall have an easement for the exclusive use, alone or in common with one or more other specified Units, of its Limited Common Elements.
 - N. The user of any easement granted by subparagraphs B, C, D, E, F, G, H, I, J, K, L, M, and N of this Paragraph 11 shall have the responsibility of repairing any damage resulting therefrom. No fee or charge may be imposed by the Board of Managers for any easement granted herein.
12. **Power of Attorney to Board of Managers, Sponsor and Community Facility Unit Owner.** Each Unit Owner, their successors assigns and/or heirs, shall grant to the persons who shall from time to time constitute the Board of Managers, an irrevocable power of attorney, coupled with an interest, to acquire title to or lease any Unit whose owner desires to surrender, sell or lease the same, or which may be the subject of a foreclosure or other judicial sale, in the name of the Board of Managers or its designee, corporate or otherwise on behalf of all Unit Owners, and to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or otherwise deal with any such Units so acquired or to sublease any Unit so leased by the Board of Managers. Each Unit Owner, their successor, assigns and/or heirs,

shall also grant to the Sponsor or its designee or the Community Facility Unit Owner, an irrevocable power of attorney, coupled with an interest, to exercise Sponsor's or Sponsor designee's or the Community Facility Unit Owner's rights hereunder, including but not limited to, the Sponsor's or Sponsor designee's rights set forth in Paragraph numbered 20 hereinafter. The Form of Power of Attorney to the Board of Managers and Sponsor is attached hereto as Exhibit D.

13. **Acquisition of Units by Board of Managers.** In the event any Unit Owner shall surrender his Unit, together with: (i) the undivided interest in the Common Elements, general and limited, appurtenant thereto; (ii) the interest of such Unit Owner in any other Units acquired by the Board of Managers or its designee 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; (hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Real Property Law of the State of New York, or in the event the Board of Managers shall purchase from any Unit Owner who has elected to sell the same, a Unit, together with the Appurtenant Interests, pursuant to Section 1 of Article VIII of the By-Laws, or in the event the Board of Managers shall purchase at a foreclosure or other judicial sale, a Unit, together with the Appurtenant Interests, title to any such Unit, together with the Appurtenant Interests, shall be held by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. The lease covering any Unit leased by the Board of Managers, or its designee, corporate or otherwise, shall be held by the Board of Managers, or its designee, on behalf of all Unit Owners, in proportion to their respective Common Interests.
14. **Person to Receive Service.** For the period during which Sponsor is in control of the Board of Managers, 99 Morningside LLC with offices at 40 Fulton Street, 12th Floor, New York, New York 10038, are hereby designated to receive notice of process in any action which may be brought against the Condominium. After Sponsor relinquishes control of the Board of Managers notice of process in any action which may be brought against the Condominium shall be served on the President of the Condominium at the Office of the Condominium, at 375 West 123rd Street, New York, New York 10027. In addition, the Secretary of State of the State of New York, as agent of the Board of Managers, and any successor to the jurisdiction thereof, is hereby designated to receive service of process in any action that may be brought against the Condominium.
15. **Units Subject to Declaration, By-Laws and Rules and Regulations.** All present and future Owners, tenants, subtenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The initial By-Laws of the Condominium are attached hereto as Exhibit E. 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 thereof.

16. **Amendment to Declaration.** This Declaration may be amended, modified, added to or deleted from by the vote of at least sixty-seven percent (67%) in number and in Common Interest of all Unit Owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved, in writing by sixty-seven percent (67%) in number and in Common Interest of all Unit Owners, provided, however:
- (a) No amendment, modification, addition or deletion which shall adversely affect the lien of any mortgage may be made without the written consent of the mortgagee;
 - (b) No amendment which shall change the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of such Owner(s); no amendment which shall increase the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of the mortgagee(s) of such Unit, or Units, if any;
 - (c) No amendment, modification, addition or deletion of or to this Declaration will be effective in any respect against Sponsor, its designee, the Community Facility Unit Owner, the Community Facility Unit or any Unsold Unit until Sponsor or such designee, or the Community Facility Unit Owner, as the case may be, shall consent thereto in writing.

The Sponsor hereby reserves to itself and its designee(s) the right to amend the Condominium Declaration at any time without the requirement of a vote and without the approval or consent of any Unit Owners or mortgagees for the sole purpose of (i) filing the Floor Plans required by the New York Real Property Law Section 339-p for any portion or portions of the Building and appurtenances which are incomplete at the time the Declaration is recorded and the filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p; and/or (ii) conforming the Declaration to the requirements of applicable state and local condominium laws

and/or the legal requirements of the Department of Housing and Urban Development of the United States of America ("HUD"), including, but not limited to, HUD Revised Legal Policy which is attached as appendix 24 of HUD Handbook 4265.1, as same may be amended from time to time, or any other governmental authority or agency, to qualify the Condominium for any applicable Unit financing, including, but not limited to, financing of the Federal Housing Authority of the United States of America ("FHA") and/or Fannie Mae financing.

No such amendment shall be effective until recorded in the New York County Office of the Register of the City of New York.

17. **Changes in Unsold Units and the Community Facility Unit.** For any Unit owned by the Sponsor or its designee(s) or the Community Facility Unit Owner, if not prohibited by the New York Condominium Act (as the same may be amended), the Sponsor or its designee(s) or the Community Facility Unit Owner (with respect to the Community Facility Unit) shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to (i) make alterations, additions, or improvements in, to and upon the Unit; (ii) change the layout or number of rooms in the Unit; (iii) change the size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from any subdivision or otherwise) into one or more Units, altering the boundary walls between any Unit or otherwise; and (iv) reapportion among such Unit(s) affected by such change in size or number, subdivision, combination or alteration, their appurtenant interests in the Common Elements; provided, however, that the Sponsor or its designee(s) or the Community Facility Unit Owner shall comply with all rules, ordinances and regulations of all governmental authorities, including the Landmarks Preservation Commission, if applicable, having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom.

In connection with the foregoing as it relates to the (i) Unsold Units and (ii) the Community Facility Unit, respectively, the Sponsor, its designee or the Community Facility Unit Owner, respectively, shall cause the Declaration to be amended, if necessary. Sponsor, its designee or the Community Facility Unit Owner, as applicable, shall have the right pursuant to the Powers of Attorney granted by Unit Owners to amend and record any amendment to the Declaration on behalf of the Condominium and all Unit Owners as required to reflect the foregoing without any further consent of the Condominium Board, Unit Owners or Permitted Mortgagees. Sponsor, its designee or the Community Facility Unit Owner, as applicable, shall each have the right, upon its request, to require any other Unit Owners or the Condominium Board or its officers to execute, file and/or record any amendment to the Declaration, together with any application, documents or instruments as they deem appropriate to effectuate the same, or any application, documents or instruments required by any governmental or quasi-governmental agency having or

asserting jurisdiction in connection with the foregoing, or any application, documents or instruments necessary in connection with any change, addition, decoration, alteration, improvement, repair or subdivision of any Units owned by said parties or any operation of any Unit owned by said parties, at which time, the requesting party shall indemnify and hold the Condominium Board and the other Unit Owners and Sponsor or its designee harmless from any expense or liability by virtue of the execution of any of such applications, document or instruments. As an alternative, Sponsor, its designees or the Community Facility Unit Owner, as applicable shall have the right pursuant to the Powers of Attorney granted by Unit Owners to execute, file and/or record any such applications, documents or instruments on behalf of the Condominium Board and all Unit Owners. For purposes of recording any amendment to the Declaration or executing, filing or recording any applications, documents or instruments, Sponsor, its designee and the Community Facility Unit Owner may rely on the authority contained in the Power of Attorney and no further consent of the Board or the Unit Owners or Permitted Mortgagees is required.

In accordance with law, the Common Elements appurtenant to each Unit as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all Unit Owners affected. Written consents will be obtained from Unit Owners, if any, who are adversely and directly affected as a result of the above changes. The provisions of this paragraph 17 may not be added to, amended or deleted without the prior written consent of the Sponsor or its designees(s) or the Community Facility Unit Owner.

Unit Owners in the Condominium hold title to their respective Units subject to the benefits, rights, privileges, easements, burdens, covenants, and restrictions as described herein, in the By-Laws of the Condominium and any agreement of record recorded prior or subsequent to this Declaration.

18. Invalidity.

- (a) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration or 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 shall 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 the 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 or 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 that is necessary to cause this Declaration or 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 a part of 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.

- (b) Subject to the terms of paragraph (a) of this clause 18, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration or the By-Laws shall nevertheless be valid and binding upon, and shall 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.

19. **Termination of Condominium.** The Condominium may be terminated by casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners that own not less than eighty percent (80%) in number and in Common Interest of the Units and the affirmative vote of Eligible Holders of first mortgages on Units to which not less than sixty-seven percent (67%) of the votes of Units subject to mortgages held by such Eligible Holders are allocated. Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty percent (80%) in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event Sponsor may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the 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 off out of his share of such net proceeds all liens on his Unit, in the order of priority of such liens.

20. **Sponsor's Retention of Transferable Air Rights and/or Development Rights.**

- (a) Sponsor hereby reserves to itself and/or to Sponsor's designee, and their successors or assigns, all unused transferable air rights and/or development rights (hereinafter "Unused Development Rights"). As against all other Unit

Owners and their mortgagees, their successors, assigns and/or heirs, and the Board of Managers of the Condominium and any mortgagees thereof, the Sponsor or Sponsor's designee, their successors or assigns, shall have the exclusive right to cause any part or all Unused Development Rights pertaining to the Property to be conveyed, transferred or otherwise assigned to any other adjoining premises, "zoning lot," "development" or "enlargement" as those prior three terms are now defined in the Zoning Resolution of the City of New York, as amended.

- (b) Sponsor or Sponsor's designee, their successors or assigns, have also bound themselves, their successors or assigns, from transferring, assigning, or surrendering in whole or in part any Unused Development Rights, if such transfer, assignment or surrender shall (i) make illegal the erection, existing or restoration or use of the Building at the time of the recordation of this Declaration, or (ii) will allow any party, including Sponsor or its designee, their successors or assigns, to build on or directly above the land and/or expand the Building. However, with regard to (ii) above, the Sponsor, its designee, their successors or assigns may transfer in whole or in part any Unused Development Rights to the Board of Managers of the Condominium subsequent to Sponsor relinquishing control of the Board of Managers. In such event, any construction by the Condominium shall (i) not increase the number of Units in the Building; (ii) be limited in scope to a minor alteration to a Unit and/or the Building; (iii) not have any material impact on the operating budget of the Condominium; (iv) not impact the Percentage of Common Elements allocated to any of the Units; and (v) be made only in accordance with the Condominium's Declaration and By Laws, all applicable law, including any requirements of the Landmarks Preservation Commission and the requirements of 13 NYCRR 20.3(ff) of the Attorney General's Regulations. As defined herein, "Unused Development Rights" shall include all such rights which exist under the current Zoning Resolution of the City of New York, as amended, and any further rights which result from future amendments to the Zoning Resolution. Any and all consideration paid to Sponsor or its designee in connection with a transfer of any Development Rights shall be the sole and absolute property of the Sponsor or its designee.
- (c) The Sponsor or Sponsor's designee, their successors or assigns, at their sole cost and expense, shall have the right to cause the Board of Managers, all of the Unit Owners, and any mortgagees thereof, to take such action as it deems necessary to convey the Unused Development Rights. This includes execution, acknowledgement, delivery and recording in the Register's Office of the County of New York in the City of New York and elsewhere, if required by law, such instruments and documents, including, but not limited to (i) lease(s), zoning lot agreement(s), declaration(s), consent(s),

waiver(s) and/or grant(s) of such Unit Owner's, mortgagees' and such Board's interests, if any, in the Property with respect only to any Unused Development Rights for the purpose of confirming the ownership of Sponsor or Sponsor's designee and/or their successors or assigns in such rights and/or for the purpose of effectuating the transfer, assignment or surrender of such rights by Sponsor or Sponsor's designee and/or their successors or assigns; (ii) any amendment to this Declaration which the Sponsor or Sponsor's designee and/or their successors or assigns deems necessary or appropriate to effectuate the purpose of this Paragraph 20, provided that such amendment complies with the terms in Paragraph 20 and 13 NYCRR 20.3(ff) of the Attorney General's Regulations.

- (d) Failure of the Unit Owners and Board of Managers to comply with the terms of this Paragraph 20 shall result in liquidated damages payable by the Board of Managers to the Sponsor or Sponsor's designee and/or their successors or assigns, as the case may be, in an amount equal to the purchase price to be paid to Sponsor or Sponsor's designee and/or their successors or assigns for the transfer, assignment or surrender of such Unused Development Rights.
 - (e) If any provision that is necessary to effectuate the purposes of this Paragraph 20 is missing, then such provision shall be deemed included as part of paragraph 20, including, but not limited to, any provision required by law to limit the reservation of the contingent rights as set forth herein. Any term of limitation, if required to be measured, may be determined by the use of the life of Sponsor, any principal thereof or the children of any principal thereof plus twenty one (21) years.
21. **Common Expense.** Common Expenses of the Condominium shall mean and include all expenses of operation of the Property and all sums designated Common Expenses by or pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York, the Declaration or the By-Laws.
22. **Covenant of Further Assurances.**
- (a) Any person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Board of Managers, an officer of the Condominium, or otherwise, shall, at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person, such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction

contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

- (b) If any Unit Owner or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledgment, or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action that such Unit Owner or Person is required to take pursuant to this Declaration, then the Board of Managers is hereby authorized as attorney-in-fact for such Unit Owner or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.
 - (c) If any Unit Owner or the Board of Managers or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action that the Board of Managers, Unit Owner, or other Person is required to take pursuant to this Declaration at the request of Sponsor, then the Sponsor is hereby authorized as attorney-in-fact for the Board of Managers, such Unit Owner, or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board of Managers, such Unit Owner, or other Person, and such document or action shall be binding on the Board of Managers, such Unit Owner, or other Person, as the case may be.
- 23. **Definitions.** All capitalized terms used in this Declaration that are not defined herein shall have the meanings set forth in Schedule C to this Declaration. Each of the capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.
 - 24. **Waiver.** No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.
 - 25. **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 nor the intent of any provision thereof.
 - 26. **Gender.** The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, the party has caused this Declaration to be executed by its duly authorized representative this _____ day of _____, 20__.

Sponsor:

99 Morningside LLC

By: _____
Guido Subotovsky, Manager

STATE OF NEW YORK)
) ss.:
 COUNTY OF NEW YORK)

On the ____ day of _____, in the year 20__, before me, the undersigned, a Notary Public in and for said state, personally appeared Guido Subotovsky, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

**SCHEDULE A
TO THE DECLARATION
OF CONDOMINIUMS OF THE PREMISES
KNOWN AS**

"99 MORNINGSIDE"

**A CONDOMINIUM LOCATED AT
375 WEST 123RD STREET
NEW YORK, NEW YORK 10027**

ALL THAT CERTAIN plot, piece or parcel of land with the buildings or improvements thereon, erected, situate, lying and being in the borough of Manhattan, County of New York, City and State of New York, being more particularly bounded and described as follows:

BEGINNING at the corner formed by the intersection of the easterly side of Morningside Avenue and the northerly side of west 123rd street;

RUNNING THENCE northerly along the easterly side of Morningside Avenue 100 feet 11 inches to a point;

THENCE easterly running parallel with West 123rd street, 100 feet;

THENCE southerly running parallel with Morningside Drive 34 feet;

THENCE westerly running parallel with West 123rd Street 33 feet 3 inches;

THENCE southerly to the northerly side of West 123rd Street 66 feet 11 inches;

THENCE westerly along the northerly side of West 123rd Street 32 feet 6 inches (deed) (32 feet 5 inches, actual);

THENCE northerly running parallel with Morningside Avenue 66 feet 11 inches;

THENCE westerly running parallel with West 123rd Street 16 feet 3 inches;

THENCE southerly to the northerly side of West 123rd Street 66 feet 11 inches;

Thence westerly along the northerly side of West 123rd Street 18 feet 1 inch to the point or place of beginning.

**SCHEDULE B
TO THE DECLARATION OF
99 MORNINGSIDE CONDOMINIUM
375 West 123rd Street
NEW YORK, NEW YORK 10027
Block: 1950; Lot: f/k/a Lots 1; n/k/a Lots _____ to _____**

11/5/2019

Unit	Tax Lot Number	Percentage Interest In Common Elements	Contributing Share Percentage	Approximate Square Foot Area of Unit	Approximate Square Foot Area of Private Balcony and/or Terrace Which is Limited Common Element	Location	Number of Bedrooms/Baths/Etc.	Common Elements To Which Unit Has Immediate Access
3A	TBD	3.4983%	4.5082%	1226	N/A	3rd Floor	3 BD/2	Elevators, Public Hallway & Stairs
3B	TBD	2.5175%	3.2442%	851	N/A	3rd Floor	1 BD/1.5	Elevators, Public Hallway & Stairs
4A	TBD	3.4342%	4.4255%	1226	N/A	4th Floor	3 BD/2	Elevators, Public Hallway & Stairs
4B	TBD	3.1041%	4.0001%	1092	N/A	4th Floor	2BD/2	Elevators, Public Hallway & Stairs
4C	TBD	3.0257%	3.8991%	1130	N/A	4th Floor	2BD/2	Elevators, Public Hallway & Stairs
5A	TBD	3.4342%	4.4255%	1226	N/A	5th Floor	3BD/2	Elevators, Public Hallway & Stairs
5B	TBD	3.1041%	4.0001%	1092	N/A	5th Floor	2BD/2	Elevators, Public Hallway & Stairs
5C	TBD	3.0257%	3.8991%	1130	N/A	5th Floor	2BD/2	Elevators, Public Hallway & Stairs
6A	TBD	3.4342%	4.4255%	1226	N/A	6th Floor	3BD/2	Elevators, Public Hallway & Stairs
6B	TBD	3.1041%	4.0001%	1092	N/A	6th Floor	2BD/2	Elevators, Public Hallway & Stairs
6C	TBD	3.0257%	3.8991%	1130	N/A	6th Floor	2BD/2	Elevators, Public Hallway & Stairs
7A	TBD	3.5815%	4.6153%	1337	N/A	7th Floor	3BD/2	Elevators, Public Hallway & Stairs
7B	TBD	4.3557%	5.6130%	1559	185	7th Floor	4BD/2.5	Elevators, Public Hallway & Stairs
7C	TBD	1.3300%	1.7139%	488	N/A	7th Floor	1 BD/1	Elevators, Public Hallway & Stairs
8A	TBD	3.5815%	4.6153%	1337	N/A	8th Floor	3BD/2	Elevators, Public Hallway & Stairs
8B	TBD	3.9116%	5.0407%	1435	183	8th Floor	3BD/2	Elevators, Public Hallway & Stairs
8C	TBD	1.3300%	1.7139%	488	80	8th Floor	1BD/1	Elevators, Public Hallway & Stairs
9A	TBD	2.6481%	3.4125%	965	372	9th Floor	2BD/2	Elevators, Public Hallway & Stairs
9B	TBD	4.3296%	5.5794%	1642	369	9th Floor	4BD/2.5	Elevators, Public Hallway & Stairs
10A	TBD	2.6600%	3.4278%	965	N/A	10th Floor	2BD/2	Elevators, Public Hallway & Stairs
10B	TBD	3.8546%	4.9673%	1460	183	10th Floor	3BD/2.5	Elevators, Public Hallway & Stairs
PHB	TBD	5.7759%	7.4432%	2161	581	11th Floor	4BD/2.5	Elevators, Public Hallway & Stairs
PHA	TBD	5.5337%	7.1312%	2079	684	12th Floor	4BD/2.5	Elevators, Public Hallway & Stairs
Residential Unit Totals:		77.6000%	100.0000%	28337	2637			
CF	TBD	22.4000%	100.0000%	TBD	N/A	Cellar	N/A	Public Hallway & Stairs
Community Facility Unit Totals:				TBD	N/A	1st Floor	N/A	Public Hallway & Stairs
				TBD	N/A	2nd Floor	N/A	Public Hallway & Stairs
				TBD	N/A	3rd Floor	N/A	Public Hallway & Stairs
Grand Totals:		100.0000%	N/A	28,337	#VALUE!			
BD - denotes Bedroom(s) PH - denotes Penthouse Unit								

**SCHEDULE C
TO THE DECLARATION
OF CONDOMINIUMS OF THE PREMISES
KNOWN AS**

"99 MORNINGSIDE"

**A CONDOMINIUM LOCATED AT
375 WEST 123RD STREET
NEW YORK, NEW YORK 10027**

DEFINITIONS

- | | | |
|---|---|--|
| "Appurtenant Interest" | - | With respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium. |
| "Assessments" | - | The charges allocated and assessed by the Board of Managers to the Unit Owners, pro rata, in accordance with their respective Common Interest, (except as otherwise provided in the Declaration or in the By-Laws). |
| "Board of Managers" or
"Condominium Board" | - | The governing board of the Condominium composed of representatives elected by Unit Owners voting in accordance with their respective percentages of Common Interest. |
| "Building" | - | The structure known as "99 Morningside," a Condominium being newly constructed at 375 West 123 rd Street, New York, New York 10027. |
| "Common Charges" | - | In the case of the Residential Units, each Unit Owner's proportionate share or Contributing Share of the Shared Common Expenses (as defined in the Condominium Documents), payable by the Residential Unit Owners together with each |

Residential Unit Owner's proportionate share or Contributing Share of the Residential Common Expenses (as defined in the Condominium Documents);

In the case of the Community Facility Unit, each Community Facility Unit Owner's proportionate share of the Shared Common Expenses (as defined in the Condominium Documents), payable by the Community Facility Unit Owner together with the payment by the Community Facility Unit Owner of its proportionate share or Contributing Share of the Community Facility Common Expenses (as defined in the Condominium Documents).

- "Common Elements" - All portions of the Property other than Units. Common Elements are comprised of General Common Elements and Limited Common Elements.
- "Common Expenses" -
 - (a) Expenses of operation of the Property, and
 - (b) All sums designated Common Expenses by or pursuant to the provisions of the New York Condominium Act, the Declaration or the By-Laws.
- "Common Interest" - The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit as expressed in the Declaration.
- "Community Facility Common Expenses" - As set forth in the By-Laws of the Condominium, the Community Facility Unit shall be solely responsible for the payment of all expenses ("Community Facility Common Expenses") arising from the maintenance of and snow removal from the Community Facility Sidewalks; Community Facility garbage collection; vault charges attributable to the Community Facility Unit, if any; the cost of gas consumption for heat, hot water and for all other purposes in the Community Facility Unit; the cost of all water usage in the Community Facility Unit, together with related sewerage charges; repairs, maintenance and replacement of Community Facility Common Elements; and any other expense, which is

- not a Shared Expense, attributable to the Community Facility Unit only.
- “Community Facility Sidewalk” - Shall mean the sidewalks abutting the property along Morningside Avenue and the portion of the sidewalk on West 123rd directly in front of the entrance to the Community Facility Unit, including any tree, shrubbery, flowers or other planting or horticulture tub or box located thereon.
- “Community Facility Unit” - An area designated on a portion of the cellar level, first floor, second floor and the third floor of the Building, which shall be owned in fee simple absolute.
- “Community Facility Unit Owner” - The Person owning the Community Facility Unit in fee simple absolute.
- “Condominium” - A form of ownership of real property in which individual Units as component parts of a whole are owned in fee simple with the right of exclusive use, by separate individuals or entities, which separate individuals and/or entities jointly own those parts of the whole designated as Common Elements. In the context of this Offering Plan “Condominium” specifically refers to “99 Morningside.”
- “Condominium Act” - Article 9-B of the Real Property Law of the State of New York, as the same may be amended from time to time.
- “Condominium Documents” - The Declaration and all Schedules thereto, the By-Laws, the Rules and Regulations, the Floor Plans, form of Unit Deed and the form of Unit Owners Power of Attorney.
- “Consummation of the Plan” - Means filing the Declaration of Condominium and the first transfer of title to a condominium unit to at least one (1) purchaser under the Plan following a declaration of effectiveness by the Sponsor and acceptance of the amendment to the Plan by the Department of Law confirming or declaring the Plan effective.

