COMMERCIAL CONDOMINIUM OFFERING PLAN

35 WEST 36TH STREET CONDOMINIUM

35 WEST 36TH STREET
NEW YORK, NEW YORK 10018

22 Office Units	**$70,346,025**
2 Retail Units	**$13,000,000**
Total Offering Amount	**$83,346,025**

SPONSOR:

3536 Associates LLC
40 Wall Street
New York, New York 10005

SELLING AGENT:

Rudder Property Group, LLC
36 West 44th Street, Suite 1411
New York, New York 10036
(212) 966-3611

Filing Date of this Offering Plan: _____. This Offering Plan may not be used after _____, unless this Offering Plan is extended by amendment.

This Offering Plan contains Special Risks to Purchasers. See Page 1.

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

THIS OFFERING PLAN IS SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS OFFERING PLAN AND TO FILE THIS OFFERING 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 OF LAW OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

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PART I

COMMERCIAL CONDOMINIUM OFFERING PLAN

35 WEST 36TH STREET CONDOMINIUM
35 WEST 36TH STREET
NEW YORK, NEW YORK 10018

SPECIAL RISKS

Sponsor Control of the Condominium Board

1. (a) Sponsor will have voting control over the members of the Condominium Board designated by the Office Unit Owners ("Office Members") until the Closing of Title with Purchasers under the Plan to Units representing at least 90% of all Office Common Interest in the aggregate ("Sponsor Control Period"). As such, it is possible that Sponsor may never relinquish control of the Condominium Board. Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Sponsor Control Period.

(b) After the Sponsor Control Period, Sponsor shall have the right to designate 1 Office Member to the Condominium Board for so long as Sponsor continues to own at least 1 Unsold Office Unit.

(c) During the Sponsor Control Period, Sponsor will designate a majority of the Office Members and will have voting control of the Condominium Board. Therefore, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the Condominium, and will determine the Common Charges to be paid by all Unit Owners. Sponsor may continue to exercise veto power over certain actions of, or contemplated by, the Condominium Board after the Sponsor Control Period, to the extent that, the Condominium Board may not take any of the following actions without Sponsor's prior written consent for so long as Sponsor shall continue to own Unsold Office Units representing at least 25% in number of all Office Units (but in no event later than the fifth anniversary of the First Closing): (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges or Special Assessment for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees from those described in the First Year's Budget, or (d) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit. Notwithstanding the foregoing, however, (x) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to (i) comply with Law, (ii) remedy any notice of violation, (iii) remedy any work order of the Condominium's insurer, or (iv) ensure the health and safety of the occupants of the Condominium.

(d) See the Sections of the Plan entitled "Control By Sponsor" and "Condominium Board" for details.

Purchase of a Condominium Unit

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

(b) Purchaser is required to make a Deposit in an amount equal to 10% of the Purchase Price at the time a Purchase Agreement is executed.

(c) In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel the Purchase Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of written notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of written notice of Sponsor's election to close title to the Unit in accordance with the Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection). (See the Section of the Plan entitled "Procedure to Purchase" for details.

(d) TIME IS OF THE ESSENCE as to Purchaser's obligations under the Purchase Agreement, including, without limitation for the payment of the Deposit and the Balance of the Purchase Price. According to Black's Law Dictionary (Revised Fifth Edition), "time is of the essence of contract" means generally that punctual performance by one party at one precise time named or within a period specified in the contract is essential to enable the party to require performance by the other party.

(e) Under current law, if a Purchaser makes a Deposit in excess of $250,000 for the purchase of a Unit, the amount in excess of $250,000 will not be federally insured. If a Purchaser maintains accounts at the Escrow Bank, the funds in such accounts, together with the Deposit, may be aggregated by the Escrow Bank for purposes of determining the $250,000 federally insured limit. Additionally, until such time as Purchaser delivers either an executed W-9 Form or W-8 Form to Sponsor, the Deposit shall remain non-interest bearing. Until the Deposit is transferred into an interest-bearing sub-account, the Deposit may not be federally insured even if the Deposit does not exceed $250,000. No representation is made with respect to any further changes in Law concerning such accounts. Purchasers should consult with their accountants or financial advisors for further information. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

(f) If a Purchaser fails for any reason to close title to the Unit on the originally Scheduled Closing Date other than due to Sponsor's failure or inability to Close: (a) the Closing apportionments to be made at the Closing will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs ("Actual Closing Date"), and (b) Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the Purchase Price of the Unit for each day commencing with the Scheduled Closing Date through the Actual Closing Date, as a reimbursement of Sponsor's increased carrying costs by virtue of the delay, in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(g) The signing of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including, but not limited to, the Unit, the Office Building and all Common Elements contained in the Office Building. Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Units, the Office Building or the Common Elements, except as may otherwise be set forth in the Plan. (See the Sections of the Plan entitled "Procedure to Purchase" and "Rights and Obligations of Sponsor" for details.)

(h) Prior to the Closing of Title to any Unit, the Purchase Agreement prohibits a Purchaser from advertising or otherwise offering, listing, promoting or publicizing the availability of such

Unit for sale or rental without Sponsor's prior written consent. (See the Section of the Plan entitled "Procedure to Purchase" and the Purchase Agreement set forth in Part II of the Plan for details.)

Sponsor's Right to Rent Unsold Units

3. (a) Sponsor intends, in good faith and in a reasonably timely manner, to sell rather than rent Units. However, Sponsor reserves the unconditional right to rent Units rather than sell Units after the Plan has been consummated. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, Sponsor is not committed to sell more Units than the minimum 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium.

(b) Sponsor intends to offer Unsold Units for sale both to Purchasers for personal use as well as to those who are purchasing for investment or resale. Purchasers for investment or resale may rent such Units. As a result, some and possibly many Units may be occupied by renters instead of Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers of Units or lessees of Units, the Condominium Board is unable to limit the number of Purchasers who purchase Units for investment or resale rather than for personal use and there may always be a substantial percentage of Unit Owners who purchased their Units for investments or resale. It is possible that Unit Owners who purchased such Units for personal use may have different interests than those Unit Owners who purchased such Units for investments or resale.

Closing Fees

4. (a) Each Purchaser shall be required to pay the following fees and taxes associated with the purchase of their Unit: (i) Sponsor Closing Fees (defined in the section of the Plan entitled "Closing Costs and Adjustments"), (ii) New York City Real Property Transfer Tax ("RPT Tax"), and (iii) New York State Real Estate Transfer Tax ("State Transfer Tax").