- “Contributing Share”
- (a) In the case of the Residential Units, each Residential Unit’s proportionate share of the Common Charges payable by all of the Residential Unit Owners. Each Residential Unit Owner’s proportionate share or contributing share shall be determined by the proportion such individual Residential Unit Owner’s percentage of Common Interest bears to the aggregate percentage of Common Interest of all Residential Unit Owners, multiplied by the Common Charges payable by all the Residential Units.
 - (b) In the case of the Community Facility Unit, and in the event that there is more than one (1) Community Facility Unit, the Community Facility Unit’s or each Community Facility Unit’s proportionate share of the Common Charges payable by the Community Facility Unit Owner. The Community Facility Unit Owner’s or each Community Facility Unit Owner’s proportionate share or contributing share shall be determined by the proportion such individual Community Facility Unit Owner’s percentage of Common Interest bears to the aggregate percentage Common Interest of all the Community Facility Unit Owners, multiplied by the Common Charges payable by all the Community Facility Units.
- “Declaration”
- The instrument, as may be amended from time to time, by which the Property is submitted to the provisions of the New York State Condominium Act, consistent with the provisions of the New York Condominium Act and the By-Laws.
- “DOB”
- Refers to the Department of Buildings of the City of New York.
- “Equal or Better Quality”
- This phrase shall mean comparable or higher quality as recognized by industry standards or performance, efficiency, longevity and/or classifications, as applicable.

- “Eligible Holder”

 - A holder, insurer or guarantor of a first mortgage on a Unit.

- “Facility” or “Facilities”

 - As used in the 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, 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, mailbox, carpeting, tile or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering.

- “Filing”

 - Means the issuance of a letter from the Attorney General stating that an Offering Plan and/or an amendment thereto has been accepted for filing.

- “First Unit Closing”

 - The first closing of title with a bona fide purchaser of a Residential Unit.

- “Floor Plans”

 - The floor plans of the Units certified by a licensed engineer or registered architect, and filed in the Register’s Office of New York County simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

- “General Common Elements”

 - The General Common Elements include, without limitation:

- (1) The land on which the Building is physically erected, including any rear or side yard areas, if any, and all other lands comprising the Property, if any. Specifically excluded are any unused transferable air rights and/or development rights pertaining to the Land and Building, which rights are being reserved by Sponsor for itself and any successors or assigns. Yard areas or other areaways at the Property, if any, are not intended for public use except for fire egress purposes and are subject to the easement rights, if any, in favor of the Sponsor or a Sponsor designee;
- (2) At the cellar, first floor, second floor and third floor levels: all foundations, footings, columns, girders, floor slabs and concrete ceilings, beams, supports, and interior bearing walls (except to the extent included below as Limited Common Elements); also at those levels, those portions of the exterior walls and any insulation or framing beyond the unexposed face of the dry wall at the exterior face of the Building, or where applicable, those portions of the exterior walls beyond the interior face of the exterior walls or the concealed block work or concealed structural members of those walls (except to the extent included below as Limited Common Elements); those portions of the walls and partitions dividing the Community Facility Unit from the corridors, the elevator shafts, mechanical equipment spaces and fire staircases which are not part of the Community Facility Unit, fire staircases and stairs located beyond the unexposed face of the dry walls enclosing the Community Facility Unit, or where applicable, the blockwork or concrete work of the interior walls of the Building separating the Community Facility Unit from another Unit, or separating the Community Facility Unit from corridors, the elevator shafts, mechanical equipment spaces which

are not part of the Community Facility Unit; fire staircases, stairs, vestibules, if any, or lobbies not within the Community Facility Unit or which are not specifically designated below as Limited Common Elements; the subfloors and framing joists, if any, including any framing attached to such joists from which the dry wall ceiling of the Community Facility Unit is attached; all cellar areas which are not included within the Community Facility Unit or which are not specifically designated below as Limited Common Elements;

- (3) Those portions of the main roofs and/or other roofs of the Building which have been designated for the installation of mechanical equipment, including, but not limited to, roof tanks, if any, cooling towers, if any, any air-conditioning equipment or other related Facilities which service both the Community Facility Unit and the Residential Units and/or the General Common Elements;
- (4) The boilers, hot water heaters, if any, heating and/or air-conditioning equipment, cooling towers and water tanks, if any, and related machinery or Facilities, wherever located in the Building, which service both the Community Facility Unit and the Residential Units or the General Common Elements;
- (5) Any piping and/or ductwork which is necessary for the functioning of the boilers and hot water heaters, if any, heating and/or air-conditioning equipment and cooling towers, if any, wherever located in the Building, which service both the Community Facility Unit and the Residential Units or the General Common Elements;
- (6) All sewer pipes and drainage pipes;

- (7) To the extent they exist, any common tanks, common water towers or tanks, pumps, including, but not limited to, motors, fans, compressors, ducts, siamese connections, and, in general, all apparatus and installations and Facilities existing for common use; and
- (8) Except as specifically noted, all other apparatus and installations and Facilities existing in the Building for common use or necessary or convenient to the existence, maintenance or safety of the Building.

“Insurance Trustee”

- A bank, a trust company or savings and loan association, having an office in the City of New York, from time to time appointed to serve as such by the Condominium Board.

“Land”

- All that certain tracts, plots, pieces and parcels of land situate, lying and being in City of New York, County and State of New York as more particularly described in Schedule A to the Declaration.

“Law”

- The laws and ordinances of any or all of the Federal, New York State, New York City, and New York County governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities, including the Landmarks Preservation Commission, having jurisdiction over the Property and/or the Condominium, and/or the direction of any public officer pursuant to law.

“Limited Common Elements”

- Parts of the whole which are owned as Common Elements, but the exclusive use of which is granted to a single Unit Owner or several Unit Owners and, unless otherwise specified, the maintenance and repair of which is the responsibility of the Unit Owners or Owners to which the exclusive use has been allocated. In this Plan, the following are Limited Common Elements which shall be for the exclusive use of either all of the Residential Unit Owners (“Residential Common Elements”) or the

Community Facility Unit Owner ("Community Facility Common Elements") or an individual Residential Unit Owner ("Residential Limited Common Elements"):

(1) Residential Common Elements:

- (1a) At the fourth floor through and including the twelfth floor and/or Penthouse levels: all columns, girders, floor slabs and concrete ceilings, beams, and supports, any interior bearing walls (except to the extent included below as Community Facility Common Elements); also at those levels, those portions of the exterior walls and any insulation or framing beyond the unexposed face of the dry wall at the exterior face of the Building, or where applicable, those portions of the exterior walls beyond the interior face of the exterior walls or the concealed block work or concealed structural members of those walls; those portions of the walls and partitions dividing the Units from the corridors, the elevator shafts, mechanical equipment spaces which are not part of a Unit, fire staircases and stairs located beyond the unexposed face of the dry walls enclosing a Unit, or where applicable, the blockwork or concrete work of the interior walls of the Building separating a Unit from another Unit, or separating a Unit from corridors, the elevator shafts, mechanical equipment spaces which are not part of a Unit, fire staircases, stairs, vestibules or lobbies not within a Unit, the subfloors and framing joists, if any, including any framing attached to such joists from which the dry wall ceiling of the Unit below is

attached; roof bulkheads or roof areas which are not for the exclusive use of a particular Unit or which are not specifically designated below as Community Facility Common Elements, the use of which shall be at the sole discretion of the Board of Managers; skylights, if any, other than those directly over Units; sprinkler systems, standpipe systems, or parts thereof installed in common areas of the Building, if any, service corridors, fire corridors, halls, stairs, and stairway areas located beyond the unexposed face of the dry walls or blockwork or concrete work of the walls enclosing a Unit which are not specifically designated below as Community Facility Common Elements; storage and utility areas, if any, which are not part of a Unit or which are not specifically designated below as Community Facility Common Elements and located beyond the unexposed face of the drywalls or blockwork or concrete work enclosing a Unit; the Residential sidewalks, including any tree, shrubbery, flower or other planting or horticulture tub or box located thereon, subject to an easement in favor of the Community Facility Unit Owner for ingress or egress or for any other lawful purpose; the residential entrances to and exits from the Building located on West 123rd Street;

- (1b) The common service or public corridors and fire staircases located at the cellar level, first floor, second floor and third floor, all of which shall be for the exclusive use of the Residential Unit Owners, but subject

to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen (i) to install, access, maintain, repair and/or replace any and all mechanical equipment servicing the Community Facility Unit; and (ii) for fire egress purposes and access and/or egress to or from the Community Facility Unit;

- (1c) The common public corridors and fire staircases located in the Building and which are not part of the Community Facility Unit and/or the Community Facility Common Elements, which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers but subject to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen to install, access, maintain, repair and/or replace any and all mechanical equipment servicing the Community Facility Unit;
- (1d) All passages, hallways, stairs and corridors, all mechanical space, offices, and all other rooms, areas, spaces and other parts of the Building, including, but not limited to, the cellar level, which are not Residential Units or part of the Community Facility Unit, Community Facility Common Elements or the General Common Elements; but subject to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen to install, access, maintain, repair and/or replace any

and all mechanical equipment servicing the Community Facility Unit;

- (1e) Any bike room or rooms located at the cellar level which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers. The use of the bike room or rooms shall be subject to the By-Laws of the Condominium and any and all rules and regulations promulgated with regard thereto by the Board of Managers in their sole discretion;
- (1f) The trash compactor room and trash compactor machinery and related Facilities located at the cellar level of the Building, together with the trash compactor chute located on all floors of the Building, as set forth on the Floor Plans, which shall be for the exclusive use of all the Residential Unit Owners in a manner to be determined by the Board of Managers;
- (1g) The two (2) passenger elevators, passenger elevator machinery, its shafts and pits; the elevator bulkhead, together with all Facilities related thereto, located at the main roof of the Building or in the elevator hoistways, which shall be for the exclusive use of all the Residential Unit Owners in a manner to be determined by the Board of Managers, but subject to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen to install, access, maintain, repair and/or replace any

and all mechanical equipment servicing the Community Facility Unit;

- (1h) The elevator lobby, together with the adjoining trash room and any mechanical rooms or equipment closets, located on each of floors numbered one through and including twelve; all Facilities related thereto; all of which shall be for the exclusive use of the all the Residential Unit Owners in a manner to be determined by the Board of Managers;
- (1i) The main residential entrance, together with its canopy, if any, located on the West 123rd Street side of the Building, the residential lobby together with the adjoining elevator lobby, mail and package rooms, all of which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers but subject to an easement in favor of the Community Facility Unit Owner, or tenants thereof, to the extent required by Law, for fire egress purposes and access and/or egress to or from the Community Facility Unit;
- (1j) The multi-purpose room, gym and half bathroom, together with all Facilities related thereto, located at the second floor of the Building which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers;
- (1k) The terrace at the third floor roof and the common or public roof terraces located at the main roofs of the

Building, including any tree, shrubbery, flower or other planting or horticulture tub or box located thereon, all of which shall be for the exclusive use of all of the Residential Unit Owners in a manner to be determined by the Board of Managers, but subject to an easement in favor of the Community Facility Unit Owner or the tenants thereof, their servicemen, consultants and/or repairmen to install, access, maintain, repair and/or replace any and all equipment servicing the Community Facility Unit;

- (11) Those portions of the main roofs or other roofs of the Building which have been designated for the installation of mechanical equipment, including, but not limited to, any heating, air-conditioning, ventilation equipment or Facilities which services the Residential Units only, which shall be for the exclusive use of the Residential Unit Owners;
- (1m) Any and all roofs of the Building, including, but not limited to, those portions of the roofs which are below the common or public terrace which are for the exclusive use of all of the Residential Unit Owners;
- (1n) The boilers, hot water heaters, if any, and related machinery or Facilities, wherever located in the Building, which only service the Residential Units, which shall be for the exclusive use of all of the Residential Unit Owners;
- (1o) Any piping and/or ductwork which is necessary for the functioning of the

boilers and hot water heaters, if any, heating and/or air-conditioning equipment and cooling towers, if any, wherever located in the Building, which only service the Residential Units, which shall be for the exclusive use of all of the Residential Unit Owners;

- (1p) The cooling tower(s), if any, or tanks on the roofs of the Building together with any related Facilities which only service the Residential Units or the residential portions of the Building;
- (1q) The residential electric meters and panels, electric closets, feeders, risers and other improvements, residential gas meters, cables, all of which serve the Residential Units and residential portions of the Building exclusively;
- (1r) Any and all windows of the Building which are not part of a particular Residential Unit or the Community Facility Unit;
- (1s) All installations or Facilities on the Property outside the Units for services such as gas, power, light, cable television, heat, telephone and water, except to the extent that they are designated below as Community Facility Common Elements;
- (1t) All other improvements, installations, apparatus or Facilities exclusively serving all of the Residential Units or residential portions of the Building and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the residential portions of the Building; and

- (1u) All street vaults, if any, which shall be the exclusive use of all the Residential Unit Owners. To the extent there are any charges for said vault areas, such charges shall be paid by all of the Residential Owners as a Residential Common Expense.

Community Facility Common Elements:

- (2a) Those portions of the main roof or other roofs of the Building which have been designated for the installation of mechanical equipment, including, but not limited to, any heating, air-conditioning, ventilation equipment or Facilities which service the Community Facility Unit, which shall be for the exclusive use of the Community Facility Unit Owner;
- (2b) All columns, girders, floor slabs and concrete ceilings, beams, and supports and interior bearing walls located within the Community Facility Unit or separating the Community Facility Unit from a Residential Unit or the residential portions of the Building;
- (2c) Community Facility electric meter(s), separate cold water meter(s), gas meter(s) and other utility meters (if any) servicing or available for the exclusive use of the Community Facility Unit;
- (2d) The Community Facility Unit Owner will have a dedicated riser or a portion of another riser from the cellar level of the Building to the roof of the elevator bulkhead or other roof bulkhead, where a satellite dish may be located. The riser or portion of

another riser and satellite dish, if any, will be a Limited Common Element for the exclusive use of the Community Facility Unit Owner and/or any tenant or occupant of the Community Facility Unit;

(2e) All installations or Facilities on the Property outside the Units for services such as gas, power, light, cable television, heat, telephone and water which service the Community Facility Unit only;

(2f) the Community Facility Sidewalks; and

(2g) All remaining improvements, installations, apparatus or Facilities exclusively serving the Community Facility Unit or which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Community Facility Unit.

(3) Residential Limited Common Elements:

(3a) The skylights, if any, existing or installed at some future date, that are directly above any Unit which shall be for the exclusive use of such Unit Owner. The maintenance, repair and replacement of such skylights shall be the responsibility of the individual Unit Owners of such Units; and

(3b) The private roof terraces, together with any fencing delineating such roof area, which are adjacent to or directly accessed from a particular Residential Unit, as delineated on the Floor Plans. Nonstructural, ordinary repairs and maintenance of the private roof terraces, together with any

fencing which delineates such roof area, shall be the responsibility of the individual Unit Owner(s) who have the exclusive use thereof.

“Majority”

- Majority of Unit Owners means either (i) more than fifty percent (50%) in Common Interest in the aggregate, or (ii) more than fifty percent (50%) in number of Units in the aggregate, or (iii) more than fifty percent (50%) in the aggregate in both Common Interest and in number of Units, as may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters. Any specified percentage of Unit Owners means (i) such percentage in Common Interest in the aggregate, or (ii) such percentage in number of Units in the aggregate, or (iii) such percentage in Common Interest and such percentage in number of Units, as may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters, provided, however, that different percentages in interest and in number of Units may be so specified.

“Managing Agent”

- A person employed by the Condominium Board pursuant to Article II, Section 4 of the By-Laws, who shall undertake to perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium shall delegate, subject to the limitations contained in such Section of the By-Laws.

“Offering Plan”

- The document filed with the New York State Department of Law which describes the condominium property and pursuant to which individual Units in the Condominium are offered for sale, as the same may be amended from time to time. Sometimes herein referred to as the “Plan”.

“Operation of the Property”

- The administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.

- “PCO”
- Refers to a permanent certificate of occupancy issued by the Department of Buildings of the City of New York.
- “Permitted Mortgagee”
- Refers to the holder of a Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute the holder(s) of the mortgages given by Sponsor to acquire and construct the Property, including the successors, assigns, and affiliates thereof. The initial Permitted Mortgagee shall refer to Bank Hapoalim, B.M.
- “Person”
- A natural person, corporation, limited liability company, partnership, association, trustee or other legal entity.
- “Power of Attorney”
- The document, signed by Unit Owners, which appoints:
 - (i) the Board of Managers as attorney-in-fact to acquire, on behalf of all Unit Owners, any Unit the Unit Owner of which wishes to sell or abandon together with the Appurtenant Interests thereto and to deal with any such Units so acquired as they may determine.
 - (ii) the Sponsor, its designee and/or the Community Facility Unit Owner, as attorney-in-fact, to amend the Declaration, the By-Laws, and the Rules and Regulations of the Condominium or any of said documents under certain conditions set forth in the Power of Attorney.
 - (iii) the Sponsor, as attorney-in-fact, to execute any document to effectuate the transfer, assignment or conveyance by Sponsor, in whole or part, of the unused transferable air rights and/or development rights which Sponsor has retained for itself, and/or its successors and assigns.
- “Property”
- Means and includes the Land, the Building and all other improvements thereon, (i) owned in fee simple absolute, and all easements, rights and appurtenances

belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York State Condominium Act.

- “Purchaser”

 - Any Person who has entered into an agreement with Sponsor to purchase a Residential Unit and is not in default thereunder.
- “Recording officer and
“Recording” or “Recorded”

 - Shall have the meanings stated in section two hundred ninety of the New York State Real Property Law.
- “Residential Common Expenses”

 - As set forth in the By-Laws of the Condominium the Residential Units shall be solely responsible for the payment of all expenses or allocated expenses (“Residential Common Expenses”) arising from maintenance of and snow removal from the Residential Sidewalks; the employment of one or more doormen or other employees of the Condominium, if any, who will service all of the Residential Units; garbage collection for the Residential Units; vault charges, if any, attributable to vaults adjacent to the Common Elements, except to the extent they are attributable to a Community Facility Unit having exclusive use of such vault area; subsequent to the time that the Community Facility Unit is separately metered or submetered, the cost of gas consumption for heat and hot water in the Residential Units and in the Common Elements; gas consumption for dryers in the Residential Units and gas consumed in the Residential Common Elements; gas consumption for cooking in the Residential Units; water and sewer charges for the Residential Units and the Common Elements; maintenance, repair and replacement of the Residential Common Elements, including, but not limited to, the passenger elevators, those portions of the sprinkler and standpipe systems which are not located within the Community Facility Unit, all roofs and roof surfaces of the Building other than those portions which are Community Facility Common Elements or General

- Common Elements; supplies for the Residential Common Elements; all costs and expenses associated with the operation and maintenance of the residential amenities located at the Building; and any other expense, which is not a Shared Expense, attributable to the Residential Units only or as provided in the By-Laws.
- “Residential Sidewalks” - Shall mean the sidewalks adjacent to the Residential portion of the Building along West 123rd Street, including any tree, shrubbery, flower or other planting or horticulture tub or box located thereon.
- “Residential Unit” - A designated apartment in the Building comprising the Condominium which is owned in fee simple absolute.
- “Residential Units” - Collectively, all the apartments in the Building.
- “Residential Unit Owner” - Means the person, persons or entity owning a Residential Unit in fee simple absolute.
- “Rules and Regulations” - The rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.
- “Selling Agent” - The entity which will, on behalf of the Sponsor, originate and supervise sales of Units. Halstead Property Development LLC is the Selling Agent pursuant to the terms of the Offering Plan.
- “Sponsor” - The promoter of the project and/or Offering Plan to convert the Premises, 375 West 123rd Street, New York, New York 10027, to the condominium ownership; 99 Morningside LLC is the Sponsor of this Offering Plan.
- “Sponsor-designee” - Any Person designated by Sponsor to hold title to any Unit. Sponsor’s statement in writing that a Person is a Sponsor-designee shall be conclusive evidence of such status so as to entitle such Person to

all the rights of a Sponsor-designee under this Offering Plan. A Sponsor-designee shall have the right to designate a Person to succeed to its rights and any such designee shall also be deemed a Sponsor-designee. A Sponsor-designee assumes the status of and the obligations of Sponsor under the Offering Plan and applicable law with respect to the Units such Sponsor-designee acquires.

- “Sponsor’s Initial Control Period” - Refers to the initial period during which Sponsor, including any designee thereof, retains control of the Board of Managers of the Condominium prior to relinquishing the same. Upon the earlier of (i) the closing of title to Units whose aggregate Common Interest exceeds ninety percent (90%) of the Common Interest allocated to all the Units, or (ii) five (5) years from the First Unit Closing, Sponsor, including any designee thereof, will relinquish control of the Board of Managers if it has such control and will not elect or designate a majority of its nominees for positions on the Board of Managers, even though the total percentage of Common Interest may otherwise enable it to do so.
- “TCO” - Refers to a temporary certificate of occupancy issued by the Department of Buildings of the City of New York.
- “Unit” - Any space in the Building designated as a Unit. Such Units are a part of the Property intended for any type of legal use or uses, and adjoin an exit to a public street or highway or a Common Element or elements leading to a public street or highway, and may include such appurtenances as a private roof terrace or balcony. Any mechanical equipment, including, but not limited to, sprinkler, heating, hot water and air-conditioning equipment, with all related ductwork and piping attached thereto, located outside or inside a Unit which only services a particular Unit shall be a fixture which is the personal property of the Unit Owner of the Unit it services. Such Unit Owner shall be responsible for the cost of any maintenance, repair or replacement of such mechanical equipment.

- “Unit Deed”

 - The deed transferring title to a specified Unit from Sponsor to Purchaser in fee simple absolute.
- “Unit Designation”

 - The number, letter or combination thereof or other official designations conforming to the tax lot number, if any, designating the Unit in the Declaration and on the floor plans.
- “Unit Owner”

 - The person or persons, or entity owning a Unit in fee simple absolute. It collectively means the respective owners of the Residential Units and the Community Facility Unit.
- “Unsold Units”

 - Any Unit owned by Sponsor or its designee at the time in question.

SCHEDULE D

“99 MORNINGSIDE CONDOMINIUM”

**A CONDOMINIUM LOCATED AT
375 WEST 123RD STREET
NEW YORK, NEW YORK 10027**

POWER OF ATTORNEY

TO

BOARD OF MANAGERS,

SPONSOR, AND THE COMMUNITY FACILITY UNIT OWNER

POWER OF ATTORNEY

The undersigned, _____ the Owner of Residential Unit No. _____ located at 375 West 123rd Street, New York, New York 10027, in the Condominium known as 99 Morningside Condominium, consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York pursuant to Declaration dated _____, 20____, and recorded in the Office of the Register of the City of New York, County of New York, as CRFN _____ and on the Floor Plans on file in said office as CRFN _____, do hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of _____ jointly, true and lawful attorneys-in fact for the undersigned, coupled with an interest, with power of substitution, to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate or otherwise, on behalf of all Owners of Units in said Property, in accordance with their common interests, any Unit whose Owner desires to abandon or sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale or lease thereof, if any, and the rights and privileges appurtenant thereto, the interest of such Unit Owner in all other assets of the Condominium as defined in the aforementioned Declaration or any Unit, which shall be the subject of a foreclosure or other judicial sale, or to lease any Unit whose Owner desires to rent the same, at such price or on such rental, as the case may be, and on such terms as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease or mortgage (but not to vote the votes appurtenant thereto) to otherwise deal with any such Units so acquired by them, or to sublease any Unit so leased by them on such terms as said attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present.

The acts of majority of such persons shall constitute the acts of said attorneys-in-fact.

The undersigned do hereby nominate, constitute and appoint 99 Morningside LLC (hereinafter referred to as the "Sponsor"), Sponsor's designee and/or the Community Facility Unit Owner as attorney-in-fact for the undersigned, their successors, assigns and/or heirs, coupled with an interest, with power of substitution, to severally amend from time to time the Declaration, the By-Laws and the Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to effectuate the provisions of Articles 8, 17 and 18 of the Declaration and any other provision thereof or set forth in the Condominium's By-Laws and/or Rules and Regulations, or to reflect any change in Unsold Units, the Community Facility Unit and/or the reapportionment of the Common Interests of the affected Unsold Units or the Community Facility Unit resulting therefrom made by Sponsor or its designee or the Community Facility Unit Owner in accordance with Articles 8 and 17 of the Declaration or any other provision thereof or set forth in the Condominium's By-Laws and/or Rules and Regulations, or (2) shall be required by (a) an institutional lender procured by Sponsor, its designee or the Community Facility Unit Owner, to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental

agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor, its designee or the Community Facility Unit Owner, to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a material, physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) and 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. With regard to Sponsor's Unsold Units, the terms, covenants and conditions contained in, and the powers granted pursuant to this paragraph shall remain in full force and effect until such time as the Sponsor or Sponsor-designee(s) shall cease to own any Units in the Condominium.

The undersigned do further nominate, constitute and appoint 99 Morningside LLC as attorney-in-fact for the undersigned, their successors, assigns and/or heirs, coupled with an interest, with power of substitution, to execute any document on behalf of the undersigned, if same is necessary, to effectuate the transfer, assignment or conveyance by Sponsor, in whole or in part, of the transferable air rights and/or development rights which Sponsor has retained for itself, its successors and assigns in accordance with Paragraph numbered 20 of the Declaration. This power of attorney shall in no way be construed to grant any interest in such transferable air rights and/or development rights to the undersigned.

This power of attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned, has executed this Power of Attorney this _____ day of _____, 20__.

STATE OF NEW YORK)
) ss.:
 COUNTY OF)

On the _____ day of _____, in the year 20__, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(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

STATE OF NEW YORK)
) ss.:
 COUNTY OF)

On the _____ day of _____, in the year 20__, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

 Notary Public

SCHEDULE E
BY-LAWS
OF
THE CONDOMINIUM OF THE PREMISES
KNOWN AS
“99 MORNINGSIDE”
A CONDOMINIUM LOCATED AT
375 WEST 123RD STREET
NEW YORK, NEW YORK 10027

Borough of Manhattan
New York County, City and State of New York

D’AGOSTINO, LEVINE, LANDESMAN, LEDERMAN, RIVERA & SAMPSON, LLP
ATTORNEYS FOR SPONSOR
345 SEVENTH AVENUE, 23RD FLOOR
NEW YORK, NEW YORK 10001

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**BY-LAWS
OF
THE CONDOMINIUMS OF THE PREMISES
KNOWN AS**

“99 MORNINGSIDE CONDOMINIUM”

**A CONDOMINIUM LOCATED AT
375 WEST 123RD STREET
NEW YORK, NEW YORK 10027**

ARTICLE I

PLAN OF UNIT OWNERSHIP

Section 1. **Unit Ownership.** The property, located in the borough of Manhattan, New York County, City and State of New York at 375 West 123rd Street, New York, New York 10027 (hereinafter called the “Property”) has been submitted pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the New York County Office of the Register of the City of New York, simultaneously herewith. The Condominium thereby created shall hereinafter be known as “99 Morningside Condominium” and is sometimes referred to as the “Condominium” or “Condominiums.”

Section 2. **Applicability of By-Laws.** The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof. The term “Property” as used herein shall include the land, the Building and all other improvements thereon (including the Units and the Common Elements, whether General Common Elements or Limited Common Elements), but excluding any unused transferable air rights and/or development rights pertaining to the land and building which rights are being reserved by Sponsor for itself and any successors or assigns, owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York. The Condominium Units are hereinafter sometimes referred to as “Unit” or “Units.”

Section 3. **Application.** All present and future owners, mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations attached hereto as Addendum To The By-Laws.

The acceptance of a deed or conveyance or the entering into of a lease for a Unit or the act of occupancy of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 4. **Definitions.** All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Schedule C to the Declaration, unless the context in which the same are used shall otherwise require. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 5. **Office.** The office of the Condominium and of the Board of Managers shall be located at the Property.

ARTICLE II

BOARD OF MANAGERS

Section 1. **Status of the Board of Managers.** Unless and until the Board of Managers shall incorporate in accordance with the terms of Section 3 hereof, the Board of Managers shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Board of Managers shall incorporate in accordance with the terms of Section 3 hereof, the Board of Managers shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Board of Managers shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2. **Number and Term.** The number of Managers which shall constitute the whole Board, other than the initial Board selected by Sponsor, shall be five (5). Until succeeded by the Managers elected at the first (1st) meeting of Unit Owners called for such purpose, Managers need not be Unit Owners; thereafter, all Managers, other than a representative of Sponsor or its designee, shall be Unit Owners, the principal or officer of a Unit Owner or the spouse of a Unit Owner. The number of Managers elected at the first (1st) such meeting shall be five (5) [(four (4) elected by the Residential Unit Owners (including Sponsor or its designee as to its Unsold Units) and one (1) designated by each of the Community Facility Unit Owner. Thereafter, within the limits above specified, the number of Managers shall be determined by the Unit Owners at their annual meetings. The Managers shall be elected at the annual meeting of the members. There shall always be an odd number of Managers and the Community Facility Unit Owner shall always maintain the right to designate one (1) Manager. The Managers shall hold office until their successors have been elected and hold their first meeting. But, in any event, the terms of the members of the Board of Managers shall expire annually.

Section 3. **Powers and Duties.** The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

- a. Contracting for the necessary services for operation, care, upkeep and maintenance of the Common Elements.
- b. Determination of the Common Expenses and Common Charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property.
- c. Collection of the Common Charges and expenses of the Condominium from the Unit Owners.
- d. Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.
- e. Adoption and amendment of Rules and Regulations covering the details of the operation and use of the Property subject to a right of the Unit Owners to overrule the Board (See Article VI, Section 16).
- f. Opening of bank accounts on behalf of the Condominium and designating the signatories required therefor.
- g. Purchasing or leasing or otherwise acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their Owners to the Board of Managers.
- h. Purchasing of Units at foreclosure or other judicial sales in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners.
- i. Acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, rights and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium, as described in the Declaration and these By-Laws.
- j. Selling, leasing, mortgaging (but not voting the votes appurtenant to), or otherwise dealing with Units acquired by, and subleasing Units leased by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners.

- k. Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing of Units on behalf of all Unit Owners.
- l. To incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (i) the certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (ii) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and bylaws;
- m. Obtaining and reviewing of insurance for the Property, including the Units, pursuant to the provisions of Article VI, Section 2 hereof.
- n. Making of repairs, additions and improvements to or alterations of the Property and repairs to and restoration of the Property in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.
- o. Negotiation and settlement of all claims and actions relating to the Condominium.
- p. Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of a majority of all Unit Owners shall be required for the borrowing of any sum in excess of \$10,000 and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Unit Owner. If any sum borrowed by the Board of Managers on behalf of the Condominium pursuant to the authority contained in this paragraph (p) is not repaid by the 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 shall have filed or shall have the right to file against the Unit Owner's Unit.
- q. Levying fines against Unit Owners for violations of the Rules and Regulations governing the operation and use of the Property and levying late payment charges against Unit Owners for late payment of their Common Charges, including Assessments and Special Assessments.
- r. Notwithstanding anything to the contrary contained in these By-Laws, so long as the Sponsor or any Sponsor-designee shall continue to own twenty-

five percent (25%) of the Common Interests allocated to the Units, but in no event for a period in excess of five (5) years from the closing of title to the first Unit ("First Unit Closing"), the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund except that Sponsor will consent to replacements to (a) any contingency fund and/or capital replacement reserve provided for in Schedule B of the Offering Plan for the Property to the extent that the aggregate amount of such fund does not exceed four percent (4.00%) of the budgeted expenses of the Condominium, and (b) Sponsor will consent to replacements to the Major Capital Improvement Replacement Reserve Fund provided for in Schedule B of the Offering Plan and as required by Federal Housing Administration ("FHA") and Fannie Mae guidelines to the extent that the aggregate amount of such funds does not exceed 10.00% of the budgeted expenses of the Condominium, or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient) or (iv) increase the number or change the type of employees from that described in Schedule B of the Offering Plan to be filed for the Property or (v) provide for new or additional services from those indicated in Schedule B of the Offering Plan to be filed for the Property, unless the annual cost of all other services being provided, is no greater than the total cost of those provided for in Schedule B. As long as the Sponsor or any Sponsor-designee shall continue to own a Unit the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent (i) amend the Declaration or these By-Laws so as to in any way adversely affect the Sponsor or its designees or (ii) interfere with the offer and sale or leasing of Units; (iii) interfere with the operation of general or sales and leasing offices at the Property or the actions necessary for construction, renovation, repair or correction at the Property, as required by Sponsor. The Sponsor or Sponsor-designee shall have the right to withhold its consent to any of the foregoing actions. However, notwithstanding the provisions of this Section 3r, the Sponsor or Sponsor-designee shall not withhold its consent to the making of capital repairs to the Common Elements or assessment of any Common Charge for expenses required to comply with applicable law or regulations or to remedy any notice of violation or to remedy any work order by an insurer.

Section 4. Managing Agent and Manager. The Board of Managers may employ for the Condominium a managing agent and/or a manager at a compensation established by the Board of Managers to perform such duties and services as the Board of Managers shall authorize. The Board of Managers may delegate to the manager or managing agent, all of the powers granted to the Board of Managers by these By-Laws other than the powers set forth in subdivisions (b), (e),

(f), (g), (h), (i), (j), (k), (l), (o), (p) and (q) of Section 3 of this Article II. Except with respect to Sponsor or Sponsor's designee, the managing agent or manager may not be a member of the Board of Managers.

Section 5. First Board of Managers. The first Board of Managers shall consist of persons designated by the Sponsor, who shall hold office and exercise all powers of the Board of Managers until the first meeting of Unit Owners called for the purpose of electing Managers. Any or all of said Managers shall be subject to replacement in the event of resignation or death in the manner set forth in Section 7 of this Article.

Section 6. Removal of Members of the Board of Managers. At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers, other than a member designated by the Sponsor or a Sponsor-designee or a Community Facility Unit Owner, may be removed with or without cause by an affirmative vote of Unit Owners whose aggregate Common Interest exceed fifty percent (50%) of the Common Interest of the Condominium, and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Managers whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. A member of the Board of Managers designated by the Sponsor or a Sponsor-designee or a Community Facility Unit Owner may only be removed for cause by the affirmative vote of Unit Owners (including Sponsor and/or any other Holder of Unsold Units and/or the Community Facility Unit Owner) owning in the aggregate, a percentage in Common Interest in excess of fifty percent (50%) of the Common Interest of the Condominium. In the event of such removal, the Sponsor, Sponsor-designee or the Community Facility Unit Owner, as the case may be, shall have the exclusive right to designate a replacement for such removed member of the Board of Managers. If a member of the Board of Managers ceases to be a Unit Owner, the principal or officer of a Unit Owner or the spouse of a Unit Owner, unless such member is a designee of the Sponsor or a Sponsor-designee, such Board Member shall be deemed to have resigned effective as of the date such ownership interest ceased.

Section 7. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a member thereof by a vote of the Unit Owners shall be filled by vote of a majority of the remaining members at a special meeting of the Board of Managers 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 each person so elected shall be a member of the Board of Managers until a successor shall be elected at the next annual meeting of the Unit Owners to serve the remaining term. Notwithstanding the foregoing, vacancies of members designated by the Sponsor or Sponsor-designee or a Community Facility Unit Owner, shall be filled only by the Sponsor or Sponsor-designee or the Community Facility Unit Owner, as the case may be.

Section 8. Organization Meeting. The first meeting of the members of the Board of Managers following the annual meeting of the Unit Owners shall be held within ten (10) days thereafter, at such time and place as shall be fixed by a majority of the members of the Board of Managers elected at the meeting at which they shall have been elected, and no notice shall be

necessary to the newly elected members of the Board of Managers in order to legally constitute such meeting, providing a majority of the whole Board of Managers shall be present thereat.

Section 9. **Regular Meetings.** Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Managers, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each member of the Board of Managers, by mail or telegraph, at least five (5) business days prior to the day named for such meeting.

Section 10. **Special Meetings.** Special meetings of the Board of Managers may be called by the President on three (3) business days' notice to each member of the Board of Managers, given by mail, telegraph or personal delivery to the Unit owned by such member of the Board of Managers, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) members of the Board of Managers.

Section 11. **Waiver of Notice.** Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 12. **Quorum of Board of Managers.** At all meetings of the Board of Managers, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Managers present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers. If at any meeting of the Board of Managers there shall be 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. Any action required or permitted to be taken by the Board of Managers or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing such action, and the writing or writings are filed with the minutes of the proceedings of the Board or the committee.

Section 13. **Fidelity Bonds.** The Board of Managers shall, in its discretion, obtain fidelity bonds in the amount of \$100,000.00 or more for all officers and employees of the Condominium handling or responsible for Condominium funds and for the managing agent, if any. The premiums on such bonds shall constitute a Common Expense.

Section 14. **Compensation.** No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 15. Liability of the Board of Managers. The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is understood and permissible for the original Board of Managers who are members of the Sponsor to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by the manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

Section 16. Executive Committee. The Board of Managers may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Managers, at least one of whom shall be a member designated by the Sponsor or Sponsor-designee so long as the Sponsor or Sponsor-designee has the right to designate a member of the Board. Such Executive Committee shall have and may exercise all the powers of the Board of Managers in the managing of the business and affairs of the Condominium during the intervals between the meetings of the Board of Managers insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the Common Charges and expenses required for the affairs of the Condominium, (b) to determine the Common Charges payable by the Unit Owners to meet the Common Charges and expenses of the Condominium, (c) to adopt or amend the Rules and Regulations covering the details of the operation and use of the Property or (d) to exercise any of the powers set forth in subdivisions (g), (h), (i) and (p) of Section 3 of Article II.

Section 17. Other Committees. The Board of Managers may by resolution create such other committees as it shall deem appropriate and such committees shall have such powers and authority as the Board of Managers shall vest therein. The members of any such committee, at least one (1) of whom shall be designated by the Sponsor or a Sponsor-designee, so long as the Sponsor or Sponsor-designee has the right to designate a member of the Board, shall be appointed by the President of the Condominium. The members of any such committee need not be a member of the Board of Managers, but must be eligible to be elected to the Board of Managers. Such committee shall not have power to do any act which the Executive Committee may not do under subsections (a)-(d) of Section 16 of Article II.

ARTICLE III

UNIT OWNERS

Section 1. **Annual Meetings.**

(a) Within thirty (30) days after the earlier of (i) one hundred twenty (120) days after the date on which seventy-five percent (75%) of all of the Units have been conveyed to Unit Purchasers; (ii) the date on which the closing of title to Units whose aggregate Common Interest exceeds ninety (90%) percent of the Common Interest allocated to all of the Residential Units; or (iii) two (2) years from the First Unit Closing, or such earlier time as Sponsor deems to be in the best interest of the parties the Sponsor shall call a special Unit Owners meeting for the purpose of electing a Board of Managers. At such meeting the First Board of Managers shall resign and a new Board shall be elected by the Unit Owners. Thereafter, annual meetings shall be held on or about the anniversary of such date each succeeding year. At such meetings, there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article II of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them.

(b) Sponsor's Right to Elect and/or Designate Members of the Board of Managers. So long as the Sponsor or a Sponsor-designee shall continue to own: (i) Units representing ten percent (10%) or more in Common Interest allocated to all the Units, the Sponsor or Sponsor-designee shall have the right to elect or designate at least three (3) of the five (5) members of the Board of Managers and in any event a majority of the Board of Managers for up to five (5) years subsequent to the First Unit Closing; or (ii) at least one (1) Unit but less than ten percent (10%) in Common Interest allocated to all the Units, or Units representing ten percent (10%) or more in Common Interest five (5) years or more subsequent to the First Unit Closing, the Sponsor or Sponsor-designee shall have the right to elect or designate at least two (2) of the five (5) members of the Board of Managers and in any event the right to elect or designate a number of members of the Board which equals one (1) less than a Majority of the Board. Members of the Board of Managers shall serve for a term of one (1) year. The Unit Owners may transact such other business at such meetings as may properly come before them. Upon the earlier of (i) the closing of title to Units whose aggregate Common Interest exceeds ninety percent (90%) of the Common Interest allocated to all the Units, or (ii) five (5) years from the First Unit Closing, Sponsor, including any designee thereof, will relinquish control of the Board of Managers if it has such control (thus ending "Sponsor's Initial Control Period") and will not elect or designate a majority of its nominees for positions on the Board of Managers, even though the total percentage of Common Interest may otherwise enable it to do so. Notwithstanding anything to the contrary herein, during Sponsor's Initial Control Period, the Sponsor designated members of the Board of Managers shall not prevent the Board of Managers from voting to compel Sponsor to enforce its obligations to the Condominium under the Offering Plan, as amended. Furthermore, if any one (1) or more Unit Owner elected members of the Board of Managers proposes a vote of the Board of Managers on whether to initiate a lawsuit against Sponsor on behalf of the condominium, any Sponsor designated members of the Board of Managers shall recuse themselves from such vote.

(c) Subsequent to the expiration of Sponsor's Initial Control Period, all Board members, other than those members which the Sponsor or its designee have the right to elect or designate hereunder, must be owner-occupants of the Condominium who are not related to Sponsor or the principals of Sponsor. Notwithstanding anything herein to the contrary, such owner occupancy requirement shall not apply to those Board Members designated by the Community Facility Unit Owners. In the event that the number of owner-occupants of the Condominium is insufficient to establish a majority of the Board members, then, in such event, any owner-occupant shall be entitled to one (1) seat on the Board of Managers.

Section 2. **Place of Meetings.** Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 3. **Special Meetings.** It shall be the duty of the President to call a special meeting of the Unit Owners as directed by the Board of Managers or upon a petition signed by a majority of the Unit Owners as defined in Section 9 of this Article III having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. **Notice of Meetings.** It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners, at least ten (10) but not more than thirty (30) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the building or at such other address as such Unit Owner shall have designated by notice in writing to the Secretary. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or to these By-Laws, the notice of meeting shall be mailed at least ten (10) days prior to such meeting. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 5. **Adjournment of Meetings.** If any meeting of Unit Owners cannot be held because a quorum has not attended, a majority of the 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 the original meeting was called.

Section 6. **Order of Business.** The order of business at all meetings of the Unit Owners shall be as follows:

- a. Roll call;
- b. Proof of notice of meeting;
- c. Reading of minutes of preceding meeting;
- d. Reports of officers;
- e. Report of Board of Managers;

- f. Reports of committees;
- g. Election of inspectors of election (when so required);
- h. Election of members of the Board of Managers (when so required);
- i. Unfinished business;
- j. New business.

Section 7. Title to Units. Title to Units may be taken in the name of an individual or in the names of two (2) or more persons, as tenants in common or as joint tenants or as tenants by the entirety or in the name of a corporation or limited liability company or partnership, or in the name of a fiduciary or trust, estate, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York. The term "Unit Owner" as used in these By-Laws shall include any person, group of persons, association or entity taking title as set forth in this Section. The above shall not constitute consent or condonation of any activity not permitted under existing certificates of occupancy, zoning requirements or other applicable law or regulation.

Section 8. Voting. The Owner or Owners of each Unit, or some person designated by such Owner or Owners to act as proxy on his or their behalf and who need not be an Owner, shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time by written notice to the Secretary by the Owner or Owners so designating. Any or all of such Owners may be present at any meeting of the Unit Owners. The Owners of each Unit (including the Sponsor or Sponsor-designee, if the Sponsor or its designee shall then own one (1) or more Units) shall be entitled to cast one (1) vote for each .0001% of interest in the Common Elements attributable to the Unit or Units owned by them on all matters put to a vote at all meetings of Unit Owners; except that, when voting for the election of members of the Board of Managers, each Unit Owner: (i) shall be entitled to one vote for each .0001% of Common Interest attributable to his Unit per member to be elected, and (ii) shall not have the right to cumulate his votes in favor of any one or more members to be elected. If Units are owned by more than one (1) person as joint tenants, tenants by the entirety or as tenants in common or by a partnership, corporation, limited liability company, or other entity, the persons owning said Unit shall agree among themselves and cast the votes for their Unit. A fiduciary shall be the voting member with respect to any Unit in a fiduciary capacity. Any Unit or Units owned by the Board of Managers or its designee shall not be entitled to vote.

Section 9. Majority of Unit Owners. As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having greater than fifty percent (50%) of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners, determined in accordance with the provisions of Section 8 of this Article III.

Section 10. **Quorum.** Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of Unit Owners shall constitute a quorum at all meetings of the Unit Owners.

Section 11. **Majority Vote.** The vote of a majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where, in the Declaration or these By-Laws or by law, a higher percentage vote is required.

Section 12. **Action Without Meeting.** Any action required or permitted to be taken by the Unit Owners may be taken without a meeting if the number of Unit Owners required by the Declaration, these By-Laws or applicable law consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the records of the Condominium.

ARTICLE IV

OFFICERS

Section 1. **Designation.** The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. The President and Vice President, but no other officers, need be members of the Board of Managers.

Section 2. **Election of Officers.** The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and shall hold office at the pleasure of the Board of Managers and until their successors are elected.

Section 3. **Removal of Officers.** Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose.

Section 4. **President.** The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and of the Board of Managers. He 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 members of committees created by the Board of Managers from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. **Vice President.** The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Managers is to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Managers or by the President.

Section 6. **Secretary.** The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he shall have charge of such books and papers as the Board of Managers may direct; and he 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.

Section 7. **Treasurer.** The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers, or the managing agent, in such depositories as may from time to time be designated by the Board of Managers, and he shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. **Agreements, Contracts, Deeds, Checks, etc.** All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) officers of the Condominium or by such other person or persons as may be designated by the Board of Managers.

Section 9. **Compensation of Officers.** No officer shall receive any compensation from the Condominium for acting as such.

Section 10. **Liability of Officers.** The officers of the Condominium shall have the same rights and liabilities as the members of the Board of Managers under Article II Section 15 of these By-Laws.

ARTICLE V

NOTICES

Section 1. **Definition.** Whenever, under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any manager, Unit Owner or mortgagee, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, addressed to the Board of Managers, such manager or Unit Owner or mortgagee at such address as appears on the books of the Condominium. Members of the Board of Managers may be given notice in writing personally delivered to them.

Section 2. **Service of Notice Waiver.** Whenever any notice is required to be given under the provisions of the Declaration or of 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 VI

OPERATION OF THE PROPERTY

Section 1. Section 1. Determination of Common Expenses and Fixing of Common Charges. The Board of Managers shall from time to time, at least annually, prepare a budget for the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses of the Condominium and allocate and assess such Common Charges among the Unit Owners according to their respective percentage of Common Interest or Contributing Share as the case may be. The Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Section 2 of this Article VI and the fees and disbursements of the Insurance Trustee, if any. Subject to the individual rights and obligations of the Community Facility Unit Owner with regard to shared expenses as defined hereinafter, the Common Expenses shall also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium for a general operating reserve, and for a reserve fund for replacements, to make up any deficit in the Common Expenses for any prior year. However, notwithstanding anything in the Condominium Declaration or By-Laws to the contrary, the Community Facility Unit Owner will not be obligated to contribute towards any reserve fund for the repair, maintenance and/or replacement of the Residential Common Elements or Residential Limited Common Elements. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale, together with such amounts as may be necessary to maintain such Unit(s).