(b) The New York City Department of Finance has taken the position that where a purchaser of property assumes the obligation for the payment of the RPT Tax, the State Transfer Tax, and other fees that are generally obligations borne by a seller (which in this case includes Sponsor Closing Fees), those amounts will be treated as additional consideration for the transaction subject to tax. Upon adding these amounts to the Purchase Price of the Unit, the resulting sum ("Taxable Consideration") is used as the basis for the calculation of the RPT Tax and the State Transfer Tax payable by Purchaser at the Closing.

(c) Purchasers are advised that, as part of the budget bill for New York's 2020 fiscal year (effective July 1, 2019), the legislature adopted certain increases to the State Transfer Tax, which apply to transactions of real property in New York City. Purchasers are encouraged to refer to the section of the Plan entitled "Closing Costs and Adjustments" to review current tax rates applicable to the RPT Tax and State Transfer Tax.

(d) See the section of the Plan entitled "Closing Costs and Adjustments" for details.

Working Capital Fund

5. Each Purchaser of a Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium at Closing, in an amount equal to 2 months' Common Charges with respect to the Unit based on the Condominium budget in effect as of the Closing Date. The payment of the Working Capital Contribution shall be required of all Purchasers of Units, whether

purchased from Sponsor or purchased from a Unit Owner on a resale. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

Certificate of Occupancy

6. Purchasers are advised that there is no Certificate of Occupancy available for the Office Building. The Office Building was built prior to 1938 at which time the New York City did not require a Certificate of Occupancy. Sponsor will not undertake to procure a Certificate of Occupancy and Purchasers will be required to consummate the purchase of a Unit notwithstanding the fact that the Office Building does not have a Certificate of Occupancy. Purchasers are urged to consult with their lending institution, title company, or other professionals prior to signing a Purchase Agreement. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.).

Foreign Government Purchaser

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

No Bond or Other Security Posted

8. To the best of Sponsor's knowledge, as of the Filing Date of the Plan, Sponsor has sufficient resources to fund its obligations set forth in the Plan. No bond or other security has been posted by Sponsor to secure Sponsor's obligation under the Plan. The ability of Sponsor to perform Sponsor's obligations under the Plan will partly depend upon its financial condition at the time Sponsor is called upon to perform. No representation is made that Sponsor will be financially able to perform any or all of such obligations. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

Description of the Property and Building Condition

9. (a) The Description of the Property and Building Condition set forth in Part II of the Plan prepared by Howard L. Zimmerman Architects, PC ("Zimmerman P.C.") lists the condition and potential repairs and replacements observed in the Office Building. These conditions are beyond standard maintenance expenses to the Property. The Property and all Units are being sold completely "as is" in the conditions they exist on the date of the Purchase Agreement and Sponsor's obligations under the Plan do not include an obligation to perform any additional repairs or replacements set forth in the Description of the Property and Building Condition or otherwise. (See the "Description of the Property and Building Condition" in Part II in the Plan.)

(b) An Asbestos Control Program form 5 ("ACP-5") is set forth in Part II of the Plan. Sponsor makes no representation as to the existence or non-existence of ACM in any specific locations in the Building other than as set forth in the ACP-5. Sponsor's obligations under the Plan do not include an obligation to remove asbestos, if any, and Sponsor does not intend to perform such remedial work. (See

the Sections of the Plan entitled "Rights and Obligations of Sponsor" under the subsection "Sponsor's Obligations with respect to Asbestos" and "Sponsor's Statement of Building Condition" for further details.)

Mechanical Equipment

10. The Office Building contains certain major mechanical equipment, including, but not limited to, elevator machine rooms, fans, pumps, domestic water tanks, chillers and cooling towers (collectively, "Equipment") located on the cellar level and roof. While Sponsor is endeavoring to reduce excessive noise and vibration emanating from the Equipment, which noise and vibration levels will be in compliance with Law and applicable codes, it may be impossible to eliminate noise and vibration levels entirely and, therefore, Units and Common Elements in close proximity may be affected. Purchasers should note that subsequent to the First Closing, the Condominium Board will be responsible for the proper upkeep and maintenance of such Equipment in accordance with Law.

Use of Units

11. (a) No representation is made with respect to the ownership of all or any portion of the Units, or as to who the future owners or tenants of any portion of the Units may be at any time or as to the uses to which the Units may be put at any time, with the exception that the Units may be used for any lawful, non-hazardous purposes consistent with the Operating Standard. With respect to the Retail Units, such use may include, without limitation, professional office units, retail stores, banks, restaurants, theaters, bars, spas, health clubs, and commercial space. Notwithstanding the foregoing, no Units may be used for (i) any use generating odors permeating outside the Unit (which shall not be construed to mean any limitation on the use of a Retail Unit as a legally-compliant restaurant), (ii) heavy manufacturing, (iii) any residential, sleeping or hotel purpose, including any "dormitory," "bed and breakfast" or other transient hotel-type use, (iv) any pornographic or immoral purpose or as a massage parlor, strip club, head shop, adult book store, peep show or adult entertainment facility or any other lurid uses; (v) a billiard parlor or gambling establishment. No assurance, representation, or warranty is given that any of the tenants, occupants, or users of any Units will not be objectionable to other Unit Owners or other parties. The uses of the Retail Units may generate noise, traffic, fumes or other disturbances over which the Office Unit Owners will have no control.

(b) No Notice Work shall be commenced by or on behalf of any Unit Owner unless the Condominium Board, in its reasonable discretion, (i) approves such Notice Work and (ii) either executes together with the Unit Owner an alteration agreement in a form to be determined by the Condominium Board ("Alteration Agreement") or provides written notification that the requirement for an Alteration Agreement in such instance has been waived ("Alteration Agreement Waiver"). An application to the Condominium Board to perform Notice Work is deemed rejected where the Condominium Board has neither executed an Alteration Agreement nor provided an Alteration Agreement Waiver within thirty (30) days following the Condominium Board's receipt of the application. Condominium Board approval for Notice Work is deemed obtained where the Condominium Board has executed an Alteration Agreement or has provided an Alteration Agreement Waiver for such Notice Work in each instance. Notwithstanding the foregoing, all Notice Work must be in compliance with Law and the terms of the Declaration, the By-Laws, and the Rules and Regulations. In connection with Notice Work approved by the Condominium Board, each Unit Owner and its Permitted Users shall have a temporary easement for access, ingress, and egress through all Common and Private Areas, to the extent necessary and for so long as the Notice Work is continuing, subject to prior approval by the Condominium Board and each affected Unit Owner (if any) in each instance. All Common and Private Areas shall be subject to such easement.

(c) Subject to the approval by the Condominium Board in each instance, not to be unreasonably withheld, conditioned, or delayed, and provided that all the following alterations, additions, improvements or repairs are in compliance with Law and the terms of the Declaration and By-Laws, each

Retail Unit Owner shall have the right, at such Retail Unit Owner's sole cost and expense (i) to erect, maintain, repair and replace one or more signs and lighting of such size and content as the Condominium Board may approve, not to be unreasonably withheld, conditioned, or delayed, in the storefronts and windows of such Unit for the purposes of advertising the sale or rental of all or any portion of a Unit or the operation of any business conducted in the Retail Unit, and (ii) to use the sidewalks adjacent to such Retail Unit (if any) for any purposes permitted by Law, including, without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalks. In the event a Retail Unit Owner utilizes such sidewalks, the cost of maintenance and repair of such sidewalk during the period of such use or resulting from such usage shall be borne by such Retail Unit Owner.

(d) See the Section of the Plan entitled "Description of the Property and Improvements" for details.

Special Allocation of Certain Common Expenses

12. Each Unit Owner must pay Common Charges to cover the cost of the operation and maintenance of the Condominium and Office Building in accordance with the New York Condominium Act (Real Property Law §§339(i)1(iv) and 339(m)). These costs, including those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole, will generally be borne by the Unit Owners in proportion to their respective Common Interests. However, certain budgeted items are allocated between the Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements, which may not be modified without the consent of the affected Unit Owner(s). (See "Notes to Schedule B" for details and Section 6.2 of the By-Laws.)

Apportionments with the Condominium

13. At the First Closing, certain apportionments will be made between Sponsor and the Condominium. If the result of Closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be deferred and paid to Sponsor by the Condominium in one installment on the first anniversary of the First Closing, without interest, pursuant to an unsecured, negotiable, promissory note executed by the Condominium Board and delivered to Sponsor at the First Closing. The promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

Effectiveness of the Plan

14. Pursuant to Law, Sponsor may declare the Plan effective by entering into Purchase Agreements for the sale of a minimum of 15% of the Units offered for sale (i.e. 4 Units based on 24 Units offered for sale). Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to create a Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately close title to their Units. In the event that all Purchase Agreements are rescinded or terminated prior to the date of the First Closing, Sponsor will re-declare the Plan effective by submission of an amendment to the Department of Law. (See the Section of the Plan entitled "Effective Date" for details.)

Purchase Agreement Not Contingent on Financing

15. Although a Purchaser may obtain financing from any lending institution or other source, 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 and

may want to finalize their financing arrangements before execution of a Purchase Agreement. No representation is made by Sponsor or Selling Agent as to the availability, cost or terms of such financing. While the First Closing is projected to occur on or around January 1, 2020, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

Special Rights of Sponsor

16. (a) Sponsor shall have an exclusive right and easement (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Office Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business conducted in any Unit. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Retail Unit Owners, and/or their respective Permitted Users. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

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

(c) During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner's obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided the basic operating costs of the Condominium (inclusive of insurance premiums and reserves required by lenders) are paid by Sponsor. If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the closing notice or closing statement to Purchasers as well as in the post-closing amendment to the Plan. In the event that the term of the Waiver Period has not already been disclosed, Sponsor shall notify all Unit Owners by written notice of the expiration of the Waiver Period at least thirty (30) days prior to such expiration. Thereafter, such expiration of the Waiver Period shall be disclosed in the next substantive amendment to the Plan. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Common Charges: Determination and Assessment" for details.)

(d) Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Building as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of Units, or due to structural, architectural or mechanical considerations provided,

however, that any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser, increase any obligation of a Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or materials shall be of substantially equal or better quality. Any such material and adverse modification, addition or change will be reflected in a duly filed amendment to the Plan. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in Exhibit B to the Declaration, by 5% or less (excluding interior partitions) is not a material and/or adverse change. (See the Sections of the Plan entitled "Changes in Prices and Units" and "Rights and Obligations of Sponsor" for details.)

(e) No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or any Rules and Regulations (other than those required by Law) shall be effective (a) against Sponsor unless Sponsor has given its prior written consent thereto, or (b) to modify the permitted uses of the Retail Units or to adversely affect the Retail Unit Owners unless each affected Retail Unit Owner has given its prior written consent thereto. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

Lot Line Windows

17. Lot line windows exist on the east and west exterior façade of the Office Building. Purchasers should refer to the Floor Plans set forth in Part II of the Plan for the specific Units containing lot line windows. Lot line windows are windows located on an exterior wall abutting (or less than 30' 0" away from) a property line, where the adjacent property is owned by others. While such windows provide views, light and air to spaces in the Unit, they cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. Lot line windows are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it may be necessary to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium. The cost to close-up any lot line windows, if necessary, shall be borne by the affected Unit Owner (including Sponsor with respect to Unsold Units), which cost is currently estimated to be approximately $2,000 per window. This cost may increase in the future. Neither Sponsor, Sponsor's Architects, the Condominium Board nor any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all lot line windows is required. The exterior wall assembly of the Building is existing and has a combination of steel windows with wire glass glazing and lot line sprinkler heads. (See the "Description of Property and Improvements" set forth in Part II of the Plan for details.)

Future Construction

18. No representation is made that future construction in the neighborhood surrounding the Property will not result in obstruction of the views from any windows in the Office Building. (See the Section of the Plan entitled "Location and Area Information" for details.)

Unit Measurements

19. (a) The square footages of the Units listed in Schedule A represent sellable square footages. With respect to the Office Units, the square footages set forth in Schedule A exceed the square footages set forth in Exhibit B to the Declaration. With respect to all Units, both the square footages in Schedule A and those in Exhibit B exceed the usable floor area of each Unit as is customary in New York. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Unit.