The Board of Managers shall also, where necessary, impose an Assessment or additional Common Charge in order to meet any unanticipated Common Expense. All such Assessments or additional Common Charges shall be levied against all Unit Owners in proportion to their respective Common Interest or Contributing Share as the case may be. Assessments may be payable either in one lump sum or in installments, as the Board of Managers shall determine, provided, however, that the Board of Managers shall give each Unit Owner not less than fifteen (15) days written notice prior to the date upon which such Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purposes thereof. The Board of Managers shall have all rights and remedies for the collection of Assessments as are provided herein for the collection of Common Charges, such Assessments constituting a Common Charge. However, notwithstanding anything in the Condominium Declaration or By-Laws to the contrary, the Community Facility Unit Owner will not be obligated to contribute towards any Assessments for the repair, maintenance and/or replacement of the Residential Common Elements or Residential Limited Common Elements. The Board of Managers shall advise all Unit Owners, promptly, in writing, of the amount of Common Charges payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish

copies of each budget on which such charges are based, to all Unit Owners and to their mortgagees, if so required.

The annual amounts to be paid by the Commercial Facility Unit Owner to the Condominium or its designee in connection with the services and facilities shared with, or provided by, the Condominium ("Shared Common Expenses") shall include the following categories of expenses set forth in the "Schedule B, Projected Budget for First Year of Condominium Operation" in the Offering Plan filed for the Property: Payroll; Repairs and Maintenance; Service Contracts; Insurance; Management Fees; Legal and Audit Fees; Miscellaneous Other Expenses; Contingency; Reserve Fund; or any different expenses which at some time in the future are established in lieu of the foregoing expenses or which are fairly attributable to the Community Facility Unit to the extent the Community Facility Unit benefits therefrom. The Shared Common Expenses shall be deemed a part of the Common Expenses of the Condominium to be paid by all Unit Owners.

The payment of the Shared Common Expenses by the Owners of the Community Facility Unit shall initially be based on the projections set forth in the foregoing budget, some of which are based on the individual Common Interest of the Community Facility Unit. The payment of other Shared Common Expenses by the Owner of the Community Facility Unit is specially allocated based upon projected usage by and applicability to the Community Facility Unit and not simply based on the Common Interest of the Community Facility Unit. Please see each specific budget item for the calculation of the allocation of the Shared Common Expenses to the Owners of the Community Facility Unit. If in the future, there are any categories of expenses other than those provided for above for services or facilities used by the Community Facility Units then the Community Facility Unit Owner will pay their fair share of such expense.

Except for those Shared Common Expenses set forth in the initial Budget for the First Year of Condominium operation which shall be paid for by each Residential Unit Owner and the Community Facility Unit Owner based upon the Unit's percentage Common Interest, or Contributing Share, or any allocation specifically noted herein, as the case may be, if the Community Facility Unit Owner use or incur a disproportionate portion of any subsequent Shared Common Expense relative to their Common Interest (whether too low or too high), then the Community Facility Unit Owner shall be required to pay only their fair share of such subsequent expense.

In the event the Community Facility Unit Owner and the Condominium cannot agree upon such "fair share" of a new expense or a Shared Common Expense, then same shall be determined by a licensed real estate broker selected by the Condominium and the Community Unit Owner. In the event the Condominium and Community Facility Unit Owner cannot agree upon a real estate broker, or if the Condominium and the Community Facility Unit Owner cannot agree on any decision or determination to be made in connection with the Shared Common Expenses or a new expense to be paid by the Community Facility Unit Owner, then, in such event, the Community Facility Unit Owner and the Condominium, at the sole option of the Community Facility Unit Owner only, shall be obligated to arbitrate, on an expedited basis, the dispute pursuant to the provisions of Article XV of the By-Laws of the Condominium. The decision of the arbitrator shall

be final and binding. In the event that the Community Facility Unit Owner elects not to arbitrate, the Community Facility Unit Owner and the Board of Managers of the Condominium on behalf of all of the Residential Units Owners may exercise all remedies available to them in equity and at law.

The Condominium Board shall advise all Unit Owners in writing promptly after same are determined of the amount of Common Charges payable by each of them and, not later than ten (10) days next preceding the date upon which the first installment of newly determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees.

The Condominium Board may, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination.

Notwithstanding anything herein to the contrary, but subject to the dispute resolution procedures set forth in Article XV hereof and the payment, collection and enforcement provisions of these By-Laws in general, the Community Facility Unit Owners and the Residential Unit Owners, jointly, shall each be solely responsible for the payment of the following expenses. The Community Facility Units shall be solely responsible for the payment of all expenses ("Commercial Facility Common Expenses") arising from the maintenance of the Community Facility Sidewalks, including snow removal therefrom; commercial garbage collection; the cost of utilities, including but not limited to, electricity, gas, water and sewer in the Community Facility Unit that are separately metered and/or sub-metered for the Community Facility Unit Owner; vault charges, if any, attributable to the Community Facility Unit; repairs, maintenance and replacement of the Community Facility Common Elements; and any other expense, which is solely attributable to the Community Facility Unit only and not a Shared Common Expense. The Residential Unit Owners shall be solely responsible for the payment of all expenses ("Residential Common Expenses") arising from the maintenance of the Residential Sidewalks, including snow removal therefrom, garbage collection for the Residential Units if not collected by the City of New York; gas consumption for heat and hot water in the Common Elements, including the General Common Elements; gas consumption for cooking and dryers, if any, in the Residential Units; electricity consumption for the Common Elements, including the General Common Elements, water and sewer charges for the Residential Units and the Common Elements, including the General Common Elements; landscaping, fire extinguisher, elevator and HVAC maintenance; vault charges, if any, attributable to the common areas of the Building; and any other expense, which is not a Shared Common Expense, attributable to the Residential Units only or as provided herein. Notwithstanding anything to the contrary herein, the Residential Unit Owners shall pay, as a Residential Common Expense, the costs of electricity, gas, and water/sewer service provided to the General Common Elements. Such utility costs, including, but not limited to, lighting and baseboard heating for the cellar mechanical and utility areas, and incidental water use in the cellar

mechanical and utility areas, are expected to be de minimis as they pertain to the General Common Elements, as compared to usage of such utilities by the Residential Common Elements and/or Residential Units measured by common meters. Provided these costs remain de minimis as they pertain to the General Common Elements, the Community Facility Unit Owner shall have no obligation to contribute thereto and such costs shall remain a Residential Common Expense.

The Sponsor or Sponsor-designee shall be responsible for the Common Charges assessed against a Unit owned by it from the date of the First Unit Closing until such Unit is sold to a bona fide purchaser. Until title to all Units has been conveyed, the Sponsor or its designee as owner of any Unsold Units, may decide that Sponsor will, at Sponsor's or Sponsor's designee's sole option and discretion, pay in lieu of payment of each Unit's Common Charges, provided that such "in lieu" payments are less than the Common Charges then due, an amount which equals each Unit's proportionate share (based upon each Unit's Percentage Common Interest) of the total cost necessary to operate the Condominium with the services to be provided under the Offering Plan. In the event that Sponsor or its designee as the owner of all Unsold Units elects to have all Unit Owners make in lieu payments, Sponsor or its designee shall (i) file an amendment to the Offering Plan prior to the First Unit Closing indicating that the collection of Common Charges will not commence with the beginning of Condominium operations and the anticipated length of such delay period; (ii) file an amendment to the Offering Plan disclosing the expiration of the delay period at least thirty (30) days prior to such expiration; (iii) during any such delay period timely pay all expenses of the Condominium out of the aggregate in lieu payments, including, but not limited to, insurance premiums; (iv) pay from Sponsor's funds any reserve fund payments required by Sponsor's lenders; and (v) remain obligated to update the budget for the Condominium, as provided in the governing regulations. Additionally, Sponsor represents that upon commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved Budget of the Condominium.

Section 2. Insurance. The Board of Managers shall be required to obtain and maintain the following insurance: (a) an all-risk property policy insuring the Building containing the Units (including all of the Units and the fixtures initially installed therein by the Sponsor or by prior construction and any other property usual to the servicing and general occupancy, but not including any improvements and betterments installed by Unit Owners or any furniture, furnishings, or other personal property supplied or installed by Unit Owners), together with all service machinery and equipment contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees as their interests may appear, in an amount to be determined by the Board of Managers but in no event to be less than the greater of the agreed upon replacement cost of the Building, including the above noted items but exclusive of footings and foundations and without deduction for depreciation, as approved by a fire insurance company or a qualified insurance broker, or in any event the amount of insurance necessary to avoid the effects of co-insurance; each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee, if any, as herein provided; (b) worker's compensation insurance, if the

Condominium has employees; (c) a fidelity bond or bonds in sufficient amounts, to fully protect the interest of the Condominium, shall be carried on each member of the Board of Managers, officers of the Condominium, managing agent and managers, including any person or persons handling or responsible for funds of the Condominium; (d) disability benefits insurance if the Condominium has employees; (e) directors' and officers' liability coverage covering the Board of Managers; and (f) such other insurance, including, but not limited to, boiler and machinery insurance, as the Board of Managers may determine. All policies of physical damage insurance shall provide that adjustment of loss shall be made by the Board of Managers (with the approval of the Insurance Trustee, if any, if more than \$100,000.00), and that the total proceeds thereof, if \$100,000.00 or less, shall be payable to the Board of Managers and if more than \$100,000.00 shall be payable to the Insurance Trustee, if any.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or of invalidity arising from any acts of the insured or any Unit Owners, and the individual Unit Owners as well as the Condominium shall be primary insured to the extent as their interests shall also appear. Such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies if so requested in writing by them.

In the event that the damage resulting from a fire or other casualty loss shall (a) render one (1) or more Units wholly or partially unusable for the purposes permitted herein and in the Declaration or (b) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such casualty loss shall be caused by the act, the omission to act, or the negligence of the owner of a Unit so affected thereby, by a family member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Board of Managers with respect to such Unit.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, the manager and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of at least \$1,000,000.00 and \$2,000,000.00 in the aggregate covering all claims for bodily injury with respect to any one (1) occurrence.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation and further provided that the

liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. Such policies shall be so endorsed as to state that they will in no way conflict with any insurance carried by the Board of Managers.

The insurance policy for the Condominium obtained by the Board of Managers should require the insurer to notify in writing the Board of Managers (or insurance trustee) and each first mortgage holder named in the mortgage clause at least ten (10) days before it cancels or substantially changes the Condominium's coverage.

If, by reason of the occupancy or use of a particular Unit, the rate of fire or liability insurance for the Property shall be increased, such Unit Owner shall (if such occupancy or use continues for more than thirty (30) days after written notice from the Board of Managers specifying the occupancy or use) become liable for the additional insurance premiums incurred by the Condominium as if such additional premium constituted an assessment.

Section 3. Repair or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building containing the Units as a result of fire or other casualty, unless seventy-five percent (75%) or more of the Building containing the Units is destroyed or substantially damaged and Unit Owners whose percentage of Common Interest totals seventy-five (75%) in the aggregate of the total Common Interest do duly and promptly resolve not to proceed with repair or restoration, the Board of Managers shall arrange for the prompt repair and restoration of the Building containing the Units (including any damaged Units, and any kitchen and bathroom fixtures and floor coverings initially installed therein by the Sponsor, but not including any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or equipment installed in the Units by the Unit Owners), and the Board of Managers or the Insurance Trustee, if any, as the case may be, shall disburse the proceeds of all insurance policies in appropriate progress payments for distribution to the contractors engaged in such repairs and restoration. If the cost of such repair and restoration is in excess of the insurance proceeds, the Board of Managers shall levy a Special Assessment against all Unit Owners, for the amount of such deficiency in proportion to their respective Common Interests and all proceeds of such Special Assessment shall become part of the trust funds to be disbursed by the Insurance Trustee, if any, or the Board of Managers, as the case may be.

If seventy-five percent (75%) or more of the Building containing the Units is destroyed or substantially damaged and Unit Owners whose percentage of Common Interest totals seventy-five percent (75%) in the aggregate of the total Common Interest do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, if any, as the case may be, among all the Unit Owners in proportion to their respective Common Interest, after first

payment out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

Whenever in this Section the words "promptly repair" are used it shall mean repairs are to begin not more than sixty (60) days from the date the Insurance Trustee notified the Board of Managers and the Unit Owner or Unit Owners that it shall hold proceeds of insurance funds sufficient to pay the estimated costs of such work; or not more than ninety (90) days after Insurance Trustee notified said Board of Managers and Unit Owner or Owners that such funds are insufficient to pay said estimated costs and advising them of the amount of the required completion bond, if necessary. If there is no Insurance Trustee then the aforementioned sixty (60) and ninety (90) day periods shall be from the date of notification by an insurance adjustor retained by the Board of Managers. Wherever the words, "promptly resolve" are used it shall also mean not more than sixty days from the date of receipt of said insurance funds.

Section 4. Payment of Common Charges. All Unit Owners shall be obligated to pay the Common Charges, including Assessments, assessed by the Board of Managers pursuant to the provisions of Section 1 of this Article VI at such time or times as the Board of Managers shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Charges, including Assessments, assessed against his Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Section 1 of Article VIII of these By-Laws) of such Unit, together with the Appurtenant Interests, as defined in Section 1 of Article VIII hereof. In addition, any Unit Owner may, subject to the terms and conditions specified in these By-Laws, provided that his Unit is free and clear of liens and encumbrances, other than permissible mortgages and the statutory lien for unpaid Common Charges, convey his Unit, together with the "Appurtenant Interests" to the Board of Managers, or its designee, corporate or otherwise, on behalf of all other Unit Owners, and in such event be exempt from Common Charges thereafter assessed. A purchaser of a Unit shall be liable for the payment of Common Charges, including Assessments, assessed and unpaid against such Unit prior to the acquisition by him of such Unit, except that a mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit shall not be liable for and such Unit shall not be subject to a lien for the payment of Common Charges, including Assessments, assessed prior to the foreclosure sale.

Section 5. Collection of Common Charges and Assessments. The Board of Managers shall assess Common Charges against the Unit Owners from time to time at least annually and shall take prompt action to collect any Common Charge due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof. The Board of Managers shall also take prompt action to collect any Assessment due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date thereof. Common Charges shall be paid by the fifth day of the month in which they are due or they shall be deemed to be late.

Pursuant to Real Property Law Section 339-kk, the Board of Managers has the right to collect rents directly from a "Non-Occupying Owner's rental tenant" ("Tenant"), if a Non-Occupying Unit Owner is not current on his or her Common Charges, Assessments or late fees, hereinafter ("Charges"). In order to collect rents directly from the Tenant, the Non-Occupying Unit Owner must fail to make the payment of Charges within sixty (60) days of the earliest expiration of any grace period. Prior to collecting the rents the Board shall provide written notice to the Tenant and the Non-Occupying Unit Owner providing that, commencing immediately and until such time as all payments for all Charges are made current, all rental payments are to be made directly to the Condominium at the address provided in the notice. Once all charges are current the Board shall then within three (3) business days, provide notice to the Tenant and Unit Owner of such payment and that thereafter all future rental payments should be made to the Non-Occupying Unit Owner. Should a Unit Owner wish to contest the Board's claim to rental payments he or she shall be entitled to present his or her supporting facts at the next scheduled Board meeting (which must be held within thirty (30) days of Board receiving notice of contest). The Board shall have the option to forgo collecting rents directly from the Tenant so long as a majority of the Board has been elected by and from among the Occupying Unit Owners.

Section 6. Default in Payment of Common Charges or Assessments. In the event of default by any Unit Owner in paying to the Board of Managers the Common Charges or any Assessment as determined by the Board of Managers, such Unit Owner shall be obligated to pay interest at the highest legal rate on such Common Charges or Assessments from the due date thereof, together with all expenses, including late fees charged by the Board of Managers and attorneys' fees incurred by the Board of Managers in any proceeding brought to collect such unpaid Common Charges or Assessments. The Board of Managers shall have the right and duty to attempt to recover such Common Charges or Assessments, together with interest thereon, and the expenses of the proceeding, including attorneys' fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. A Unit Owner defaulting in payment of Common Charges or Assessments shall not be permitted to vote at any regular or special meeting of Unit Owners.

Section 7. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage (but not to vote the votes appurtenant to), convey or otherwise deal with the same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 8. Statement of Common Charges and Assessments. The Board of Managers, managing agent or manager shall promptly provide any Unit Owner so requesting the

same in writing, with a written statement of all unpaid Common Charges, including Assessments, due from such Unit Owner.

Section 9. Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right set forth in these By-Laws: (a) upon reasonable notice to the Unit Owner, to enter the Unit 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 that may exist therein contrary to the intent and meaning of the provisions hereof (provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property of the Condominium or for the safety of residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium); or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; and (c) in any event charge the Unit Owner with the cost of reasonable legal and other fees and costs incurred in enjoining, abating or remedying such violation.

Section 10. Maintenance and Repairs.

- a. All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors (except the painting of the exterior side of the Unit's entrance door), windows (except the painting of the exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating and/or hot water fixtures and air conditioning units, together with any and all related ductwork and piping attached thereto, inside or outside the Unit(s) or belonging to the Unit Owner(s) and only servicing such Unit(s), shall be at the individual Unit Owner's sole cost and expense or at the sole cost and expense of the individual Unit Owners of the affected Units on an equal basis, excepting as otherwise specifically provided herein. Additionally, the replacement of heating and/or hot water fixtures and air-conditioning units, together with any and all related ductwork and piping attached thereto, outside or inside the Unit(s) or belonging to the Unit Owners(s) and only servicing the Unit(s), shall be at the Unit Owner's sole cost and expense or at the sole cost and expense of the Unit Owners of the affected Units on an equal basis, excepting as otherwise specifically provided herein.

Further, the individual Unit Owner shall be responsible for the cost of any permits required in connection with the operation of their individual heating, air-conditioning or other mechanical equipment.

- b. All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, and the painting and decorating of

the exterior side of Unit entrance doors and Unit windows shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, excepting to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner.

- c. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed (i) by the Board of Managers as a Residential Common Expense, if such Limited Common Element is a Residential Common Element for the exclusive use of all of the Residential Unit Owners and whether or not it involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, the repair of any leaks, in the roofs of the Building or elsewhere, that constitute Residential Common Elements and which are not caused by the acts or omissions of a Unit Owner, having direct and exclusive access thereto), or (ii) by the Board of Managers as a Community Facility Common Expense, if such Limited Common Element is a Community Facility Common Element for the exclusive use of the Community Facility Unit Owner and whether or not it involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, repairs that are not caused by the acts or omissions of a Community Facility Unit Owner, having direct and exclusive access thereto), or (iii) by the individual Unit Owner, whether a Residential Unit Owner (involving a Residential Common Element or a Residential Limited Common Element) or the Community Facility Unit Owner (involving a Community Facility Common Element), having direct and exclusive access thereto at his or their sole cost and expense, if involving nonstructural, ordinary maintenance, repairs or replacements, or (iv) by the Board of Managers at the sole cost and expense of the individual Unit Owner, whether a Residential Unit Owner (involving a Residential Common Element or a Residential Limited Common Element) or the Community Facility Unit Owner, having exclusive use of such Limited Common Element if involving structural repairs or replacements, or (v), at the election of the Board of Managers, by the Board of Managers or the individual Unit Owner, but at the sole cost of such Unit Owner or Owners, where such maintenance, repair or replacements result from the Unit Owner's negligence, misuse or neglect.
- d. Promptly upon obtaining knowledge thereof, each Unit Owner shall report in writing delivered by mail to the Board of Managers or to the Managing Agent any defect or need for repairs for which the Board of Managers is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such a manner as shall (i) comply with all applicable

law and building codes; (ii) shall not unreasonably disturb or interfere with any Unit Owners or tenants and occupants of any Units; and (iii) shall not affect the structural integrity of the Building.

- e. Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any terrace, roof, or other part of the Property exposed to the elements) by the Unit Owner or the Board of Managers, whichever is responsible for the maintenance thereof as set forth herein (the cost of debris and snow removal from the Residential Sidewalks and the roof terraces shall be a Residential Common Expense and shall only be the responsibility of the Board of Managers); the Community Facility Unit Owner be responsible for the cost of removing debris and snow from the Community Facility Sidewalks; and such Unit Owner or the Board of Managers, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. Notwithstanding anything herein to the contrary, the maintenance, repair and/or replacement of all sidewalks, plantings and/or shrubbery, including the planters in which they are contained, on the Residential Sidewalks shall be a Residential Common Expense and the maintenance, repair and/or replacement of all sidewalks, plantings and/or shrubbery, including the planters in which they are contained, on the Community Facility Sidewalks shall be a Community Facility Common Expense. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Board of Managers, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior and exterior surfaces of terraces, windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his Unit.

Section 11. **Restrictions on Use of Units.** In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

- a. The Residential Units shall be used for private residences only, except that a Unit Owner may use his Residential Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Any Residential Unit may also be used as a professional office by a resident thereof provided such professional use does not violate zoning law, regulations or ordinance and provided further, that the prior consent of the Board of Managers to such professional use is obtained.

A Residential Unit 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 designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential 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 in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic employees and/or non-paying guests of the foregoing.

The Community Facility Unit may be used for Community Facility purposes, including, but not limited to, as a house of worship and related facilities, and residential use with respect to the portion of the Community Facility Unit comprised of a class A residential apartment, or for any other lawful purpose. As noted above, the Community Facility Unit will be owned by and operated as a church and related facilities. The usage of the Community Facility Unit as a church and related facilities may result in an excessive amount of noise emanating from the Community Facility Unit especially during church services. Further, the usage of the Community Facility Unit as a church may result in a large number of people entering and exiting the Community Facility Unit, through the main entrances to the Community Facility Unit located on Morningside Avenue. No sale, lease or sublease or use of all or any portion of the Community Facility Unit shall be deemed to adversely affect the Residential Units. The Board of Managers does not have the right to approve or change the use of the Community Facility Unit, or any part thereof, or to apply for or cause any amendment to the Building's Certificate of Occupancy to authorize a different use, except at the request or direction of, or the Community Facility Unit Owner, as applicable. Notwithstanding anything herein to the contrary, the non-residential portion of Community Facility Unit may not be converted to residential use without the prior approval of the Board of Managers.

Notwithstanding anything herein to the contrary, the Sponsor or its designee may, without the permission of the Board of Managers, retain ownership of one or more Units for use as models, sales and/or production offices in connection with the sale or rental of the Units.

- b. The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units. In addition, no furniture, doormats, packages, or objects of any kind shall be placed in the lobbies, public halls, public stairways, the elevators or any other part of the Common Elements (except for those areas designated as storage areas, if any) without the prior written consent of the Board of Managers. The lobbies, public halls, public stairways and elevators shall be used only for normal passage through them.
- c. No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents.
- d. No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies, including the Landmarks Preservation Commission, if applicable, having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.
- e. Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.
- f. With the exception of the Community Facility Unit, no portion of a Unit or other Limited Common Elements appurtenant thereto (other than the entire Unit, including the Limited Common Elements appurtenant thereto) may be rented.

The terms of sub-paragraph (b) of this Section 11 shall not apply to Sponsor or its designee for so long as there are any Unsold Units. So long as Sponsor owns any Unit, Sponsor or its designee shall have the right, without charge or limitation, to: (i) erect and maintain signs of any size or content

determined by Sponsor or such designee, on or about any portion of the Common Elements chosen by Sponsor or such designee, including, without limitation, on the exterior walls of the Building or adjacent to any entrance thereof; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements, to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Offering Plan.