(b) The square footages set forth in Exhibit B to the Declaration are approximate and may change due to field conditions, construction variances and tolerances. There is a rebuttable presumption that

an increase or decrease in the square footage of a Unit by 5% or less (excluding interior partitions) is not a material and/or adverse change. In the absence of such proof to the contrary, if the net square footage of the Unit, as set forth in Exhibit B to the Declaration, is decreased by more than 5%, Sponsor's sole obligation shall be to refund the Deposit made under the Purchase Agreement and any interest earned thereon. Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling.

(c) See the Footnotes to Schedule A in Part I of the Plan and the "Description of the Property and Building Condition" set forth in Part II of the Plan for details.

Lead-Based Paint and/or Lead-Based Hazards

20. (a) Under applicable federal and local law, lead-based paint can no longer be used in the construction of a building. Under federal law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Office Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. In accordance with the terms of the rider annexed to the Purchase Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint.

(b) While Sponsor has to the best of its knowledge received no specific reports regarding lead-based paint in the Office Building, given the age of the Office Building and the widespread use of lead-based paint in preceding decades, it can be assumed that there is lead-based paint present in the Office Building. In addition, there are numerous layers of paint on the walls of the original building. Sponsor makes no representation as to the existence or non-existence of lead-based paint within the walls. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense. See the Section of the Plan entitled "Sponsor's Statement of Office Building Condition" and the Purchase Agreement set forth in Part II of the Plan for further details.

Excess Development Rights

21. Sponsor does not believe that any Excess Development Rights are available to the Office Building. However, if the applicable provisions of the Zoning Resolution change in the future, such changes may generate transferable Excess Development Rights which will not be included in the Property and shall be the exclusive property of Sponsor. Sponsor cannot represent the amount of transferable Excess Development Rights that could result from such changes. Neither the Condominium Board nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights. If any Excess Development Rights are transferred to an adjoining premises, the light and air of the Office Building and views from Units may be affected. Notwithstanding the foregoing, Excess Development Rights may not be used to expand the size, height, bulk or density of any portion of the Property after the recording of the Declaration. (See the section of the Plan entitled "Rights and Obligations of Sponsor" and the Declaration in Part II of the Plan for details.)

Marketing Materials

22. In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like ("FFE") in any portion of the Office Building or Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Units imply or represent that any such FFE will be located within any portion of the Office Building or Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Units that differs from the designations utilized on the Floor Plans of the Units set forth in Part II of the Plan. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials.

Resale Fee

23. Each Office Unit Owner who acquired an Office Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement, written or oral ("Resale Agreement") to resell the Office Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale") shall be obligated to pay Sponsor a portion of the proceeds of the Resale ("Resale Fee") irrespective of when the closing of title actually occurs. Such Office Unit Owner will be required to send Sponsor a copy of the Resale Agreement within 10 days after entering into the Resale Agreement. The Resale Fee is to be paid to Sponsor Lender and shall be so long as the Sponsor Loan is outstanding and thereafter to Sponsor. The Resale Fee is to be paid at the closing of the Resale and shall be equal to 50% of the difference between: (A) the sales price of the Office Unit as set forth in the Resale Agreement less the following expenses actually paid for by the Office Unit Owner (to the extent applicable): (1) brokerage commissions not exceeding 1.5% in the aggregate; (2) transfer taxes imposed by Law, if paid for by the Office Unit Owner, and (3) actual legal fees not exceeding $5,000; and (B) the Purchase Price paid to Sponsor in connection with the Sponsor Sale. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" and the By-laws for further details.)

Principal of Sponsor Has Executed The Certification of Sponsor and Principal for Compliance with the Martin Act and Governing Regulations

24. Consistent with a recent First Department decision, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the "Certification of Sponsor and Principal", absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC. et al, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

Insurance

25. (a) The budgeted line item for the insurance premiums set forth in Schedule B represents current insurance premiums at current rates. In recent years, premiums for insurance (especially fire, terrorism, liability insurance) have increased significantly. Although the projections in Schedule B are believed to be reasonable, Purchasers should note that insurance premiums could increase depending on market and weather conditions. It is not possible to predict whether future premiums will continue to escalate at the same substantial rate or will level off. No assurance is given that insurance premiums will not increase.

(b) Sponsor does not make any representation that the insurance limits set forth in Schedule B will meet the requirements of a lender who finances the purchase of a Unit. If Purchaser's lender

requires additional insurance, Purchaser will be obligated to obtain such supplemental insurance at Purchaser's sole cost and expense.

Easements

26. Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the General Common Elements and Office Common Elements (including but not limited to, lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units, including, without limitation, the right to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit.

Principal of Sponsor

27. All rights of Sponsor as set forth herein and in the Condominium Documents shall inure to the benefit of the principal of Sponsor. (See the Section of the Plan entitled "Rights and Obligations of Sponsor.")

Local Law 11

28. New York City Local Law 11 of 1998 ("Local Law 11") which requires periodic examinations of the physical condition of certain exterior walls applies to the Office Building. A copy of the Local Law 11 Report ("Local Law 11 Report") issued for the Office Building is set forth in Part II of the Plan. Sponsor shall, at its sole cost and expense, make all necessary repairs to the Office Building as indicated in the Local Law 11 Report and in accordance with Law as follows:

(a) any unsafe conditions shall be promptly corrected; and

(b) all safe conditions with a repair and maintenance program shall be repaired or maintained, as necessary, by the due date of the next Local Law 11 report filing, provided however that following the First Closing the Condominium Board, and not Sponsor, will be responsible to make all necessary repairs to the Office Building indicated in the Local Law 11 Report.

Financial Crimes Enforcement Network

29. For the purpose of preventing evasion of the Bank Secrecy Act, the director of the Financial Crimes Enforcement Network of the U.S. Department of Treasury ("FinCen") issued a Geographic Targeting Order ("Order") to collect information about certain transactions, which applies to any corporation, partnership, limited liability company, or other similar business entity using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase "residential real property" in any borough of New York City for a total price in excess of certain threshold amounts. At the time of the Filing Date of this Plan, such reporting threshold is $300,000, which may be subject to change in the future. For the purposes of FinCEN, "residential real property" is defined as "real property (including individual units of condominiums and cooperatives) designed principally for the occupancy of from one to four families." Purchasers are advised that FinCEN has revised and extended the Order from time to time, which currently remains in effect until May 15, 2019 but may be subject to further extension. In the event that a Purchaser enters into a transaction that falls within the current scope of the Order, the Purchaser shall be required to deliver to the title company at Closing all documents and information necessary in order for the title company to comply with the requirements set forth in the Order. Any failure by a Purchaser to

deliver such documents and information shall be deemed an Event of Default under the Purchase Agreement. For further details, Purchasers are advised to consult with a title company.