Section 12. Additions, Alterations or Improvements by Board of Managers. Subject to the provisions of Section 3 of Article II of these By-Laws, whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements (but not maintenance) costing in excess of \$10,000.00, and the making of such additions, alterations or improvements shall have been approved by a majority of the Unit Owners, the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Charge. Any additions, alterations or improvements costing \$10,000.00 or less may be made by the Board of Managers without approval of the Unit Owners and the cost thereof shall constitute part of the Common Expenses.

Section 13. Additions, Alterations or Improvements by Unit Owners. Except as provided below, no Unit Owner shall make any structural addition, alteration or improvement in or to his Unit, or a structural or non-structural addition, alteration or improvement which affects the exterior of the Building or the value of other Units, without prior written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer in writing any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration or improvement. Any application to any department of the City of New York or to any other governmental authority for a permit to make an addition, alteration or improvement in or to any Unit shall be executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

In the event the Board of Managers grants its consent, either affirmatively or by its inaction, to any structural addition, alteration or improvement to be made by a Unit Owner, the consent shall provide that any such work shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi- governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and worker's compensation insurance (certificate for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions, alterations or improvements, shall be maintained in their entirety by said Unit Owner who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to the Unit

and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration, addition or improvement, or due to improper design or construction of the structural alteration, addition or improvement, and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration, addition or improvement; such expenses may include, but shall not be limited to, any fees of an attorney and/or fees of an architect consulted in connection with any request by a Unit Owner for approval of such work.

The provisions of this Section 13 which require the consent of the Board of Managers in connection with a structural addition, alteration or improvement or a structural or non-structural addition, alteration or improvement which affects the exterior of the Building or the value of other Units shall not apply to Units owned by the Sponsor or its designee or the Community Facility Unit Owner with respect to the Community Facility Unit. Neither the Sponsor or its designee or the Community Facility Unit Owner with respect to the Community Facility Unit shall need such consent. All other provisions of this Section 13 shall apply to all Units.

For example, with respect to any structural addition, alteration or improvement to a Sponsor-owned Unit or the Community Facility Unit, such work shall be at the sole cost and expense of the Sponsor and/or its designee or the Community Facility Unit Owner, and be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances. All work must be done by reputable contractors with adequate liability, property damage and workmen's compensation insurances (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction). Any such additions, alterations or improvements, shall be maintained in their entirety by said Sponsor or its designee or the Community Facility Unit Owner, who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to the Unit and any Common Elements where such repairs become necessary, due to additional stresses caused by any structural alteration, addition or improvement, or due to improper design or construction of any structural alteration, addition or improvement. Additionally, the Sponsor and/or its designee or the Community Facility Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with any services provided to such alteration, addition or improvement.

Notwithstanding anything to the contrary contained in this Section 13, however, Sponsor, any Sponsor-designee, or any partner of any entity affiliated directly or indirectly with Sponsor or the Community Facility Unit Owner shall have the right, pursuant to the terms of Paragraphs 8 and 17 of the Declaration, without the approval of the Board of Managers and without paying any cost or charge to the Board of Managers to (i) make any alterations, additions, improvements, or repairs in or to any Units owned by any of them whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of Units owned by any of them.

Non-structural alterations and improvements to Units that do not affect the exterior of the Building or the value of other Units may be made without the prior approval of the Board of Managers.

Section 14. Use of Common Elements and Facilities. A Unit Owner shall not place or cause to be placed in the public halls and stairways or other common areas or common facilities, any furniture, packages or objects of any kind. The lobbies, public halls and stairways or other common areas shall be used for no purpose other than for normal transit through them. The Sponsor and any Sponsor-designee shall have the right to use the Common Elements, without charge, for the purposes set forth in Section 11 of this Article VI and in conjunction with the Sponsor's or a Sponsor-designee's exercise of the rights retained by Sponsor in the Condominium Declaration.

The Owner of a Unit or Owner or Owners of any two (2) or more Units, which Unit or Units is/are the only Unit(s) serviced or benefitted by any General or Limited Common Element adjacent or appurtenant to such Unit(s) (for example, the portion at the end of any hallway that is directly adjacent to any such Unit(s) located on opposite sides of such hallway) and not affecting access or service (including, without limitation, heating, ventilating and air-conditioning) to any other Unit or to any other portion of the Common Elements, shall, with the consent of the Board of Managers (which consent will not be unreasonably withheld or delayed and shall not be required if the Unit Owner or Owners is/are Sponsor or Sponsor's designee), have the right to use such General or Limited Common Elements exclusively, as if it were a part of such Unit(s) (including the right, in the example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests will be made by reason thereof. In such an event, however, such Owner or Owners shall, at his or their sole cost and expense, both (i) operate, maintain and repair such General or Limited Common Element for so long as such Owner or Owners exercise such exclusive right of use and (ii) restore such General or Limited Common Element to its original condition, reasonable wear and tear excepted, after such Owner or Owners cease to exercise such exclusive right of use.

Section 15. Right of Access. A Unit Owner shall grant a right of access to his Unit to the manager and/or the managing agent and/or any other person authorized by the Board of Managers, the manager or the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the Building, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. In the event of the exercise of the right of access provided in this Section 15, any costs for repairs shall be borne in accordance with the provisions of Section 10 of this Article VI.

Section 16. Rules of Conduct. Rules and regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board of Managers. A

majority vote of Unit Owners at a meeting may overrule the Board. Copies of such rules and regulations shall be furnished by the Board of Managers to each Unit Owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Managers, are annexed hereto and made a part hereof as Schedule A. Notwithstanding this provision, for as long as Sponsor or its designee remains the Owner of one (1) or more Units, the Rules and Regulations of the Condominium may not be amended or modified in any way so as to adversely affect Sponsor or its designee without Sponsor's prior written consent. Additionally, the Rules and Regulations of the Condominium may not be amended or modified in any way so as to adversely affect the Community Facility Unit without the prior written consent of the Community Facility Unit Owner.

Section 17. Water Charges and Sewer Rents. Water shall be supplied to all of the Units and the Common Elements on the basis of one (1) or more meters or submeters for the Building or pursuant to a frontage charge. The Board of Managers shall pay, as a Residential Common Expense, all charges for water consumed in the Residential Units and the Common Elements together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. Any water and sewer bills received by a Residential Unit Owner shall immediately be rendered to the Board of Managers for payment. In no event shall the Board of Managers be responsible for loss of service to any Unit, interest or penalties, due to a delay in paying such bills resulting from a Unit Owner not tendering a bill. Any interest or penalties due for such late payments will be an additional assessment to be paid by the Unit Owner who failed to timely tender any bill. In the event of a proposed sale of a Unit by the Owner thereof, the Board of Managers, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to the purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents affecting the Unit as of the date of closing of title to such Unit promptly after such charges shall have been billed. The Community Facility Unit is separately metered or submetered for water and sewer and the cost of water consumption together with all related sewer rents arising therefrom shall be the sole responsibility of the Community Facility Unit Owner.

Notwithstanding anything to the contrary herein, the Residential Unit Owners shall pay, as a Residential Common Expense, the cost of water/sewer service provided to the General Common Elements. Such utility cost, including, but not limited to incidental water use in the cellar mechanical and utility areas, is expected to be de minimis as it pertains to the General Common Elements, as compared to water usage by the Residential Common Elements and Residential Units. Provided this cost remains de minimis as it pertains to the General Common Elements, the Community Facility Unit Owner shall have no obligation to contribute thereto and such cost shall remain a Residential Common Expense.

Section 18. Electricity and Gas. Electricity shall be supplied by the public utility company serving the area directly to each Unit through separate meters or submeters. Each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit to the public utility.

The electricity serving the General Common Elements and the Residential Common Elements shall be metered by one or more meters or submeters, and the Board of Managers shall pay the bills for such consumption as a Residential Common Expense. The Community Facility Unit Owner shall be responsible for the cost of electricity consumption in the Community Facility Unit and the Community Facility Common Elements.

Gas consumption for heat in all the Residential Units, including any supplemental heat for the public corridors, hot water in the Residential Units and Common Elements, gas consumption for dryers in the Residential Common Elements and gas consumed in the Common Elements, shall be collectively metered by one or more meters or submeters and the Board of Managers shall pay, as a Residential Common Expense, the bills for such consumption. The Community Facility Unit is separately metered for gas consumption in the Community Facility Unit and the cost of consumption measured thereby is a Community Facility Common Expense of the Community Facility Unit Owner only. Additionally, gas consumption for cooking and dryers shall be collectively metered by one (1) or more meters or submeters and shall be a Residential Common Expense of all of the Residential Unit Owners.

Notwithstanding anything to the contrary herein, the Residential Unit Owners shall pay, as a Residential Common Expense, the costs of electricity and gas service provided to the General Common Elements. Such utility costs, including, but not limited to, lighting and baseboard heating for the cellar mechanical and utility areas are expected to be de minimis as they pertain to the General Common Elements, as compared to usage of such utilities by the Residential Common Elements and/or Residential Units measured by common meters. Provided these costs remain de minimis as they pertain to the General Common Elements, the Community Facility Unit Owner shall have no obligation to contribute thereto and such costs shall remain a Residential Common Expense.

Section 19. Review of Real Estate Tax Assessments. It shall be the responsibility of the individual Unit Owners, at their sole cost and expense, to review the real estate tax assessments of their Units and, if they so desire, to take any steps necessary to review and/or challenge such assessments. Notwithstanding the foregoing, if proceedings are pending for the reduction of real estate taxes on the land and building for the tax year in which the First Unit Closing occurs, the Condominium will continue such proceedings with the attorney previously employed by the Sponsor. Sponsor shall have the sole right to negotiate and settle all claims in connection with said proceedings. The cost of such proceedings, including legal fees, and (in the event taxes are reduced) any refund shall be apportioned between the Sponsor and the respective Unit Owners according to the ownership of the Property during respective portions of the tax year. Any refund attributed to a Unit, and all apportioned expenses incurred in connection with obtaining of such refund, shall belong to and be incurred by the Unit Owner receiving said refund. Any refund covering a period prior to the First Unit Closing and all expenses incurred in connection with the obtaining such refund, shall belong to and be incurred by the Sponsor alone.

Section 20. Vault Charges. All license fees and all periodic taxes and charges ("Vault Charges") for street vaults located in the Common Elements of the Building, if any, or other

protrusions beyond the lot lines of the Building shall be paid by the Board of Managers as a Residential Common Expense. However, Vault Charges, if any, attributable to a Community Facility Unit which has exclusive use of such vault area shall be paid by the Owner of such Community Facility Unit. If an allocation of Vault Charges is necessary to determine those charges allocable to an individual Community Facility Unit, such allocation shall be made on a square footage basis.

ARTICLE VII

MORTGAGES

Section 1. Notice to Board of Managers. A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers; the Board of Managers shall maintain such information in a book entitled "Mortgages of Units."

Section 2. Notice of Unpaid Common Charges. The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit of such Unit Owner's default, including non-payment of Common Charges, in the obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations, as the same are amended from time to time, or in any order of the Board of Managers issued with respect thereto.

Section 3. Notice of Default. The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has heretofore been furnished to the Board of Managers, and shall accept cure of any default from each holder of mortgage conveying a Unit in default.

Section 4. Examination of Books. Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on reasonable notice to the manager, managing agent or Board of Managers on business days.

Section 5. Notice of Changes to Units and/or Common Elements. The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit of any proposed amendment to the Condominium Offering Plan, Declaration and/or By-Laws effecting a change in (i) the size or location of any Unit or the exclusive easement rights, if any, appertaining thereto; (ii) any change in the percentage of Common Interest of a Unit or Common Charges payable by a Unit Owner to the Condominium; (iii) any change in the number of votes each Unit Owner shall be entitled to cast at a meeting of Unit Owners; and (iv) any change to the restrictions on use of the Units or Common Elements.

Section 6. Notice of Termination of the Condominium. The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit of any proposed termination of the Condominium.

Section 7. **Notice of Condemnation or Casualty.** The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit of any taking in condemnation or by eminent domain or any casualty loss of a material portion of the Common Elements or a portion of any Unit on which there is a first mortgage.

Section 8. **Notice of Insurance.** The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit of any lapse, cancellation or material modification of any insurance policy maintained by the Condominium.

Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to a mortgagee, there shall be implied mortgagee approval when a mortgagee fails to respond after 60 days written notice provided notice was delivered by certified or registered mail with a return receipt requested.

ARTICLE VIII

SALES, LEASES AND MORTGAGES OF UNITS

Section 1. **Sales and Leases.** No Unit Owner other than the Sponsor or a Sponsor-designee or the Community Facility Unit Owner may sell or lease his Unit or any interest therein except by complying with the provisions below. Sponsor or a Sponsor-designee or the Community Facility Unit Owner need not comply with such provisions. Sponsor or a Sponsor-designee or the Community Facility Unit Owner shall have the right, without the payment of any fees or charges to the Board of Managers or the Managing Agent, to sell its Unit(s) or lease its Unit(s), or, in the case of the Community Facility Unit, lease any part thereof, without the Board of Managers having any right of first refusal to purchase or lease such Unit, and all sale and/or rental proceeds shall belong solely to such Sponsor or Sponsor-designee or the Community Facility Unit Owner, as the case may be. However, any deed or lease made by a Sponsor or a Sponsor-designee or the Community Facility Unit Owner with respect to a Unit as grantor or lessor, in the Building, shall provide that acceptance thereof by the grantee or lessee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as same may be amended from time to time.

Except as provided immediately above, any Unit Owner who receives a bona fide offer for the sale of his Unit together with: (i) the undivided interest of the Common Elements and any Limited Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; (iii) the interest of such Unit Owner in any other assets of the Condominium, as defined in the Declaration, (hereinafter collectively called the "Appurtenant Interests"); or a bona fide offer for a lease of his Unit; (hereinafter called an "Outside Offer"), which he intends to accept, shall give notice by certified or registered mail to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require, and shall offer to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, to the Board of Managers, or its designee, corporate or otherwise,

on behalf of the Owners of all other Units, on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received such offer, to the Board of Managers on behalf of the other Unit Owners, that such Unit Owner believes the Outside Offer to be bona fide in all respects. Within twenty (20) days after receipt of such notice, the Board of Managers may elect, by notice given within five (5) days after making such election, and in any event, within said twenty (20) day period, to such Unit Owner, by certified or registered mail, to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all other Unit Owners, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner.

In the event the Board of Managers shall elect to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or a lease shall be executed at the office of the attorneys for the Condominium in accordance with the terms of such offer but in no event less than forty-five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the Unit Owner, if such Unit, together with the Appurtenant Interests, is to be sold, shall convey the same to the Board of Managers, or to its designee, on behalf of all other Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all transfer stamps affixed, and shall pay all other taxes arising out of such sale. In the event such Unit is to be leased, the offering Unit Owner shall execute and deliver to the Board of Managers, or to its designee, a lease between the offering Unit Owner, as landlord, and the Board of Managers, or its designee, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

In the event the Board of Managers or its designee fail to notify the offering Unit Owner of its decision to accept such offer within twenty (20) days after receipt of notice as aforesaid or notify the offering Unit Owner within said period of its decision not to accept such offer, the offering Unit Owner shall be free to contract to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, within thirty (30) days after the expiration of the twenty (20) day period in which the Board of Managers or its designee might have accepted such offer, to the Outside Offeror, on the terms and conditions set forth in the notice from the offering Unit Owner to the Board of Managers of such Outside Offer. Any such deed to any Outside Offeror shall provide that 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 these By-Laws and shall provide that it may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers, and that the tenant shall not sublet the demised premises, or any part thereof, without the prior consent in writing of the Board of Managers, and that the Board of Managers 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 default by the tenant in the performance of such lease. Except as hereinbefore set forth, the form of any such lease for Units shall be the then current form of lease recommended by Julius Blumberg, Inc., or The Real Estate Board of New York, Inc., with

such modifications as shall be approved in writing by the Board of Managers. In the event the offering Unit Owner shall not, within such thirty (30) day period, contract to sell such Unit together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the Outside Offeror on the terms and conditions contained in the Outside Offer, or if the Unit Owner shall so contract to sell or lease his Unit within such thirty (30) day period, but such sale or lease shall not be consummated pursuant to the terms of such contract, then should such offering Unit Owner thereafter elect to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the same or another Outside Offeror on the same or other terms and conditions, the offering Unit Owner shall be required to again comply with all of the terms and provisions of this Section 1 of this Article VIII.

Any purported sale or lease of a Unit in violation of this section shall be voidable at the election of the Board of Managers.

Further, for eighteen (18) months subsequent to the closing of title to the Unit, Purchaser shall not advertise or otherwise offer, promote or publicize the availability of such Unit for sale or resell the Unit. This provision is to survive closing of title to the Unit. Any purported sale or lease of a Unit in violation of this provision shall be voidable at the election of the Sponsor or its designee, as the case may be.

The right of first refusal contained in Article VIII hereof will not pertain to and will not adversely affect the rights of a mortgagee or its assignee: (a) to foreclose or take title (by itself or in an affiliate) to a condominium Unit pursuant to the remedies in the mortgage; (b) to accept a deed or assignment in lieu of foreclosure (to itself or an affiliate) in the event of a default by mortgagor; (c) to sell or lease a Unit acquired by the mortgagee, its affiliate or assignee; or (d) in connection with a foreclosure sale transaction.

Section 2. Consent of Unit Owners to Purchase or Lease of Units by Board of Managers. The Board of Managers shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a majority of the Unit Owners.

Section 3. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to his Unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one (1) or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interest or interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 4. Release by Board of Managers of Right of First Refusal. The right of first refusal contained in Section 1 of this Article VIII may be released or waived by the Board of

Managers, in which event the Unit, together with the Appurtenant Interests, may be sold, conveyed, or leased, free and clear of the provisions of such section.

Section 5. Certificate of Termination of Right of First Refusal. A certificate, executed and acknowledged by the Secretary of the Condominium, stating that the provisions of Section 1 of this Article VIII have been met by a Unit Owner, or have been duly waived by the Board of Managers and the rights of the Board of Managers thereunder have terminated, shall be conclusive upon the Board of Managers in favor of all persons who rely thereon in good faith. Such certificates shall be furnished to any Unit Owner who has complied with the provisions of Section 1 of this Article VIII or in respect to whom the provisions of such section have been waived, upon request.

Section 6. Financing of Purchase of Units by Board of Managers. Acquisition or lease of Units by the Board of Managers, or its designee, on behalf of all Unit Owners, may be made from the working capital and Common Charges in the possession of the Board of Managers, or, if such funds are insufficient, the Board of Managers may levy a Special Assessment against each Unit Owner, other than the offering Unit Owner, in proportion to his ownership in the Common Elements, as a Common Charge, which Assessment shall be enforceable in the same manner as provided in Sections 6 and 7 of Article VI, or, the Board of Managers, in its discretion, may borrow money to finance the acquisition or lease of such Unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit, together with the Appurtenant Interests, so to be acquired by the Board of Managers. Notwithstanding the above, no Assessment may be levied under this Section 6 against any mortgagee who has acquired title to a Unit, whether by foreclosure or deed in lieu thereof.

Section 7. Exceptions. The provisions of Section 1 of this Article VIII shall not apply with respect to the right of first refusal pertaining to any sale or conveyance or lease by a Unit Owner of his or her Unit, together with the Appurtenant Interests, to his or her spouse or to any of his or her children or to his or her parent or parents or to his or her brothers or sisters, or any one (1) or more of them, or to any Unit owned by the Sponsor or a Sponsor-designee or the Community Facility Unit Owner, or to the acquisition or sale of any Unit, together with the Appurtenant Interests, by a mortgagee herein authorized who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. However, the provisions of this section shall apply with respect to any purchaser of a Unit from a mortgagee.

Section 8. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his Unit by gift or to devise his Unit by will, or to pass the same by intestacy, without restriction.

Section 9. Waiver of Right of Partition with Respect to Such Units as are Acquired by the Board of Managers or its Designee, on Behalf of All Unit Owners as Tenants in Common. In the event that a Unit shall be acquired by the Board of Managers, or its designee, on behalf of all Unit Owners as tenants in common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit.

Section 10. **Payment of Common Charges and Assessments.** No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he shall have paid in full to the Board of Managers all unpaid Common Charges and Assessments theretofore assessed by the Board of Managers against his Unit and until he shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 11. **Mortgage of Units.** No Residential Unit Owner shall mortgage his Unit, except by a first and/or second mortgage made to a bank, trust, trust company, insurance company, federal savings and loan association, pension fund or other institutional lender or a purchase money mortgage made to the Sponsor, Sponsor-designee, or to the seller of the Unit. Any such mortgage shall be substantially in the form on file with the Board of Managers, except for such changes or additions as may be required in order to permit the particular institutional lender to make the mortgage loan, or to the extent permitted by the Board of Managers. A mortgage encumbering a Residential Unit may be made to a reputable private lender, other than a lender as above described, provided the same is approved in writing by either the Sponsor, prior to the Sponsor's relinquishing control of the Board of Managers, or the Board of Managers, subsequent to the release of control by the Sponsor. Such approval shall be in the sole and absolute discretion of Sponsor or the Board of Managers as the case may be. Prior to or simultaneously with the closing of any mortgage, the Unit Owner must satisfy all arrearages for unpaid Common Charges or Assessments and discharge any liens therefor. The Sponsor, its designee and/or the Community Facility Unit Owner may encumber its Unit or Units with a mortgage or mortgages without being subject to the aforementioned restrictions.

Section 12. **Fees and Charges.** The Board of Managers shall have the right to require the Residential Unit Owner who is selling or is a prospective lessor to pay a fee to the Board of Managers and/or the Managing Agent to cover reasonable legal and other expenses of the Board of Managers and the Managing Agent in connection with the sale or lease of a Residential Unit pursuant to the provisions of this Article VIII except such charges and fees shall not apply to a sale or lease of any Unit by Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor, or the Community Facility Unit Owner. Any other fees in connection with the sale or lease of a Residential Unit may only be enacted by action of Unit Owners, except any such fee shall not apply to a sale or lease of any Unit by Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor, or the Community Facility Unit Owner.

ARTICLE IX

CERTAIN REMEDIES

Section 1. **Self Help.** If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his or her Unit or its appurtenant Limited Common Elements pursuant to the terms of Article VI hereof, and shall fail to cure such violation or breach within five (5) days after receipt of written notice of the

same from the Board of Managers, 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 Board of Managers shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements 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 Board of Managers 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 Board of Managers may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 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 Board of Managers shall have the right to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

b. The violation or breach of any of the terms of the Condominium Documents with respect to any of the rights, easements, privileges, or licenses granted to Sponsor or its designee shall give to Sponsor or such designee the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 3. Remedies Cumulative. The remedies specifically granted to the Board of Managers or to the Sponsor or its designee in this Article IX or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one (1) time or at different times, concurrently or in any order, in the sole discretion of the Board of Managers or Sponsor or such designee, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 4. Costs and Expenses. All sums of money expended, and all costs and expenses incurred, including, but not limited to, reasonable attorneys' fees, by (i) the Board of Managers in connection with the abatement, enjoinderment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 1 or paragraph (a) of Section 2 hereof or (ii) Sponsor in connection with any abatement, enjoinderment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (b) of Section 2 hereof, shall be immediately payable by such Unit Owner to the Board of Managers in the event set forth in subparagraph (i) hereof or by the offending party (i.e., the Board of Managers or the Unit Owner) to Sponsor, in the event set forth in subparagraph (ii) hereof, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent (2%)

per month, but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law. All sums payable by a Unit Owner to the Board of Managers pursuant to the terms of this Section 4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE X

CONDEMNATION

Section 1. **Condemnation.** In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers, if such award amounts to \$100,000.00 or less, and to the Insurance Trustee, if any, if such award amounts to more than \$100,000.00. If seventy-five percent (75%) or more of the Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers or the Insurance Trustee, if any, as the case may be, shall arrange for the repair and restoration of such Common Elements, and the Board of Managers or the Insurance Trustee, if any, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that seventy-five percent (75%) or more of the Unit Owners do not duly and promptly approve the repair and restoration of such Common Element, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article VI of these By-Laws. As used in this Section, the words "promptly approve" shall mean not more than sixty (60) days from the date of such taking.

If a portion of any Unit shall be taken in condemnation or by eminent domain and the Condominium shall not be terminated, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Common Elements after such taking bears to the total floor area of such Unit and its appurtenant Limited Common Elements prior to such taking. The Board of Managers shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest of such Unit, and, in the event of a taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Board of Managers and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

ARTICLE XI

RECORDS

Section 1. **Records and Audits.** The Board of Managers or the managing agent shall keep detailed records of the actions of the Board of Managers and the managing agent, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. In addition, it is the obligation of the Board of Managers of the Condominium to give to all Unit Owners annually, the following:

- (a) The financial statement of the Condominium prepared by a certified public accountant or, public accountant by March 15th of each calendar year for the prior fiscal year;
- (b) Prior notice of the annual Unit Owner's meeting;
- (c) A copy of the proposed annual budget, if any, of the Condominium, within ten (10) days prior to the date set for adoption thereof by the Board of Managers.

ARTICLE XII

MISCELLANEOUS

Section 1. **Invalidity.** The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 2. **Captions.** The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

Section 3. **Gender.** The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 4. **Waiver.** No restriction, condition, obligation, or provision contained in these By-Laws, 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 thereof which may occur.

Section 5. **Insurance Trustee.** The Insurance Trustee, if selected, shall be a bank, trust company or savings and loan association in the State of New York, designated by the Board of Managers (with the approval of each of the holders of twelve (12) or more Unit first mortgages). In the event that the Insurance Trustee shall resign, the new Insurance Trustee shall also be a bank,

trust company or savings and loan association in the State of New York, designated by the Board of Managers (with the approval of each of the holders of twelve (12) or more Unit first mortgages). The Board of Managers shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense of the Condominium.

Section 6. **Definition of "Mortgagee"**. As used in these By-Laws, the term "mortgagee" or "holder of a first mortgage" or "Permitted Mortgagee" shall include the holder of any construction loan mortgage which shall be a lien on a unit.

Section 7. **Nondisturbance Agreement**. At the request of the Community Facility Unit Owner, the Board shall execute and deliver to any tenant of such Community Facility Unit Owner an agreement providing in substance that so long as any lease pursuant to which such tenant occupies space in the Building is in full force and effect and there is no default by said tenant thereunder after notice and the expiration of any applicable grace period, and provided said tenant attorns to and recognizes the Board (or any successor thereto) as tenant's landlord pursuant to its lease (and executes and delivers any instrument which the Board or its successor may reasonably request to evidence such attornment), that the rights of tenant under its lease and the possession of tenant shall not be affected or disturbed and said lease shall not terminate as a result of any foreclosure or other action pursuant to the Declaration and By-Laws to obtain possession of the Community Facility Unit by the Board.

ARTICLE XIII

AMENDMENTS TO THE BY-LAWS

Section 1. **Amendment to By-Laws**. These By-Laws may be modified or amended by the vote of sixty-seven percent (67%) in number and in Common Interest of all Unit Owners at a meeting of Unit Owners duly held for such purpose. However, for as long as Sponsor or its designee remains the Owner of one (1) or more Units, these By-Laws, including the Rules and Regulations of the Condominium attached hereto, may not be amended or modified in any way so as to adversely affect Sponsor or its designee, in the sole discretion of Sponsor or its designee, as the case may be, without the prior written consent of Sponsor or its designee. Additionally, the By-Laws, including the Rules and Regulations of the Condominium may not be amended or modified in any way so as to adversely affect (i) the Community Facility Unit or the Community Facility Unit Owner without the prior written consent of the Community Facility Unit Owner, or (ii) the lien of any mortgage without the prior written consent of the mortgagee.

Notwithstanding anything contained herein, Sponsor hereby reserves itself and its designee(s) the right to amend these By-Laws at any time without the requirements of a vote and without the approval or consent of the Board of Managers, any Unit Owners or mortgagees of any Unit Owners for the sole purpose of conforming the By-Laws to the requirements of applicable state and local condominium laws and/or the legal requirements of the Department of Housing and Urban Development of the United States of America ("HUD"), including, but not limited to, HUD Revised Legal Policy which is attached as appendix 24 of the HUD Handbook 4265.1, as same may be amended from time to time, or any other governmental authority or agency to qualify the

Condominium for any applicable Unit financing, including, but not limited to, financing of the Federal Housing Authority of the United States of America ("FHA") and/or Fannie Mae financing.

ARTICLE XIV

CONFLICTS

Section 1. **Conflicts.** These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

ARTICLE XV

ARBITRATION

Section 1. **Procedure.** Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before one arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least five (5) members whose principal office is located in the City of New York.

Section 2. **Variation by Agreement.** The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 3. **Binding Effect.** The decision in any arbitration conducted pursuant to the terms of Sections 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4. **Costs and Expenses.** The fees, costs and expenses of the arbitrator shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

Section 5. **Sponsor's and Sponsor-designee's Option Not to Arbitrate.** Notwithstanding anything herein to the contrary, Sponsor, and/or its designee, shall not be

obligated to arbitrate any matter arising under its ownership or sale of Units in the Building. The decision to arbitrate any such matter will be in the sole discretion of Sponsor or its designee. In the event that Sponsor or Sponsor's designee elects not to arbitrate, Sponsor or Sponsor's designee shall have all remedies available to it at equity and law.

SCHEDULE A

ADDENDUM TO THE BY-LAWS OF THE CONDOMINIUMS OF THE PREMISES KNOWN AS

“99 MORNINGSIDE”

A CONDOMINIUM LOCATED AT 375 WEST 123RD STREET NEW YORK, NEW YORK 10027

RULES AND REGULATIONS

1. The Residential Units may be used only for private residential use, except that a Residential Unit Owner may use his Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Such Residential Units may also be used as professional offices by a resident thereof provided such professional use does not violate any zoning law and ordinances and provided further, that the prior written consent of the Board of Managers to such professional use is obtained. In the event that any Residential Unit shall be used for home occupation or professional purposes in conformity with the Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any public hallway. No illuminated or other sign may be used in connection with the aforementioned use, excepting only a professional sign, non-illuminated, not larger than the size permitted by the Board of Managers.

A Residential Unit 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 designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential 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 in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic employees and/or non-paying guests of the foregoing.

Notwithstanding anything herein to the contrary, the Sponsor or its designee may, without the permission of the Board of Managers, retain ownership of one or more Units for use as models, sales and/or production offices in connection with the sale or rental of the Units.

The Community Facility Unit may be used for Community Facility purposes, including, but not limited to, as a house of worship and related facilities, and residential use with respect to the portion of the Community Facility Unit comprised of a class A residential apartment, or for any other lawful purpose. As noted above, the Community Facility Unit will be owned by and operated as a church and related facilities. The usage of the Community Facility Unit as a church and related facilities an excessive amount of noise emanating from the Community Facility Unit, especially during church services. Further, the usage of the Community Facility Unit as a church may result in a large number of people entering and exiting the Community Facility Unit, through the main entrances to the Community Facility Unit located on Morningside Avenue. No sale, lease or sublease or use of all or any portion of the Community Facility Unit shall be deemed to adversely affect the Residential Units. The Board of Managers does not have the right to approve or change the use of the Community Facility Unit, or any part thereof, or to apply for or cause any amendment to the Building's Certificate of Occupancy to authorize a different use, except at the request or direction of, or the Community Facility Unit Owner, as applicable. Notwithstanding anything herein to the contrary, the non-residential portion of Community Facility Unit may not be converted to residential use without the prior approval of the Board of Managers.

2. Except as set forth above and herein, no industry, business, trade, occupation or profession of any kind, Community Facility, religious, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted in any part of the Residential Units or Common Elements nor shall any "For Sale", "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted in any Residential Unit therein or adjoining Common Elements, nor shall any Residential Unit be rented for transient, hotel or motel purposes. The right is reserved by the Sponsor, its designee and the Board of Managers, or its agent, to place "For Sale", "For Rent" or "For Lease" or similar signs on any unsold and/or unoccupied Units, and the right is hereby given to any mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee, but in no event will any such sign be larger than one (1') foot by two (2') feet. Additionally, the right is reserved by Sponsor and its designee to maintain and staff one (1) or more vacant and unsold Units in the Building as a sales office and/or model Unit(s). Sponsor and its designee shall have the right to place "For Sale," "For Rent" or "For Lease" signs or similar signs on or in the vicinity of the Building or any portion of the Common Elements without regard to size. Sponsor or its designee shall be responsible for installing and removing such signs.

3. 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 consent of the Board of Managers or the Managing Agent in each instance.

4. Unless expressly authorized by the Board of Managers in each instance, not less than eighty percent (80%) of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise-reducing material.

5. No window guards or other window decorations shall be used in or about any Residential Unit, except such as shall have been approved in writing by the Board of Managers or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any exterior glass surfaces of any windows at the Property, excluding the glass surfaces of any windows in the Community Facility Unit, be colored or painted. Notwithstanding anything above to the contrary, a Unit Owner must notify the Board of Managers in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. In addition, the Residential Unit Owner shall install at the Residential Unit Owner's own expense, the required window guards, as previously approved by the Board of Managers, in all windows of the Unit and shall not remove them until permitted by applicable law and in any event, without the full knowledge of the Board of Managers.

6. No exterior shades, window guards, awnings, ventilators, fans or air-conditioning devices or units shall be used or installed in or about any Unit, unless otherwise required by law, without the prior written approval of the Board of Managers, which approval may be granted or refused in the sole discretion of the Board of Managers, unless such installation is required by law, nor shall anything be projected out of any window of any Unit without similar approval. In connection with the individual Unit, each Unit Owner shall be responsible for compliance with all applicable laws relating to the requirement of installing window guards in the Unit.

7. No exterior of any Residential Unit, including the roof terraces, or the windows or doors thereof, or any other portions of the Common Elements shall be painted or decorated by any Owner in any manner, without prior written consent of the Board of Managers or except as provided in the By-Laws.

8. Plantings on any private terrace shall be contained in boxes of wood, lined with metal or other materials impervious to dampness and standing on supports at least two (2) inches from the private terrace surface, and, if adjoining a wall, at least three (3") inches from such wall. Suitable weep holes shall be provided in the boxes to draw off water. In special locations, such as a corner abutting a wall, plantings may be contained in masonry or hollow tile walls which shall be at least three (3") inches from the wall, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such private terrace, but shall stand on supports at least two inches above such surface. It shall be the responsibility of the Residential Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. There shall be no blockage of drainage on any private terrace by a Residential Unit Owner. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings. The size of such plantings shall be subject to the consent of the Board of Managers.

9. No personal articles (including, but not limited to, garbage cans, bottles or mats) and no furniture, artwork, equipment or doormats shall be placed or stored in entrances, hallways, stairways, or other Common Elements which are not limited to the exclusive use of a specific Residential Unit Owner. No Residential Unit Owner shall change or alter in any way the design, layout, color scheme or furnishings in entrances, hallways, stairways or other Common Elements,

which are not limited to the exclusive use of a specific Residential Unit Owner. Notwithstanding the foregoing, a Residential Unit Owner has the right to change the lock on the door to his Unit or to add an additional lock, provided that such lock conforms in color with the other lock or locks and a copy of the new key is provided to the Board of Managers.

10. No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his Unit or its appurtenant Limited Common Elements or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, stereo, television set, or other loudspeaker in such Residential Unit Owner's Unit between midnight 12:00 A.M. and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

11. Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows of a Unit, or any private terrace, any dirt or other substances. No clothes, sheets, blankets, or other articles of any kind shall be hung or shaken from any doors, windows or open areas, or placed upon the window sills of the Building.

12. Except as provided above, no sign, notice, lettering, or advertisement shall be inscribed or exposed on or at any window, door, or other part of the Building, except such as shall have been approved in writing by the Board of Managers, nor shall anything be projected out of any window of the Building without similar approval.

13. All garbage and refuse from the Building shall be deposited with care in plastic bags or other suitable receptacles intended for such purpose only at such times and in such manner as the Board of Managers may direct. Each Unit Owner shall comply with all requirements of law and regulations of the Board of Managers regarding recycling of trash. All Unit Owners shall separate their trash into "recyclable" and "nonrecyclable" materials. The Board of Managers may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by the Unit Owner for the disposal of designated recyclable materials and the locations where designated recyclable materials shall be deposited. The Board of Managers may also establish other regulations regarding recycling of trash. Any costs incurred by the Board of Managers in the enforcement against the Unit Owner of recycling requirements imposed by law or by the Board of Managers, including (but not limited to) legal fees and fines or penalties imposed on the Board of Managers by any governmental agency shall be payable by the Unit Owner as additional Common Charges.

14. Water closets and other water apparatus in the Building shall not be used for any purposes other than those for which they were constructed; nor shall any sweepings, rubbish, rags, paper, ashes, or any other article be thrown into the same. Any damage resulting from misuse of any water closet or other apparatus shall be paid for by the Unit Owner causing such damage.

15. Except for Units owned by Sponsor and/or a Sponsor designee, no bird, reptile, or animal, other than one (1) domesticated dog or cat, shall be permitted, raised, bred, kept, or harbored in the Units unless, in each instance, the same shall have been expressly permitted in writing by the Board or the Managing Agent. Any such consent, if given, shall be revocable at any time by the Board or the Managing Agent in their sole discretion. In no event shall any bird, reptile, or animal, including, but not limited to, domesticated dogs and cats, be permitted on any public portions of the Building, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills, terraces, or other public portions of the Building, or on the sidewalk or street adjacent to the Building. However, notwithstanding the above, no Unit Owner shall be permitted to have a pit bull terrier or similar type dog which has shown vicious propensities without express prior written permission of the Board of Managers. The individual Unit Owners who keep an animal in their Unit shall each indemnify the Board of Managers and hold it harmless against any loss or liability of any kind or character whatsoever arising from or as a result of the Unit Owner having any animal in their Unit. All Unit Owners shall be responsible for immediately cleaning up any droppings from their pets.

16. Except as provided in the Declaration and By-Laws of the Condominium, no radio or television aerial or satellite dish shall be attached to or hung from the exterior of the Building without written approval of the Board of Managers. The Board of Managers, upon the request of any Unit Owner, shall allow the installation of any hook-up necessary to provide cable television service to the Units.

17. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

18. The agents of the Board of Managers, and any contractor or workman authorized by them, may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Declaration, By-Laws, or Rules and Regulations of the Condominium.

19. No Unit Owner or any visitor, guest, patient, employee or any client of a Unit Owner shall be allowed in any heating, electrical or mechanical equipment area without the express permission of the Board of Managers.

20. All damage to the Building or Common Elements caused by the moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such article.

21. No Unit Owner shall interfere in any manner with any portion of the lighting apparatus which is part of the Common Elements and not part of the Unit Owner's Unit, except that an Owner of the Community Facility Unit may install and use extra equipment in the risers and conduits servicing the Building so long as such Unit Owner reimburses the Board of Managers for the actual costs attributable to such installation and use.
22. No Unit Owner shall use or permit to be brought into the Building any flammable oils or fluids such as gasoline, kerosene, naphtha, benzine, or other explosives or articles deemed extra hazardous to life, limb, or property without in each case obtaining the written consent of the Board of Managers.
23. Except as provided above, the Unit Owner shall not be allowed to put his name on any entry to the Building or entrance to any Unit, except in the proper places approved by the Board of Managers for such purposes.
24. Any damage to the Building or equipment caused by Unit Owners, Unit Owner's family members, their guests, visitors, clients, patients or employees shall be repaired at the expense of the said Unit Owner.
25. Complaints regarding the management of the Building and grounds or regarding the actions of other Unit Owners shall be made in writing to the Board of Managers.
26. No Unit shall be used or be occupied in such manner as to obstruct or interfere with the enjoyment of occupants or owners of adjoining Units; nor shall any nuisance or immoral or illegal activity be committed or permitted to occur in or about any Unit or upon any part of the Common Elements.
27. Certain parts of the Common Elements are intended for use for the purpose of affording pedestrian movement within the Condominium and of providing access to the Units. No part of the Common Elements shall be obstructed as to interfere with its use for the purposes hereinabove recited; nor shall any part of the Common Elements be used for general storage purposes, except maintenance storage; nor shall anything be done thereon in any manner which shall increase the rate of hazard and liability insurance covering said area and improvements situated thereon, except if a use of the Community Facility Unit shall increase the rate of hazard and liability insurance for such area and improvements situated thereon, the Owner of the Community Facility Unit shall pay the increase.
28. Except as otherwise provided for in the Condominium Declaration and/or By-Laws, the sidewalks, entrances, passages, public halls, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units. No vehicle belonging to a Unit Owner, to a family member of a Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, or agent of a Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to, or exit from, the Building by another vehicle.

29. No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

30. There shall be no playing or lounging in the entrances, passages, public halls, corridors, stairways of the Building, except in recreational areas or other areas designated as such in the Declaration or by the Board of Managers.

31. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage, recreation, or service purposes in the Building.

32. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Board of Managers. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any law.

33. The agents of the Board of Managers or the Managing Agent, and any contractor or workman authorized by the Board of Managers or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least one (1) day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

34. The Board of Managers or the Managing Agent shall retain a pass-key to each Residential Unit. No Residential Unit Owner shall change any lock on any door leading into his Residential Unit without the prior written consent of the Board of Managers. As a condition to obtaining such consent, the Residential Unit Owner must provide the Board of Managers with a key to such changed lock for their use. If a Residential Unit Owner fails to provide the Board of Managers with all keys necessary to gain entrance to such Unit Owner's Unit promptly after such Unit Owner moves into his Unit, then Sponsor shall be automatically released from any obligation it may have for correcting defects in or making repairs to such Unit. If Sponsor or the Board of Managers must gain access to a Residential Unit for emergency purposes and a Residential Unit Owner has not furnished a key to the Board of Managers as provided in this paragraph, then the affected Residential Unit Owner shall be liable and responsible for any damage to the Common Elements or such Residential Unit caused by Sponsor or the Board of Managers in gaining access to such Unit. Furthermore, if the Residential Unit Owner is not personally present to open and permit an entry to his Residential 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 of Managers or the Managing Agent, then the Board of Managers or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's property).

35. If any key or keys are entrusted by a Unit Owner, by any family member thereof, or by his agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Board of Managers nor the Managing Agent shall be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

36. No Unit Owner or other occupant of the Building shall use any employee of the Condominium or of the Managing Agent for private business or send any employee of the Condominium or of the Managing Agent out of the Building on any private business without the written consent of the Condominium Board except as a real estate broker for the sale or lease of a Unit.

37. The use of (i) the public or common outdoor roof terrace at the third floor; and (ii) residential storage and bike room located at the cellar level of the Building, by any of the Residential Unit Owners shall be subject to any and all restrictions and/or regulations established by the Board of Managers in its sole discretion.

38. The use of the gym/fitness room on the 2nd floor of the Building, including any and all exercise and/or gym equipment located therein and the multi-purpose room on the 2nd floor, shall also be at the sole discretion of the Board of Managers and shall also be subject to all and any guidelines established by the Board of Managers relating thereto. Such guidelines may include, but are not limited to, any medical waiver or consent that a Unit Owner must execute prior to the use of any exercise and/or gym equipment.

39. Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

40. Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (1) 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.

41. Except as permitted under the Declaration and By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the non-public areas of the main roofs of the Building.

42. When leaving the Residential Unit for extended periods of time, Residential Unit Owners and their respective family members, guests, domestic employees, agents, visitors, or licensees shall keep the Residential Unit at a maximum of 80 degrees Fahrenheit from May 15 to October 15 and shall keep the Residential Unit at a minimum of 60 degrees Fahrenheit from October 15 to May 15. Any damage resulting from a Residential Unit Owner's or their respective family members', guests', domestic employees', agents', visitors' or licensees' failure to abide by the provisions of this paragraph shall be borne solely by the Owner of such Residential Unit causing the damage.

43. No person may carry or smoke any kind of lighted pipe, cigar, cigarette, tobacco, or any other lighted smoking apparatus, equipment or product, including but not limited to electronic cigarettes (hereinafter referred to collectively as "Smoking Apparatus") in any of the common areas of the Building, whether indoor or outdoor, at any time. Though smoking shall be permitted in any Residential Unit or Residential Limited Common Element appurtenant thereto, including a private balcony, terrace, and/or garden, no person may smoke or otherwise burn any Smoking Apparatus in any Residential Unit or Residential Limited Common Element appurtenant thereto in a manner which causes smoke to be a nuisance or annoyance to any other resident of the Condominium. This paragraph shall be deemed to be incorporated into the Purchase Agreement for each Unit.

PUNCHLIST INSPECTION STATEMENT

Date: _____

99 Morningside LLC
 40 Fulton Street, 12th Floor
 New York, New York 10038

RE: "99 Morningside," a Condominium
 Unit #____, and individual storage room #____, if applicable,

Building Address: 375 West 123rd Street
 New York, NY 10027

Gentlemen:

As a result of my/our final inspection, please be advised that the following items need either completion, adjustment or repair:

ITEM

1. _____
2. _____
3. _____
4. _____
5. _____

I/we understand that certain items, as set forth in the Offering Plan, are not the responsibility of Sponsor. I/we also understand that to prevent pilferage certain items such as medicine cabinet doors, shower heads, toilet seats and bifold door knobs,

 _____ will be
 installed just prior to my/our date of moving.

 _____ Purchaser's signature

 _____ Purchaser's signature

 Seller's Representative

23-32 - Minimum Lot Area or Lot Width for Residences

LAST AMENDED
6/29/2006

R1 R2 R3 R4 R5 R6 R7 R8 R9 R10

In all districts, as indicated, except as provided in Section 23-33 (Special Provisions for Development of Existing Small Lots), no **residence** is permitted on a **zoning lot** with a total **lot area** or **lot width** less than as set forth in the following table:

REQUIRED MINIMUM LOT AREA AND LOT WIDTH

Type of Residence	Minimum Lot Area (in sq. ft)	Minimum Lot Width (in ft)	District
Single-family detached	9,500	100	R1-1
	5,700	60	R1-2
	3,800	40	R2 R2A
	2,850	30	R2X
Single- or two-family detached or zero lot line where permitted	3,800	40	R3-1 R3-2 R4-R10
	3,325	35	R3X
	2,850	30	R4A* R5A
	2,375	25	R3A* R4-1* R4B R5B R5D
Any other permitted	1,700	18	R3-R10*

* In **lower density growth management areas**, for **two-family detached** and **two-family zero lot line residences**, where permitted, in R3A, R4-1 and R4A Districts, and for **two-family semi-detached residences** in R3-1, R3-2 and R4-1 Districts, the

minimum **lot area** shall be 3,135 square feet and the minimum **lot width** shall be 33 feet.

However, in **lower density growth management areas** in the Borough of Staten Island, the following rules shall apply:

- (a) Where two or more **buildings** that are **single-** or **two-family detached** or **semi-detached residences** are located on a **zoning lot**, the applicable minimum **lot area** requirement set forth in the table in this Section shall be multiplied by the number of such **buildings** on the **zoning lot**.
- (b) The **lot width** requirements set forth in this Section shall be applied as set forth in the definition of **lot width** in Section 12-10, provided that the applicable **lot width**, in feet, set forth in the table shall be met along at least one **street line** of the **zoning lot** or, for **corner lots**, along each intersecting **street line**. No **residence**, or portion thereof, shall be permitted between opposing **side lot lines** where such **lot lines** would be nearer to one another at any point where such **residence** is located than the applicable minimum lot width, in feet, set forth in the table.