INTRODUCTION

Nature of the Transaction

3536 Associates LLC ("Sponsor"), a limited liability company organized and existing under the laws of the State of Delaware, having an office at 40 Wall Street, 45th Floor, New York, New York 10005 is the fee owner of a parcel of land consisting of approximately 5,390 square feet and the office building thereon located in the State of New York, County of New York, having a street address of 35 West 36th Street (the "Property").

Sponsor presents this offering plan, as the same may be amended from time to time ("Plan") for the establishment of a commercial condominium to be owned cooperatively under the laws of the State of New York pursuant to the Condominium Act. The Condominium will be known as 35 West 36th Street Condominium and will be located at 35 West 36th Street, New York, New York 10018.

The principal of Sponsor is Sander Jacobowitz. (See the Sections of the Plan entitled "Identity of Parties" and the "Certification of Sponsor and Principal" in Part II of the Plan for details.)

The Condominium will consist of: (a) 22 Office Units, (b) 2 Retail Units in a building containing 12 stories above-grade and 1 cellar level below-grade (the "Office Building" or "Building"). The Office Units and Retail Units are collectively, referred to as the "Units."

The Offering Plan

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor. The Plan contains all of the detailed terms of the transaction.

Sponsor may from time to time amend the Plan by filing an amendment with the New York State Department of Law ("Department of Law") and serving such amendment on Purchasers and Unit Owners.

The Plan is presented in two parts that, together with all documents filed with the Department of Law, constitute the entire offer of Sponsor. The Department of Law is located at 28 Liberty Street, New York, New York 10005. Part I sets forth a general description of the offering and the Condominium and Part II contains the basic documents necessary to create the Condominium and otherwise effectuate the Plan. Also included in Part II is a detailed physical description of the Property and certifications as to certain matters discussed in the Plan.

In addition, Sponsor has filed with the Department of Law, Exhibits to the Plan which, along with the Plan, constitute the entire offer of Sponsor. Copies of the Plan and all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the Plan shall be available for inspection by Purchasers and their attorneys without charge and for copying at a reasonable charge by any Person who shall have purchased a Unit offered by the Plan at the Sales Office and available for inspection and copying at the office of the Department of Law. A prospective Purchaser may borrow the Plan upon payment of a $300 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition or (ii) the execution by the prospective Purchaser of a Purchase Agreement subsequently accepted by Sponsor. Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All documents are important and should be carefully read by Purchasers.

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

The Property

Purchasers are advised that there is no Certificate of Occupancy available for the Office Building. The Office Building was built prior to 1938 at which time the New York City did not require a Certificate of Occupancy. Sponsor will not undertake to procure a Certificate of Occupancy and Purchasers will be required to consummate the purchase of a Unit notwithstanding the fact that the Office Building does not have a Certificate of Occupancy. Purchasers are urged to consult with their lending institution, title company, or other professionals prior to signing a Purchase Agreement.

It is presently anticipated that the First Closing will occur on or about January 1, 2020. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Unit is delayed or postponed by Sponsor. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon.

A detailed description of the Property is contained in the Section of the Plan entitled "Description of the Property and Improvements" and in the Description of the Property and Building Condition set forth in Part II of the Plan.

Offering of Units for Sale

Sponsor offers the Units for sale pursuant to the Plan. The Purchase Prices for each of the Units are listed in the Section of the Plan entitled "Schedule A - Offering Prices and Related Information" ("Schedule A"). THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

The Property and all Units are being sold completely "as is" in the conditions they exist on the date of the Purchase Agreement and Sponsor's obligations under the Plan do not include an obligation to perform any additional repairs or replacements set forth in the Description of the Property and Building Condition or otherwise. Some Units are occupied by tenants and some are vacant, as indicated on Schedule A. Please see discussion regarding sales of Units with tenants under the Section entitled "Leases and Tenancies" in Part I of the Plan.

Sponsor's Reservation of Right to Rent Rather than Sell Units

Sponsor intends, in good faith and in a reasonably timely manner, to sell rather than rent Units. However, Sponsor reserves the unconditional right to rent Units rather than sell Units after the Plan has been consummated. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, Sponsor is not committed to sell more Units than the minimum 15% necessary to declare the Plan effective and, therefore, Unit Owner-occupants may never gain effective control and management of the Condominium.

Sponsor intends to offer Unsold Units for sale both to Purchasers for personal use as well as to those who are purchasing for investment or resale. Purchasers for investment or resale may rent such Units. As a result, some and possibly many Units may be occupied by renters instead of Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers or lessees of Units, the Condominium Board is unable to limit the number of Purchasers who purchase Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of

Unit Owners who are not occupants. It is possible that Unit Owners who purchased such Units for personal use may have different interests than those Unit Owners who purchased such Units as an investment.

Sponsor reserves the right to offer the Office Units in such order of priority as it may determine, and to withhold one or more Office Units for future sale or rental. In addition, Sponsor has the right to limit the number of Office Units sold to any Purchaser and to make Bulk Sales of Office Units (as hereafter defined). The Purchaser under a Bulk Sale of such Office Units shall be bound by Sponsor's representations in the Plan with regard to Sponsor's commitment to sell Office Units. The term "Bulk Sales" shall mean the transfer of 10 or more Office Units or 20% of the total number of Office Units in the Condominium, whichever is less.

In the event that Sponsor transfers ownership of the Property to any Sponsor Lender or any affiliate thereof in accordance with the terms of such loan documents, such transfer shall not by itself constitute a material or adverse change affording Purchasers any rights to rescind their Purchase Agreements.

Basic Aspects of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a building. Each Unit Owner will own fee title to its Unit and also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements. The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Units, generally, including, for example, the Land upon which the Office Building stands and foundations and supports of the Office Building, these Common Elements being more specifically designated as "General Common Elements," and (ii) portions of the Office Building serving and benefiting the Office Units, exclusively, these Common Elements being more specifically designated as "Office Common Elements."