Regulations Applying in Special Situations

23-952 - Height and setback in Mandatory Inclusionary Housing areas

LAST AMENDED
2/14/2018

In ***Mandatory Inclusionary Housing areas***, the provisions of Section 23-951 shall apply to ***MIH developments***, except as modified in this Section.

- (a) In R9 Districts without a letter or number suffix, the regulations of Section 23-651 (Tower-on-a-base) may apply, provided such ***MIH development*** is on a ***zoning lot*** that meets the requirements set forth in paragraph (a) of Section 23-65 (Tower Regulations).
- (b) In R6 through R9 Districts without a letter suffix within ***Mandatory Inclusionary Housing areas***, the height and setback regulations of Section 23-64 (Basic Height and Setback Regulations) may apply, except that towers shall not be permitted in an R9-1 District. In addition, for R9 Districts without a letter or number suffix that do not meet the requirements of paragraphs (a) and (c) of Section 23-65 (Tower Regulations), the tower provisions of Section 23-652 (Standard tower) may apply, subject to the ***lot coverage*** provisions of Section 23-65. However, when the height and setback and tower regulations specified in this paragraph are utilized, the maximum ***floor area ratio*** on an ***MIH zoning lot*** shall be determined in accordance with the provisions of Section 23-151 (Basic regulations for R6 through R9 Districts).

23-45 - Minimum Required Front Yards

LAST AMENDED
2/2/2011

R1 R2 R3 R4 R5

- (a) In the districts indicated, **front yards** shall be provided as set forth in the following table, except that for a **corner lot** in an R1-2 District, one **front yard** may have a depth of 15 feet and, for a **corner lot** in an R3 District, one **front yard** may have a depth of 10 feet.

Front Yard	District
20 feet	R1
20 feet*	R1-2A
15 feet	R2 R2X R3-1 R3-2
15 feet*	R2A
10 feet*	R3A R3X R4-1 R4A R5A
10 feet**	R4 R5
5 feet*	R4B R5B R5D

* Except as provided in paragraphs (b) and (c) of this Section

** If the depth of a **front yard** exceeds 10 feet, the depth of the **front yard** shall be at least 18 feet. Furthermore, **developments** or **enlargements** pursuant to the optional regulations applicable in a **predominantly built-up area** shall provide a **front yard** with a depth of at least 18 feet. However, on a **corner lot**, if one **front yard** has a depth of at least 18 feet, the other **front yard** shall have a depth of at least 10 feet

Furthermore, if an opening to an **accessory** off-street parking space is located within the **street wall** of a **building** containing **residences**, there shall be an open area between the opening and the **street line** which is at least 8 feet, six inches in width by 18 feet in depth, except this provision shall not apply in R5D Districts.

R1-2A R2A R3A R3X R4-1 R4A R4B R5A R5B R5D

- (b) For the purpose of paragraphs (b) and (c) the area between the **street line** and the front **building** wall of adjacent **buildings** on the same or adjoining **zoning lots** shall be considered adjacent **front yards**.

Except as provided in paragraph (c) of this Section, in the districts indicated, if adjacent **buildings** containing **residences** on the same or on adjoining **zoning lots** fronting on the same **street** have **front yards** greater than the minimum set forth in paragraph (a) of this Section, then a **front yard** shall be provided which:

- (1) in R1-2A, R2A, R3A, R3X, R4-1, R4A or R5A Districts is at least as deep as an adjacent **front yard**; and
- (2) in R4B, R5B or R5D Districts is no deeper than the deepest adjacent **front yard** and no shallower than the shallowest adjacent **front yard**.

However, a **front yard** need not exceed 20 feet in depth, except that in R1-2A Districts, a **front yard** need not exceed 25 feet in depth.

In determining the depth of the adjacent **front yards**, balconies and projections from the front **building** wall that do not exceed 33 percent of the width of the **building** shall be disregarded.

For **developments** or **enlargements**, projections into the required **front yard** are permitted provided that the width of all projections at the level of any **story** does not exceed 33 percent of the width of the **building**. The depth of such projections shall not exceed three feet into the **front yard**. However, balconies shall be subject to the provisions of Sections 23-13 (Balconies) and 23-44 (Permitted Obstructions in Required Yards or Rear Yard Equivalents).

- (c) The provisions of paragraph (b) of this Section determining the depth of a **front yard** by the location of a **front yard** on an adjacent **zoning lot**, are modified as follows:
- (1) on **corner lots**, these provisions shall apply on only one **street** frontage; and
 - (2) these provisions shall not apply to:
 - (i) any **street** frontage of a **zoning lot** where such frontage has a length of at least 150 feet along such **street**;
 - (ii) any **zoning lot** located in historic districts designated by the Landmarks Preservation Commission; or
 - (iii) a frontage of any **zoning lot** where the depths of 50 percent of the **front yards** within 150 feet of the **side lot lines** of such **zoning lot** are shallower by more than two feet than the shallowest of the adjacent **front yards**.

R1 R2 R3 R4 R5

- (d) For any **zoning lot** located in a Historic District designated by the Landmarks Preservation Commission, the provisions of paragraphs (a) and (b) of this Section are modified as follows:

The depth of the **front yard** may vary between the requirements of paragraph (a) of this Section, or as modified in any applicable Special District, and the depth of the **front yard** of any adjacent **zoning lot**.

23-451 - Planting requirement

LAST AMENDED

4/14/2010

R1 R2 R3 R4 R5

In the districts indicated, a minimum percentage of the area of the **front yard** shall be planted, which shall vary by **street** frontage of the **zoning lot** as set forth in the following table. For the purposes of this Section, the **front yard** shall include the entire area between all **street walls** of the **building** and their prolongations and the **street line**. Planted areas shall be comprised of any combination of grass, groundcover, shrubs, trees or other living plant material, and shall have a minimum dimension of one foot, exclusive of any bounding walls. Any planted area within a driveway or parking space shall not qualify towards meeting the minimum planting requirements of this Section. For **through lots** or **corner lots**, the planting requirement of this Section shall be applied separately to each **street** frontage. For **corner lots**, planted areas of overlapping portions of **front yards** shall only be counted towards the planting requirement of one **front yard**. For **zoning lots** with multiple **building segments**, the planting requirement of this Section shall be applied separately to the entire area between the **street wall** of each **building segment** and the **street line**.

Where multiple **buildings** on a single **zoning lot** front upon the same **street**, the planting requirements of this Section shall be determined by the **street** frontage allocated to the area occupied by each such **building** and applied separately to the entire area between the **street line** and the **street wall** of each **building** and its prolongation. The allocation of planting requirements to open areas between **buildings** shall be determined by dividing such open area evenly, with an equal portion attributed to each **building** on both sides of such open area.

Any **zoning lot** occupied by a **building** constructed after April 30, 2008, shall provide planted areas in accordance with the provisions of this Section. Any **zoning lot** occupied by a **building** constructed prior to such date shall not be altered in any way that will either create new **non-compliance** or increase the degree of **non-compliance** with the provisions of this Section.

Street frontage of zoning lot , street wall width of building segment , or street frontage allocated to each of multiple buildings on a single zoning lot , as applicable	Percentage of front yard to be planted (minimum)
Less than 20 feet	20
20 to 34 feet	25
35 to 59 feet	30
60 feet or greater	50

Basic Regulations — Side Yards

23-47 - Minimum Required Rear Yards

LAST AMENDED
4/30/2008

R1 R2 R3 R4 R5 R6 R7 R8 R9 R10

In all districts, as indicated, a **rear yard** with a depth of not less than 30 feet shall be provided at every **rear lot line** on any **zoning lot** except as otherwise provided in Sections 23-52 (Special Provisions for Shallow Interior Lots), 23-53 (Special Provisions for Through Lots) or 23-54 (Other Special Provisions for Rear Yards). **Rear yards** shall also be provided along portions of **side lot lines** as set forth in Section 23-471 (Beyond one hundred feet of a street line).

23-471 - Beyond one hundred feet of a street line

LAST AMENDED
4/30/2008

R1 R2 R3 R4 R5 R6 R7 R8 R9 R10

In all districts, as indicated, for **interior** or **through lot** portions of **corner lots**, and for **zoning lots** bounded by two or more **streets** that are neither **corner lots** nor **through lots**, the portion of a **side lot line** beyond 100 feet of the **street line** that it intersects shall be considered a **rear lot line** and the following rules shall apply along such **rear lot line** :

- (a) In all districts, a **rear yard** with a minimum depth of 30 feet shall be provided where such **rear lot line** coincides with a **rear lot line** of an adjoining **zoning lot**.



CORNER LOT

(23-471a)

- (b) In R1 through R5 Districts, a **rear yard** with a minimum depth of eight feet shall be provided where such **rear lot line** coincides with a **side lot line** of an adjoining **zoning lot**.



ZONING LOT BOUNDED BY TWO OR MORE STREETS

(NEITHER A CORNER LOT NOR A THROUGH LOT)

(23-471b)

- (c) In R6 through R10 Districts, no **rear yard** shall be required where such **rear lot line** coincides with a **side lot line** of an adjoining **zoning lot**.

Regulations Applying in Special Situations

Side Yards

23-462 - Side yards for all other buildings containing residences

LAST AMENDED
3/22/2016

R3-2 R4 R5 R6 R7 R8 R9 R10

In the districts indicated, except as set forth in Section 23-461 (Side yards for single- or two-family residences) or Section 23-49 (Special Provisions for Side Lot Line Walls), **side yards** shall be provided for all **zoning lots** with **buildings** containing **residences** as provided in this Section:

R3-2 R4 R5

- (a) In the districts indicated, except R4B, R5B or R5D Districts, two **side yards**, each with a minimum required width of eight feet, shall be provided. However, if the **aggregate width of street walls** of a **residential building** is more than 80 feet or, for **abutting buildings** if the combined **aggregate width of street walls** of all such **abutting buildings** on a **zoning lot** is more than 80 feet, then two **side yards** shall be provided, each equal to not less than 10 percent of such **aggregate width of street walls**. For **zoning lots** where no such **buildings** exceed a height of two **stories** and a **basement**, **side yards** need not exceed 15 feet in width.

However, on all **corner lots** in **lower density growth management areas**, one **side yard** shall be at least 20 feet in width.

R4B R5B R5D

- (b) In the districts indicated, no **side yards** are required; however, where a **building** containing **residences** on an adjacent **zoning lot** has a **side yard**, an open area with a minimum width of eight feet and parallel to the **side lot line** is required along the common **side lot line** between such **buildings**. Obstructions permitted pursuant to paragraph (c)(3) of Section 23-461 shall be permitted in such open areas.

R6 R7 R8 R9 R10

- (c) In the districts indicated, no **side yards** are required. However, if any open area extending along a **side lot line** is provided at any level, it shall have a minimum width of eight feet, measured perpendicular to the **side lot line**, and extend along the entire **side lot line**, except where a **court** is provided in accordance with the applicable provisions of Section 23-60 (HEIGHT AND SETBACK REGULATIONS). Obstructions permitted pursuant to paragraph (a) of Section 23-44 (Permitted Obstructions in Required Yards or Rear Yard Equivalents) shall be permitted in such open areas.

24-11 - Maximum Floor Area Ratio and Percentage of Lot Coverage

LAST AMENDED
3/22/2016

R1 R2 R3 R4 R5 R6 R7 R8 R9 R10

In all districts, as indicated, for any **zoning lot**, the maximum **floor area ratio** and maximum percent of **lot coverage** for a **community facility use** shall not exceed the **floor area ratio** and **lot coverage** set forth in the table in this Section.

Any given **lot area** shall be counted only once in determining the **floor area ratio**.

Notwithstanding any other provision of this Resolution, the maximum **floor area ratio** in an R9 or R10 District shall not exceed 12.0.

MAXIMUM FLOOR AREA AND MAXIMUM LOT COVERAGE IN R1 THROUGH R5 DISTRICTS

District	Floor Area Ratio	Lot coverage (percent of lot area)	
		Corner Lot	Interior Lot or Through Lot
R1	1.00	60	55
R2	1.00	60	55
R3	1.00	60	55
R4	2.00	60	55
R5 R5A R5B	2.00	60	55
R5D	2.00	80	60

MAXIMUM FLOOR AREA AND MAXIMUM LOT COVERAGE IN R6 THROUGH R10 DISTRICTS FOR CONTEXTUAL DISTRICTS

Lot coverage(percent of **lot area**)

District	Floor Area Ratio	Corner Lot	Interior Lot or Through Lot
R6A	3.00	80	60
R6B	2.00	80	60
R7A	4.00	80	65
R7B	3.00	80	65
R7D	4.20	80	65
R7X	5.00	80	70
R8A	6.50	80	70
R8B	4.00	80	70
R8X	6.00	80	70
R9A	7.50	80	70
R9D	9.00	80	70
R9X	9.00	80	70
R10A	10.00	100	70
R10X	10.00	100	70

MAXIMUM FLOOR AREA AND MAXIMUM LOT COVERAGE IN R6 THROUGH R10
DISTRICTS FOR NON-CONTEXTUAL DISTRICTS

District	<i>Floor Area Ratio</i>	<i>Lot coverage</i> (percent of <i>lot area</i>)	
		<i>Corner Lot</i>	<i>Interior Lot or Through Lot</i>
R6	4.80	70	65
R7-1	4.80	70	65
R7-2	6.50	70	65
R8	6.50	75	65
R9	10.00	75	65
R10	10.00	75	65

24-111 - Maximum floor area ratio for certain community facility uses

LAST AMENDED
3/22/2016

R1 R2

- (a) In the districts indicated, for any **zoning lot** containing **community facility uses** other than those **uses** for which a permit is required pursuant to Sections 22-21 (By the Board of Standards and Appeals), 73-12 (Community Facility Uses in R1, R2, R3-1, R3A, R3X, R4-1, R4A or R4B Districts) and 73-13 (Open Uses in R1 or R2 Districts), or where **bulk** modification is permitted pursuant to Section 74-902 (Certain community facility uses in R1 and R2 Districts and certain Commercial Districts), the maximum **floor area ratio** shall not exceed the **floor area** permitted for **residential uses** by the applicable district regulations. The provisions of this paragraph shall not apply to **buildings** for which plans were filed with the Department of Buildings prior to November 15, 1972, including any subsequent amendments thereof.

R3 R4 R5 R6 R7 R8 R9

- (b) In R3 through R5 Districts, and in R6 through R9 Districts without a letter suffix, the maximum **floor area ratio** on a **zoning lot** for philanthropic or non-profit institutions with sleeping accommodations, and in R3-1, R3A, R3X, R4-1, R4A, R4B, R5A, R5B and R5D Districts, the maximum **floor area ratio** on a **zoning lot** for **long-term care facilities** shall be as set forth in the table in this Section. Such maximum **floor area ratio** may be modified by special permit of the City Planning Commission pursuant to Section 74-903 (Certain community facility uses in R3 to R9 Districts and certain Commercial Districts).

MAXIMUM FLOOR AREA RATIO FOR CERTAIN COMMUNITY FACILITY USES

District	Maximum Floor Area Ratio Permitted
R3	0.50
R4	0.75
R5 R5A R5B	1.27
R5D	2.00
R6	2.43
R7	3.44
R8	6.02
R9	7.52

24-112 - Special floor area ratio provisions for certain areas

LAST AMENDED
5/29/2019

The **floor area ratio** provisions of Section 24-11 (Maximum Floor Area Ratio and Percentage of Lot Coverage), inclusive, shall be modified for certain areas as follows:

- (a) in R8B Districts within Community District 8, in the Borough of Manhattan, the

maximum **floor area ratio** on a **zoning lot** containing **community facility uses** exclusively shall be 5.10;

- (b) in R10 Districts, except R10A or R10X Districts, within Community District 7, in the Borough of Manhattan, all **zoning lots** shall be limited to a maximum **floor area ratio** of 10.0; and
- (c) in R9 and R10 Districts, for **zoning lots** containing a **building** that is **developed** or **enlarged** pursuant to the applicable tower regulations of Section 23-65 (Tower Regulations), inclusive, the provisions of paragraph (a)(2) of Section 23-16 (Special Floor Area and Lot Coverage Provisions for Certain Areas) shall apply:
 - (1) to only the **residential** portion of a **building** where less than 75 percent of the total **floor area** of such **building** is allocated to **residential use**; and
 - (2) to the entire **building** where 75 percent or more of the total **floor area** of such **building** is allocated to **residential use**.

24-113 - Existing public amenities for which floor area bonuses have been received

LAST AMENDED
3/22/2016

- (a) Elimination or reduction in size of non-bonused open area on a **zoning lot** containing a bonused amenity

In all districts, any existing open area for which a **floor area** bonus has not been utilized that occupies the same **zoning lot** as an existing **publicly accessible open area** or other public amenity, open or enclosed, for which a **floor area** bonus has been utilized, may be reduced in size or eliminated only upon certification of the Chairperson of the City Planning Commission that all bonused amenities comply with the standards under which such **floor area** bonus was granted.

- (b) Nighttime closing of existing public open areas

In all **Residence Districts**, the City Planning Commission may, upon application, authorize the closing during certain nighttime hours of an existing **publicly accessible open area** for which a **floor area** bonus has been received, pursuant to Section 37-727 (Hours of access).

- (c) Elimination or reduction in size of existing public amenities

In all districts, no existing **publicly accessible open area**, **arcade** or other public amenity, open or enclosed, for which a **floor area** bonus has been utilized, shall be eliminated or reduced in size, except by special permit of the City Planning

Commission, pursuant to Section 74-761 (Elimination or reduction in size of bonused public amenities).

35-31 - Maximum Floor Area Ratio

LAST AMENDED
3/22/2016

C1 C2 C3 C4 C5 C6

In the districts indicated, except as set forth in Section 35-311, the provisions of this Section shall apply to any **zoning lot** subject to the provisions of this Chapter.

The maximum **floor area ratio** permitted for a **commercial** or **community facility use** shall be as set forth in Article III, Chapter 3, and the maximum **floor area ratio** permitted for a **residential use** shall be as set forth in Article II, Chapter 3, provided the total of all such **floor area ratios** does not exceed the greatest **floor area ratio** permitted for any such **use** on the **zoning lot**. Special rules for certain areas are set forth in Section 35-35 (Special Floor Area Ratio Provisions for Certain Areas).

Notwithstanding the provisions for R10 Districts in Community District 7 in the Borough of Manhattan set forth in Section 23-16 (Special Floor Area and Lot Coverage Provisions for Certain Areas), in C4-7 Districts within Community District 7 in the Borough of Manhattan, the maximum **residential floor area ratio** may be increased pursuant to the provisions of Sections 23-154 and 23-90 (INCLUSIONARY HOUSING).

In **Inclusionary Housing designated areas**, except within Waterfront Access Plan BK-1 and R6 Districts without a letter suffix in Community District 1, Brooklyn, the maximum **floor area ratio** permitted for **zoning lots** containing **residential** and **commercial** or **community facility uses** shall be the base **floor area ratio** set forth in Section 23-154 for the applicable district.

However, in **Inclusionary Housing designated areas** mapped within C4-7, C5-4, C6-3D and C6-4 Districts, the maximum base **floor area ratio** for **zoning lots** containing **residential** and **commercial** or **community facility uses** shall be either the base **floor area ratio** set forth in Section 23-154 plus an amount equal to 0.25 times the non-**residential floor area ratio** provided on the **zoning lot**, or the maximum **floor area ratio** for **commercial uses** in such district, whichever is less.

The maximum base **floor area ratio** in **Inclusionary Housing designated areas** may be increased to the maximum **floor area ratio** set forth in Section 23-154 only through the provision of **affordable housing** pursuant to Section 23-90, inclusive.

Where **floor area** in a **building** is shared by multiple **uses**, the **floor area** for such shared portion shall be attributed to each **use** proportionately, based on the percentage each **use** occupies of the total **floor area** of the **zoning lot** less any shared **floor area**.

A non-**residential use** occupying a portion of a **building** that was in existence on December 15, 1961, may be changed to a **residential use** and the regulations on maximum **floor area ratio** shall not apply to such change of **use**.

35-311 - Maximum floor area and special provisions for mixed buildings or zoning lots with multiple buildings containing community facility use in certain districts

LAST AMENDED
3/22/2016

C1 C2

In C1 and C2 Districts mapped within R6 Districts without a letter suffix, and in R7-1 Districts, the provisions of this Section shall apply to any **zoning lot** where **residential** and **community facility uses** are located within the same **building**. However, this Section shall not apply to **buildings** containing **residences** and philanthropic or non-profit residences with sleeping accommodations, as set forth in Section 35-012 (Special provisions for certain community facility uses).

- (a) For **buildings** containing **residential** and **community facility uses**, where such **buildings** have a ratio of **floor area** in such **building** to **lot area** greater than set forth in Column A in the following table, the maximum such ratio for the **community facility** portions of such **buildings** shall be as set forth in Column B in the table, and the maximum such ratio for the **residential** portions of such **buildings** shall be as set forth in Article II, Chapter 3, subject to the limitations set forth in paragraph (d) of this Section.

	COLUMN A	COLUMN B
District	Maximum Ratio of Floor Area in Building to Lot Area	Maximum Ratio of Floor Area in Community Facility Use to Lot Area
C1 or C2 mapped in R6	2.5	1.0
C1 or C2 mapped in R7-1	3.5	1.0

- (b) For **buildings** containing **residential** and **community facility uses**, where such **buildings** have a ratio of **floor area** in such **building** to **lot area** that do not exceed the applicable ratio set forth in Column A in the table in paragraph (a) of this Section, the maximum **floor area ratio** for the **community facility** portion of such **buildings** shall be as set forth in Article III, Chapter 3, and the maximum **floor area ratio** for the **residential** portions of such **buildings** shall be as set forth in Article II, Chapter 3, subject to the limitations set forth in paragraph (d) of this Section.

- (c) For **zoning lots** containing multiple **buildings**, the provisions of this paragraph, (c), shall apply to any **building** that does not contain both **community facility** and **residential uses**. The maximum **floor area ratio** permitted for the **commercial** or **community facility** portions of such **buildings** shall be as set forth in Article III, Chapter 3, and the maximum **floor area ratio** permitted for the **residential** portions of such **buildings** shall be as set forth in Article II, Chapter 3, subject to the limitations set forth in paragraph (d).
- (d) The total **floor area ratio** permitted for **commercial** or **community facility use** on the **zoning lot** shall be as set forth in Article III, Chapter 3, and the total **floor area ratio** permitted for **residential use** on the **zoning lot** shall be as set forth in Article II, Chapter 3, provided the total of all such **floor area ratios** does not exceed the greatest **floor area ratio** permitted for any such **use** on the **zoning lot**.

For the purposes of this Section, a **building segment** may be considered to be a **building**.

35-312 - Existing public amenities for which floor area bonuses have been received

LAST AMENDED
10/17/2007

- (a) Elimination or reduction in size of non-bonused open area on a **zoning lot** containing a bonused amenity

In all districts, any existing open area for which a **floor area** bonus has not been utilized that occupies the same **zoning lot** as an existing **publicly accessible open area** or other public amenity, open or enclosed, for which a **floor area** bonus has been utilized, may be reduced in size or eliminated only upon certification of the Chairperson of the City Planning Commission that all bonused amenities comply with the standards under which such **floor area** bonus was granted.

- (b) Kiosks and open air cafes

Kiosks and open air cafes may be placed within an existing **publicly accessible open area** for which a **floor area** bonus has been received by certification, pursuant to Section 37-73 (Kiosks and Open Air Cafes).

- (c) Nighttime closing of existing public open area

In all **Commercial Districts**, the City Planning Commission may, upon application, authorize the closing during certain nighttime hours of an existing **publicly accessible open area** for which a **floor area** bonus has been received, pursuant to Section 37-727 (Hours of access).