Operation of the Condominium will be vested in a Condominium Board, the members of whom will be elected by the Unit Owners, subject to the rights of Sponsor and the Retail Unit Owners to designate members of the Condominium Board, as set forth in the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." When voting for members of the Condominium Board, each Unit Owner shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Unit per Member to be elected.

A Unit Owner may decorate and construct the interior of the Unit in any way the Unit Owner desires, subject to compliance with the Condominium Documents and Law, and will be solely responsible for the cost of maintenance and interior repairs to the Unit after Closing.

In the opinion of Olshan Frome Wolosky LLP a copy of which is set forth in Part II of the Plan, a Unit Owner who uses the Unit in connection with the active conduct of a trade or business may, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. See the Section of the Plan entitled "Income Tax Deductions to Office Unit Owners and Tax Status of the Condominium" for more details. Purchasers should review and discuss all financial implications and projections, including the real estate tax and income tax deductions and treatment with their own tax consultants.

The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized by Sponsor is Article 9-B of the Real Property Law of the State of New York, as amended, commonly known, and hereinafter referred to as the "Condominium Act." The Property will be submitted to the provisions of the Condominium Act by recording the Declaration in the Register's Office by Sponsor. The Condominium will comply with all Laws applicable to condominiums in the State of New York.

The cost of operating the Condominium will be borne entirely by the Unit Owners in accordance with allocations set forth in the "Schedule B – Projected Budget for First Year of Condominium Operation."

As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses. Common Expenses shall be either General Common Expenses attributable to all Unit Owners, Office Common Expenses attributable to Office Unit Owners, or Retail Common Expenses attributable to Retail Unit Owners. The estimated Common Charges for each Unit for the First Year of Condominium Operation are set forth in Schedule A. Purchasers are obligated to pay monthly Common Charges pursuant to the Condominium Act (Real Property Law Sections 339 (i) and (m)).

The Common Interests of each Unit in the Common Elements has been determined pursuant to the method set forth in Real Property Law Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

The Office Common Interest of each Office Unit in the Office Common Elements is apportioned in the same proportion that the Office Unit bears to the aggregate Office Common Interests of all of the Office Units in the Condominium.

Certain budgeted items (See the "Notes to Schedule B" for details) are allocated between the Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements. The Condominium Board may not modify these allocations without the unanimous consent of the affected Unit Owner(s). In the opinion of Sponsor's budget expert, as set forth in the Certifications of Budget Expert set forth in Part II of the Plan, the allocated Common Charges payable by the Retail Unit Owners are sufficient to cover the expenses fairly attributable to the Retail Units. Unit Owners will have no interest in any rents, net profits or revenues derived from the rental or use of any Unit owned by another. The aggregate Common Interest of all Units equals 100%. The aggregate Office Common Interests of all Office Units equals 100%. The percentage of Common Interests are the basis for determining a Unit Owner's share of distribution upon termination of the Condominium with Unit Owners then sharing pro rata in the proceeds of the Condominium. Each Unit's Common Interest and Office Common Interest, as applicable, and estimate of the Common Charges that will be payable by the Unit Owner during the First Year of Condominium Operation of the Property subsequent to the First Closing are set forth in the Section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information."

After the Closing of Title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the Unit, including, without limitation, the flooring, fixtures, furniture, furnishings, equipment, appliances and personal property located within the Unit, as well as liability insurance with respect to occurrences in or about the Unit. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

Each Purchaser of a Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium. Such contribution, to be made at the time of Closing of the Unit, shall be in an amount equal to 2 months' Common Charges assessed against the Unit at Closing. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes with respect to the Unit (both before and after such taxes are separately assessed and billed against the Unit by the City of New York), interest and amortization payments on any mortgage and charges for electricity consumed in the Unit.

The Units may be used for any lawful, non-hazardous purposes consistent with the Operating Standard. With respect to the Retail Units, such use may include, without limitation, professional office

units, retail stores, banks, restaurants, theaters, bars, spas, health clubs, and commercial space. Notwithstanding the foregoing, no Units may be used for (i) any use generating odors permeating outside the Unit (which shall not be construed to mean any limitation on the use of a Retail Unit as a legally-compliant restaurant), (ii) manufacturing, (iii) any residential, sleeping or hotel purpose, including any "dormitory," "bed and breakfast" or other transient hotel-type use, or (iv) any pornographic or immoral purpose or as a massage parlor, adult book store, peep show or adult entertainment facility. No assurance, representation, or warranty is given that any of the tenants, occupants, or users of any Units will not be objectionable to other Unit Owners or other parties. The uses of the Retail Units may generate noise, traffic, fumes or other disturbances over which the Office Unit Owners will have no control. In all instances, Units may only be used in compliance with Law, the Declaration of Condominium and the By-Laws.

Since the Condominium Board does not have the right to approve or disapprove potential Purchasers or lessees of Units, the Condominium Board is unable to limit the number of Purchasers who purchase Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Unit Owners who are not occupants. It is possible that Unit Owners who occupy Units may have different interests than those Unit Owners who do not occupy Units. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" subsection "Sales and Leases of Units" for details.)

There are no limitations on who may purchase Units, except as set forth in the Plan. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity which is permitted to take title pursuant to Law. Sponsor reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Condominium Board, any Unit Owner or mortgagee, to refuse to approve and execute Purchase Agreements for one or more Units to any Person. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required Deposit thereunder (see the Section of the Plan entitled "Procedure to Purchase" for details). Sponsor will not accept an offer of purchase from an individual younger than 18 years of age or an incompetent under Law.

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

DEFINITIONS

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

"Adverse Effect" or "adverse effect" shall mean any action or proposed change with respect to any Unit Owner(s), that such action or change could, if realized, (i) increase the Common Charges payable over those set forth in the budget in effect at the time in question by 25% or more, (ii) materially interfere with such Unit Owner's access to the Unit, or (iii) otherwise materially diminish the use of the Unit for its intended purpose.

"Appurtenant Interest" shall mean, 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 Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or rental of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Building" see definition of "Office Building" below.

"Buildings Department" shall mean the office of the New York City Department of Office Buildings or any successor agency.

"By-Laws" shall mean the by-laws governing the operations of the Condominium, which are set forth as Exhibit D to the Declaration, as the same may be amended from time to time, which are set forth in Part II of the Plan.