- (d) Elimination or reduction in size of existing public amenity

In all **Commercial Districts**, no existing **publicly accessible open area, arcade** or other public amenity, open or enclosed, for which a **floor area** bonus has been utilized, shall be eliminated or reduced in size except by special permit of the City Planning Commission, pursuant to Section 74-761 (Elimination or reduction in size of bonused public amenities).

25-23 - Requirements Where Group Parking Facilities Are Provided

LAST AMENDED
3/22/2016

R1 R2 R3 R4 R5 R6 R7 R8 R9 R10

In all districts, as indicated, where **group parking facilities** are provided, for all new **dwelling units**, **accessory** off-street parking spaces shall be provided for at least that percentage of the total number of **dwelling units** set forth in the following table. Such spaces shall be kept available to the residents of the **building**, in accordance with the provisions of Section 25-41 (Purpose of Spaces and Rental to Non-Residents).

PARKING SPACES REQUIRED WHERE GROUP PARKING FACILITIES ARE PROVIDED

District	Percent of Total Dwelling Units
R1 R2 R3 R4-1 R4A	100 ¹
R4 R4B R5A	100
R5	85
R6	70 ²
R5B R5D	66
R7-1	60 ²
R6A R6B R7-2 R7A R7B R7D R7X R8B3	50 ²
R8 R9 R10	40

- 1 In R1, R2, R3, R4-1 and R4A Districts within **lower density growth management areas**, 1.5 **accessory** off-street parking spaces shall be provided for each **dwelling unit**. However, in such districts in the Borough of Staten Island, two **accessory** off-street parking spaces shall be provided for each **single-family residence**, three

accessory off-street parking spaces shall be provided for each **two-family residence**, and for all other **residences**, **accessory** off-street parking spaces shall be provided for at least 150 percent of the total number of **dwelling units** within such **residences**

- 2 In R6 or R7 Districts for **dwelling units** created pursuant to the Quality Housing Program, **accessory** off-street parking spaces shall be provided for at least 50 percent of the total number of such **dwelling units**
- 3 In the Borough of Brooklyn, R8B Districts are subject to the parking requirements applicable in R8 Districts

In a **predominantly built-up area** where **group parking facilities** are provided, **accessory** parking spaces shall be provided for at least that percentage of the total number of **dwelling units** set forth in the following table:

District	Percent of Total Dwelling Units
R4 R5	66

25-231 - Modification of requirements to facilitate affordable housing

LAST AMENDED
3/22/2016

Within the **Transit Zone**, the City Planning Commission may permit a reduction in the parking requirements set forth in Section 25-23 in accordance with the provisions of Section 74-533 (Reduction of parking spaces to facilitate affordable housing).

25-241 - Reduced requirements

LAST AMENDED
3/25/2010

R6 R7 R8 R9 R10

In the districts indicated, for **zoning lots** of 10,000 or 15,000 square feet or less, the number of required **accessory** off-street parking spaces is as set forth in the following table:

REDUCED REQUIREMENTS FOR

SMALL ZONING LOTS

District	<i>Lot Area</i>	Parking Spaces Required as a Percent of Total <i>Dwelling Units</i>
R6 R7-1* R7B	10,000 square feet or less	50
R7-1 R7A R7D R7X		30
R7-2	10,001 to 15,000 square feet	30
R8** R9 R10		20

* Within **lower density growth management areas** in Community District 10, Borough of the Bronx

** In R8B Districts, the parking requirements may not be reduced.

25-242 - Waiver of requirements for small zoning lots in high bulk districts

LAST AMENDED
8/14/1987

R7-2 R8 R9 R10

In the districts indicated, the requirements set forth in Section 25-23 (Requirements where Group Parking Facilities Are Provided) shall be waived for ***zoning lots*** of 10,000 square feet or less, except in R8B Districts.

25-31 - General Provisions

LAST AMENDED
3/22/2016

R1 R2 R3 R4 R5 R6 R7 R8 R9 R10

In all districts, as indicated, **accessory** off-street parking spaces, open or enclosed, shall be provided in conformity with the requirements set forth in the table at the end of this Section for all **development** after December 15, 1961, for the **uses** listed in the table. In addition, all other applicable requirements of this Chapter shall apply as a condition precedent to the **use** of such **development**.

After December 15, 1961, if an **enlargement** results in a net increase in the **floor area** or other applicable unit of measurement specified in the table in this Section, the same requirements set forth in the table shall apply to such net increase in the **floor area** or other specified unit of measurement.

A parking space is required for a portion of a unit of measurement one-half or more of the amount set forth in the table.

For the purposes of this Section, a tract of land on which a group of such **uses** is **developed** under single ownership or control shall be considered a single **zoning lot**.

For those **uses** for which rated capacity is specified as the unit of measurement, the Commissioner of Buildings shall determine the rated capacity as the number of persons which may be accommodated by such **uses**.

The requirements of this Section shall be waived in the following situations:

- (a) when, as the result of the application of such requirements, a smaller number of spaces would be required than is specified by the provisions of Section 25-33 (Waiver of Requirements for Spaces Below Minimum Number);
- (b) when the Commissioner of Buildings has certified, in accordance with the provisions of Section 25-34 (Waiver of Requirements for All Zoning Lots Where Access Would Be Forbidden) that there is no way to arrange the spaces with access to the **street** to conform to the provisions of Section 25-63 (Location of Access to the Street);
- (c) for houses of worship, in accordance with the provisions of Section 25-35 (Waiver for Locally Oriented Houses of Worship).

In the event that the number of **accessory** off-street parking spaces required under the provisions of this Section exceeds the maximum number of spaces permitted under the provisions of Section 25-18 (Maximum Spaces for Permitted Community Facility or Commercial Uses), the Commissioner of Buildings shall reduce the required number of spaces to the maximum number permitted.

REQUIRED OFF-STREET PARKING SPACES FOR NON-RESIDENTIAL USES

Type of <i>Use</i>	Parking Spaces Required in Relation to Specified Unit of Measurement	District
FOR COMMUNITY FACILITY USES:		
Agricultural <i>uses</i> , including greenhouses, nurseries or truck gardens	Square feet of <i>lot area</i> used for selling purposes: None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 1,000 sq ft	R1 R2 R3 R4 R5
	1 per 2,500 sq ft	R6 R7-1 R7B
Ambulatory diagnostic or treatment health care facilities listed in Use Group 4	Square feet of <i>floor area</i> and <i>cellar</i> space, except <i>cellar</i> space <i>used</i> for storage. In <i>lower density growth management areas</i> , all <i>cellar</i> space, including storage space, shall be used to determine parking requirements: None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 400 sq ft	R3
	1 per 500 sq ft	R4 R5
	1 per 800 sq ft	R6 R7-1 R7B

Clubs, community centers or settlement houses; philanthropic or non-profit institutions without sleeping accommodations excluding ambulatory diagnostic or treatment health care facilities listed in Use Group 4; golf course club houses; non-commercial recreation centers; or welfare centers, provided that in R5, R6 and R7-1 Districts, no accessory off-street parking spaces shall be required for that portion of a non-profit neighborhood settlement house or community center which is used for youth-oriented activities	Rated Capacity: None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 10 persons	R1 R2 R3 R4 R5
	1 per 20 persons	R6 R7-1 R7B
College student dormitories, fraternity or sorority student houses	None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 6 beds	R1 R2 R3 R4 R5
	1 per 12 beds	R6 R7-1 R7B
Colleges, universities, or seminaries (a) Classrooms, laboratories, student centers or offices	Square feet of floor area : None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 1,000 - R1 R2 R3 R4 R5	
	1 per 2,000 - R6 R7-1 R7B	

(b)Theaters, auditoriums, gymnasiums or stadiums	Rated capacity:	
	None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 8 persons	R1 R2 R3 R4 R5
	1 per 16 persons	R6 R7-1 R7B
Hospitals and related facilities*	1 per 5 beds	R1 R2 R3 R4 R5
	1 per 8 beds	R6 R7-1 R7B
	1 per 10 beds	R7-2 R7A R7D R7X R8 R9 R10
Houses of worship, applicable only to the facility's largest room of assembly; however, rooms separated by movable partitions shall be considered a single room	None required	R6 R7 R8 R9 R10
	1 per 10 persons rated capacity	R1 R2 R3
	1 per 15 persons rated capacity	R4 R5
Libraries, museums or non-commercial art galleries**	Square feet of floor area : None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 1,000	R1 R2 R3 R4 R5

	1 per 2,000	R6 R7-1 R7B
Outdoor skating rinks	Square feet of lot area : None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 800 sq ft	R1 R2 R3 R4 R5
	1 per 2,000 sq ft	R6 R7-1 R7B
Outdoor tennis courts	None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 2 courts	R1 R2 R3 R4 R5
	1 per 5 courts	R6 R7-1 R7B
Philanthropic or non-profit institutions with sleeping accommodations; long-term care facilities , except that independent living dwelling units within a continuing care retirement community shall be subject to the accessory off-street parking requirements of Section <u>25-20</u> . For the purposes of applying such requirements, dwelling units shall be as defined in Section <u>28-02</u>	None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 10 beds	R1 R2 R3 R4 R5
	1 per 20 beds	R6 R7-1 R7B

Schools	Square feet of floor area : None required	R3 R4 R5 R6 R7 R8 R9 R10
	1 per 1,500 sq ft	R1 R2
For child care services in lower density growth management areas :	1 per 1,000 sq ft	R1 R2 R3 R4 R5
FOR ACCESSORY COMMERCIAL USES IN LARGE-SCALE RESIDENTIAL DEVELOPMENTS:		
Food stores with 2,000 or more square feet of floor area per establishment - uses in parking requirement category A in Use Group 6A	Square feet of floor area : None required	R7-2 R8 R9 R10
	1 per 100 sq ft	R1 R2 R3
	1 per 200 sq ft	R4 R5
	1 per 300 sq ft	R6 R7-1
General retail uses - food stores with less than 2,000 square feet of floor area or uses in parking requirement category B in Use Group 6A.	Square feet of floor area : None required	R7-2 R8 R9 R10
	1 per 150 sq ft	R1 R2 R3
	1 per 300 sq ft	R4 R5

	1 per 400 sq ft	R6 R7-1
Post offices	Square feet of <i>floor area</i> : None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 800 sq ft	R1 R2 R3
	1 per 1,200 sq ft	R4 R5
	1 per 1,500 sq ft	R6 R7-1 R7B
FOR USES PERMITTED BY SPECIAL PERMIT:		
Camps, overnight or day, with a minimum of either 10,000 square feet of <i>lot area</i> or 10 employees	1 per 2,000 square feet of <i>lot area</i> or 1 per 3 employees, whichever will require a lesser number of spaces	R1 R2 R3 R4 R5 R6 R7 R8 R9 R10
Docks for ferries	Parking requirement, as provided in Section <u>62-43</u>	R3 R4 R5 R6 R7 R8 R9 R10
Fire or police stations	Square feet of <i>floor area</i> : None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 500 sq ft	R1 R2 R3 R4 R5
	1 per 800 sq ft	R6 R7-1 R7B
Riding academies or stables	Square feet of <i>floor area</i> : None required	R7-2 R7A R7D R7X R8 R9 R10
	1 per 500 sq ft	R1 R2 R3 R4 R5

	1 per 800 sq ft	R6 R7-1 R7B
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* Requirements in the table are in addition to the area used for ambulance parking

** Requirements in the table apply only to the ***floor area*** not used for storage.

25-811 - Enclosed bicycle parking spaces

LAST AMENDED
3/22/2016

R1 R2 R3 R4 R5 R6 R7 R8 R9 R10

In all districts, as indicated, enclosed **accessory** bicycle parking spaces shall be provided for at least that amount specified for the applicable **use** set forth in the table in this Section. For the purposes of calculating the number of required bicycle parking spaces, any fraction of a space 50 percent or greater shall be counted as an additional space. For **residences**, the **accessory** bicycle parking requirement shall be calculated separately for separate **buildings** or **building segments**.

Where any **building** or **zoning lot** contains two or more **uses** having different bicycle parking requirements as set forth in the table, the bicycle parking requirements for each type of **use** shall apply to the extent of that **use**.

Where an enclosed **accessory group parking facility** is provided, the required number of bicycle parking spaces for the **use** to which such facility is **accessory** shall be the amount set forth for such **use** in the table, or one for every 10 automobile parking spaces that are enclosed within a **building or other structure** or located on the roof of a **building**, whichever will require a greater number of bicycle parking spaces.

REQUIRED BICYCLE PARKING SPACES FOR RESIDENTIAL OR COMMUNITY FACILITY USES

Type of Use	Bicycle Parking Spaces Required in Relation to Specified Unit of Measurement
FOR RESIDENTIAL USES	
Use Group 1	None required
Use Group 2	1 per 2 dwelling units
Affordable independent residences for seniors	1 per 10,000 square feet of floor area
FOR COMMUNITY FACILITY USES*	

College or <i>school</i> student dormitories or fraternity and sorority student houses	1 per 2,000 square feet of <i>floor area</i>
Colleges, universities, or seminaries** (a) Classrooms, laboratories, student centers or offices (b) Theaters, auditoriums, gymnasiums or stadiums	1 per 5,000 square feet of <i>floor area</i> 1 per 20,000 square feet of <i>floor area</i>
Libraries, museums or non-commercial art galleries	1 per 20,000 square feet of <i>floor area</i>
Monasteries, convents or novitiates; houses of worship, rectories or parish houses; Use Group 4B	None required
All other Use Group 3 and Use Group 4 <i>uses</i> not otherwise listed in this table	1 per 10,000 square feet of <i>floor area</i>

* ***Non-profit hospital staff dwellings*** shall be subject to the requirements for Use Group 2 ***residential uses***

** Up to half of required spaces may be provided as unenclosed bicycle parking spaces pursuant to the requirements of Section 25-83 (Restrictions on Operation, Size and Location of Enclosed Bicycle Parking Spaces)

However, the bicycle parking requirements set forth in the table shall be waived for bicycle parking spaces that are ***accessory*** to:

- (a) ***buildings*** or ***building segments*** containing 10 ***dwelling units*** or less;
- (b) colleges, universities or seminaries where the number of required bicycle parking spaces is six or less;
- (c) college or ***school*** student dormitories or fraternity and sorority student houses where the number of required bicycle parking spaces is five or less; or
- (d) all other ***community facility uses*** not otherwise listed in the table where the number of required bicycle parking spaces is three or less.

25-83 - Restrictions on Operation, Size and Location of Enclosed Bicycle Parking Spaces

LAST AMENDED
4/22/2009

R1 R2 R3 R4 R5 R6 R7 R8 R9 R10

In all districts, as indicated, all **accessory** bicycle parking spaces shall be provided on the same **zoning lot** as the **building** or **use** to which such spaces are **accessory**, except as provided in Section 25-84 (Certification for Off-site Bicycle Parking Spaces).

All enclosed **accessory** bicycle parking spaces shall be surrounded on all sides by a solid enclosure, except where a parking garage is open at the sides, and covered by a roof for weather protection. Each bicycle space shall adjoin a rack or similar system for securing the bicycle. Bicycle parking spaces shall be located in an area secured by a lock or similar means, or adjoin a securely-anchored rack to which the bicycle frame and at least one wheel can be locked. Fifteen square feet of area shall be provided for each bicycle space. However, the area for each bicycle space may be reduced by up to nine square feet per bicycle if the Commissioner of Buildings certifies that a layout has been submitted to adequately accommodate the specified number of bicycles.

A plaque shall be placed at the exterior of the entry to the bicycle parking area, outside any locked door, with lettering at least three-quarter inches in height stating "Bicycle Parking."

For colleges, universities or seminaries, one-half of required enclosed **accessory** bicycle parking spaces may be provided as open unenclosed spaces, provided that such spaces meet the standards of paragraph (b) of Section 25-812 (Unenclosed bicycle parking spaces).

All bicycle parking spaces which are **accessory** to **residences** shall be made available for the storage and independent access of the bicycles used by the occupants of such **residences**.

All required bicycle parking spaces which are **accessory** to a **community facility use** shall be made available for the storage and independent access of the bicycles used by the employees of such **use**, except that bicycle parking spaces **accessory** to colleges or universities shall be accessible to all authorized users of such **building**, and that bicycle parking spaces **accessory** to community facilities with sleeping accommodations may be accessible to the occupants of such facility.

Bicycle spaces may be located in a room secured by a lock or similar means, provided that access is through a commonly accessible area and access is made available to eligible users on an equal basis.

**CERTIFICATION OF SPONSOR
PURSUANT TO SEC. 20.4(b)
OF THE REGULATIONS ISSUED PURSUANT
TO GENERAL BUSINESS LAW, ARTICLE 23-A,
AS AMENDED**

New York State Department of Law
120 Broadway
23rd Floor
New York, New York 10271

Attn: Real Estate Financing Bureau

Re: "99 Morningside," a Condominium
Premises: 375 West 123rd Street
New York, New York 10027

The undersigned 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 Part 20 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

- (i) set forth the detailed terms of the transaction and be complete, current and accurate;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
- (iii) not omit any material fact;
- (iv) not contain any untrue statement of a material fact;
- (v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

- (vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representations 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.

Sworn to before me this
23rd day of December, 2019

99 MORNINGSIDE LLC

Notary Public

JOYCE J CABA
 NOTARY PUBLIC, STATE OF NEW YORK
 Registration No. 01CA6281534
 Qualified in Queens County
 Commission Expires May 13, 2021

Guido Subotovsky, Manager

Sworn to before me this
23rd day of December, 2019

Notary Public

JOYCE J CABA
 NOTARY PUBLIC, STATE OF NEW YORK
 Registration No. 01CA6281534
 Qualified in Queens County
 Commission Expires May 13, 2021

Guido Subotovsky

Sworn to before me this
23rd day of December, 2019

Notary Public

JOYCE J CABA
 NOTARY PUBLIC, STATE OF NEW YORK
 Registration No. 01CA6281534
 Qualified in Queens County
 Commission Expires May 13, 2021

Hugo Subotovsky

**CERTIFICATION OF SPONSOR'S
ARCHITECT PURSUANT TO SEC 20.4(c)
OF THE REGULATIONS ISSUED PURSUANT
TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED**

New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271

Att.: Real Estate Financing Bureau

Re: "99 Morningside," a Condominium
Premises: 375 West 123rd Street
New York, New York 10027

The Sponsor of the Offering Plan to convert the captioned Property to condominium ownership retained our firm, Aufgang Architects LLC ("Aufgang"), to prepare a report describing the construction of the Property (the "Report"). On September 27, 2019, we visually inspected the property, and we subsequently examined the building plans and specifications that were prepared by Aufgang, dated April 16, 2019, and prepared the Report dated December 24, 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 registered architects in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This Certification is made for the benefit of all persons to whom this offer is made. We certify that the Report:

- (i) sets forth in narrative form the description and/or physical condition of the entire Property as it will exist upon completion of construction and/or renovation, provided that construction and/or renovation is in accordance with the plans and specifications that we examined;
- (ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the Property as it will exist upon completion of construction and/or renovation, provided that renovation and/or construction is in accordance with the plans and specifications that we examined;
- (iii) does not omit any material fact;

- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (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.

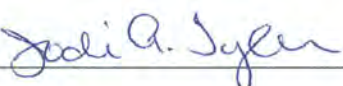
We further certify that we are not owned or controlled by and have no beneficial interest in the Sponsor and that our compensation for preparing this Report is not contingent on the conversion of the Property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the Property.

Aufgang Architects LLC

By: 

Ariel Aufgang

Sworn to before me this
24 day of December, 2019



Notary Public



Seal

Jodi A. Tyler
Notary Public, State of New York
Registration #01TY6254071
Qualified in Rockland, Exp. 01-09-20



**CERTIFICATION BY EXPERT OF THE
ADEQUACY OF SCHEDULE B
PURSUANT TO SECTION 20.4(d) OF
THE REGULATIONS ISSUED PURSUANT TO
GENERAL BUSINESS LAW, ARTICLE 23-A,
AS AMENDED**

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

Re: "99 Morningside," a Condominium
Premises: 375 West 123rd Street
New York, New York 10027

The Sponsor of the condominium offering plan for the captioned property retained our firm, Living New York Real Estate Group, to review Schedule B and Schedule B-1, containing projections of income and expenses for the first year of condominium operation.

Our experience in this field includes management of the operation of comparable condominium and cooperative and rental properties in Manhattan for over ten (10) years. Choice New York Management is a licensed real estate brokerage and management firm actively involved in the management of over one hundred fifty (15) cooperative, condominium, and rental properties.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to Schedules B and B-1.

We have reviewed Schedules B and B-1 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 Schedules B and B-1 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:

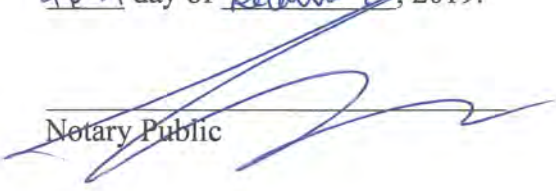
- (i) sets forth in detail the projected income and expenses for the first year of condominium operation;
- (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representations or statement made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

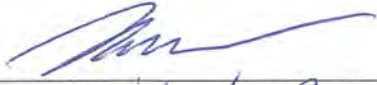
This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

JOSE M. RIVERA, ESQ.
Notary Public, State of New York
No. 02RI8026403
Qualified in New York County
Commission Expires July 25, 20 23

Sworn to before me this
26th day of December, 2019.



Notary Public

By: 

Name:

Title:

Michael P. Feldman
Authorized Signatory

**CERTIFICATION BY EXPERT
ON ADEQUACY OF COMMON CHARGES
PAYABLE BY THE COMMUNITY FACILITY UNIT OWNER
PURSUANT TO SECTION 20.4(e) OF
THE REGULATIONS ISSUED PURSUANT TO
GENERAL BUSINESS LAW ARTICLE 23A, AS AMENDED**

New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271

Re: "99 Morningside," a Condominium
Premises: 375 West 123rd Street
New York, New York

The undersigned certifies as follows:

The Sponsor of the condominium Offering Plan for the captioned property retained our firm, Living New York Real Estate Group, to review Schedule B, which includes projections of common charges payable by the owner of the Community Facility unit, hereinafter the "Community Facility Unit."

Our experience in this field includes management of the operation of comparable condominium and cooperative and rental properties in Manhattan for over 10 years. Choice New York Management is a licensed real estate brokerage and management firm actively involved in the management of over 150 cooperative, condominium, and rental 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 20 insofar as they are applicable to the Community Facility Unit listed in Schedule A.

We have reviewed the Schedule as they impact upon the Community Facility Unit 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 and Community Facility buildings, including residential buildings which contain Community Facility and professional space.

We certify that the projections in Schedule B for common charges payable by the owner of the Community Facility Unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to the Community Facility Unit for the projected first year of condominium operation, and that the allocation of common charges attributable to the Community Facility Unit also reflect special or exclusive use or availability or exclusive control of particular common areas as set forth in the Offering Plan.

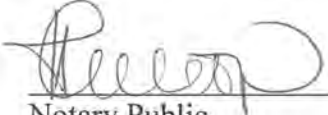
We certify that the estimates in Schedule B for the common charges payable by the owner of the Community Facility Unit:

- (i) set forth in detail the projected common charges for the Community Facility Unit 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 common charges payable by the owner of the Community Facility Unit;
- (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.

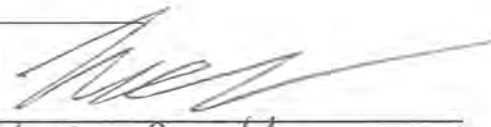
We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the common charges attributable to the Community Facility Unit for 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.

Sworn to before me this
20th day of DECEMBER 2019



Notary Public

By: 

Name: Michael P. Feldman

Title: Authorized Signatory

HOPE S. COLLAZO
Notary Public - State of New York
No. 01C06389805
Qualified in Kings County
My Commission Expires Apr. 08, 2023