"Certificate of Occupancy" shall mean the certificate of occupancy generally issued by the Buildings Department for buildings built after 1938.

"Closing" or "Closing of Title" shall mean the date, time, place and procedure by which, among other things, fee title to a Unit and its appurtenant Common Interest is conveyed pursuant to a fully-executed Purchase Agreement.

"Closing Date" shall mean the date on which a Closing occurs.

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

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

"Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a reserve fund for working capital for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium. Common Expenses shall be either General Common Expenses attributable to all Unit Owners, Office Common Expenses attributable to Office Unit Owners, or Retail Common Expenses attributable to Retail Unit Owners.

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

"Condominium" shall mean the 35 West 36th Street Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

Condominium Act" shall mean the New York Condominium Act, as amended from time to time (New York Real Property Law, Article 9-B).

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

"Condominium Documents" shall mean the Declaration, the By-Laws, the Rules and Regulations and the Floor Plans.

"Declarant" shall mean 3536 Associates LLC and its successors and assigns.

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

"Department of Law" shall mean the Real Estate Finance Bureau of the Department of Law of the State of New York.

"Deposit" shall mean all deposits, advances and payments made by Purchasers prior to the Closing of a Unit.

"Development Rights Owner" shall mean Sponsor or any Person which acquires all or any portion of the Excess Development Rights from Sponsor, if any.

"Excess Development Rights" shall mean certain rights, as determined by the Zoning Resolution of the City of New York ("Zoning Resolution"), if any, that are available as of the date of the Declaration or may become available thereafter by any means, and are appurtenant to a zoning lot, whereby (a) contiguous tax lots may be merged into a single zoning lot ("Combined Zoning Lot") and the Combined Zoning Lot or a portion thereof may be developed by erecting thereon one or more structures with (i) "floor area" (as such term is defined in the Zoning Resolution); (ii) any bulk and density development rights permitted under the Zoning Resolution, (iii) any so-called bonus redevelopment rights hereafter appurtenant to the Property; or (b) excess "floor area" not utilized by the Office Building as of the date of the Declaration may be utilized on the zoning lot or transferred to other zoning lots as permitted by the Zoning Resolution.

"Effective Date" shall mean the date upon which the Plan is declared effective.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Office Building and either existing for the common use of one or more of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom

equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drainage systems, sewers and/or storm pipes, drywalls, or detention tanks, drains, catch basins, leaders, filters, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, sheetrock, interior walls, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes, sockets, davits and rigs for window cleaning.

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

"First Annual Meeting" shall mean the first annual meeting of the Unit Owners.

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

"First Year of Condominium Operation" shall mean the first 12 months of operation of the Condominium beginning on the date of First Closing, which may be a calendar or fiscal year.

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

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

"GBL" shall mean Section 352-e of the New York State General Business Law.

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

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

"Initial Closing Notice" shall mean that certain written notice designating the time and place of the Closing of Title to a Unit, which is given to Purchaser at least 30 days in advance of such Closing.

"Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust or a group of lenders which shall include one of the foregoing, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system, or (iii) without in any way limiting the scope of the foregoing and for the sake of clarity, any real estate mortgage investment conduit within the meaning of Section 860D of the Internal Revenue Code, (y) any entity not included within any of the foregoing that is regularly engaged in the business of making, owning or servicing mortgage loans, including, without limitation, a so-called "conduit lender," or (z) any group of lenders which shall include one or more of the foregoing.

"Institutional Mortgage" shall mean any Permitted Mortgage where the initial holder is an Institutional Lender.

"Insurance Trustee" shall mean a bank or trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of $500,000,000 or more, from time to time

appointed to serve as such by the Condominium Board. The Sponsor Lender shall be the Insurance Trustee until such time as the Sponsor Loan is satisfied or otherwise terminated.

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York as Block 838, Lot 21 and more particularly described in Exhibit A to the Declaration.

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

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

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

"Managing Agent" shall mean the management company or manager named in the Plan or any successor managing agent at the time in question.

"Mortgage Representative" shall mean not more than 3 representatives designated by the holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or the By-laws.

"Notice Work" shall mean any of the following forms of Unit Work: (i) structural alterations, additions, improvements, or repairs in or to the interior portions of the Units, whether ordinary or extraordinary, (ii) any alterations, additions, improvements, or repairs which impact the building systems, another Unit, a Common Element, or any portion of any of the foregoing ("Common and Private Areas"), (iii) the installation, operation, maintenance, repair, alteration, rebuilding, restoration and replacement of any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or facilities forming a part of or relating to the Unit in, over, under, through or upon the Common and Private Areas, or (iv) any Unit Work for which the cost for completion (including, without limitation, costs of all services and materials) exceed $5,000.

"Office Building" or "Building" shall mean the building located at 35 West 36th Street, New York, New York 10018, comprising 12 stories (plus 1 roof level and 1 cellar level below-grade), which is the subject of this Offering Plan.

"Office Common Elements" shall mean those portions of the Common Elements either existing for the common use of the Office Units or the Office Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Office Units, as more particularly described in the Declaration and the Floor Plans.

"Office Common Expenses" shall mean all costs and expenses to be incurred generally by the Office Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance,

replacement, restoration and operation of, and any alteration, addition, or improvement to, the Office Common Elements; or (ii) the establishment and/or maintenance of an operating reserve fund for working capital for replacements with respect to the Office Common Elements.

"Office Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Office Unit Owner in the Office Common Elements. The total of all Office Common Interest percentages appurtenant to all Office Units equals 100%. The Office Common Interests are the basis for determining an Office Unit Owner's liability for such Office Unit Owner's share of the Office Common Expenses.

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

"Office Unit Owner" shall mean any Unit Owner of an Office Unit at the time in question. All such Office Unit Owners are, collectively, referred to as the "Office Unit Owners."

"Operating Standard" shall mean a standard of operation and management that is (i) in compliance with all Laws, (ii) in compliance with the requirements of the Declaration, the By-Laws, and the Rules and Regulations; and (iii) in keeping with the standards of a first-class mixed use commercial building in midtown Manhattan.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly described on Schedule A annexed to the form of Purchase Agreement.

"Permitted Mortgage" shall mean a first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws. "Permitted Mortgage" shall be deemed to include any first mortgage placed upon a Unit by Sponsor Lender.

"Permitted Mortgagee" shall mean any holder or guarantor of a Permitted Mortgage at the time in question. "Permitted Mortgagee" shall be deemed to include any Sponsor Lender to the extent that the lien of such Sponsor Loan has not yet been released.

"Permitted User" shall mean any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or a portion of the Common Elements, subject to the terms of the Condominium Documents, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

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

"Plan" shall mean that certain Condominium Offering Plan relating to the Property, as accepted for filing by the Department of Law pursuant to the GBL and any and all amendments thereto.

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

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

"Purchase Agreement" shall mean the agreement to purchase a Unit, the form of which is set forth in Part II of the Plan.

"Purchaser" shall mean any Person named as a Purchaser in a Purchase Agreement which has been duly executed by such Person and accepted by Sponsor.

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

"Retail Common Expenses" shall mean all costs and expenses to be incurred generally by the Retail Unit Owners pursuant to the Declaration and/or By-Laws.

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

"Retail Unit Owner" shall mean the Unit Owner of a Retail Unit at the time in question. All such Unit Owners are, collectively, referred to as the "Retail Unit Owners".

"Rules and Regulations" shall mean the Rules and Regulations of the Condominium promulgated in accordance with the By-Laws, as any of such Rules and Regulations may be amended, added to, or deleted from time to time pursuant to the terms of the By-Laws.

"Sales Office" shall mean the sales office for Sponsor or Selling Agent, at a location to be designated by either Sponsor or Selling Agent from time to time.

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

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

"Selling Agent" shall mean the selling agent named in the Plan or any successor Selling Agent at the time in question.

"Special Assessment" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

"Sponsor" shall mean 3536 Associates LLC and its successors and assigns as well as any Person(s) designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"Sponsor Control Period" shall mean the period ending on the Closing of Title with Purchasers under the Plan to Office Units representing at least 90% of all Office Common Interest in the aggregate.

"Sponsor Lender" shall mean the holder of any loan procured by Sponsor at the time in question. As of the acceptance date of the Plan, the Sponsor Lender is Ladder Capital Finance LLC, including its successors and assigns.

"Sponsor Loan" shall mean a loan made to Sponsor by Sponsor Lender. As of the acceptance date of the Plan, Sponsor Loan means a loan made by Ladder Capital Finance LLC until such time as the loan by Ladder Capital Finance LLC is satisfied and no longer encumbers any Unit.

"Title Company" shall mean Spano Abstract Service Corp., having an office at 350 Old Country Road, Suite 205, Garden City, New York 11530. Telephone number: (516) 294-7037, or any successor Title Company at the time in question.

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

"Unit Owner" shall mean any Person (including Sponsor, if Sponsor owns any Unit) who holds fee title, of record, to one or more Units at the time in question. All such Unit Owners are, collectively, referred to as the "Unit Owners."

"Unit Work" shall mean any alterations, additions, improvements, or repairs in, to or upon the interior of a Unit by the Unit Owner of such Unit, whether structural or non-structural, ordinary or extraordinary.

"Unsold Office Unit" shall mean any Office Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal of Sponsor at the time in question. All such Unsold Office Units are, collectively, referred to as the "Unsold Office Units."

"Unsold Unit" shall mean any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal of Sponsor at the time in question. All such Unsold Units are, collectively, referred to as the "Unsold Units."

"Unsold Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The following is a general description of the Property as well as certain facilities and services to be provided at the Condominium. For a more detailed description of the Property, see the "Description of the Property and Building Condition" contained in Part II of the Plan.

Location

The Property is located at 35 West 36th Street, New York, New York 10018 in the Borough of Manhattan, City and State of New York.

Improvements - General Description of Units

The Condominium will consist of Office Units and Retail Units located within a structure consisting of 12 stories (plus 1 roof level and 1 cellar level below-grade). The Office Building is fully constructed and is not undergoing any additional renovations. The Units are being delivered in their as-is condition with some Units vacant and come occupied by tenants, as discussed in the Section entitled "Leases and Tenancies" in Part I of the Plan. Only those fixtures, appliances and items of personal property which are located in the Unit and owned by Sponsor, if any, or otherwise described in the Plan (including in the Description of Property and Building Condition) as being included in the Unit are included in the sale of the Unit.

There will be various amenities for the benefit of the Office Unit Owners, including the use of an elevator lobby as well as various utility and service areas located throughout the Office Building. (See the subsection entitled "Services and Facilities" for details.)

Purchasers should refer to the Description of the Property and Building Condition contained in Part II of the Plan for more details.

The Units

There will be 22 Office Units located on Floors 2 through 12, the square footages of which are set forth on Schedule A.

There will be 2 Retail Units located on the cellar and first Floor, the square footages of which are set forth on Schedule A.

The Office Units and Retail Units are being offered for sale at this time. Purchasers are urged to review the Floor Plans and Description of the Property and Building Condition contained in Part II of the Plan for details regarding the Units.

Local Law 11

New York City Local Law 11 of 1998 ("Local Law 11") which requires periodic examinations of the physical condition of certain exterior walls applies to the Office Building. A copy of the Local Law 11 Report ("Local Law 11 Report") issued for the Office Building is set forth in Part II of the Plan.

Sponsor shall, at its sole cost and expense, make all necessary repairs to the Office Building as indicated in the Local Law 11 Report and in accordance with Law as follows:

(a) any unsafe conditions shall be promptly corrected; and

(b) all safe conditions with a repair and maintenance program shall be repaired or maintained, as necessary, by the due date of the next Local Law 11 report filing, provided however, that following the First Closing the Condominium Board, and not Sponsor, will be responsible to make all necessary repairs to the Office Building indicated in the Local Law 11 Report.

Services and Facilities

The services and facilities described below will be provided to Office Unit Owners and are included in the Common Charges, unless otherwise specified below.

a. Office Building Lobby

There is an elevator lobby for the use of the Office Unit Owners located on the first floor of the Office Building. The lobby contains furniture and furnishings for the use and enjoyment of the Office Unit Owners. The lobby is attended by an attendant, Monday through Friday, 7:30 a.m. to 7:00 p.m., excluding holidays.

b. Elevator Service

All automatic elevators are in service 24 hours a day, 7 days a week. Purchasers should refer to the Description of the Property and Building Condition set forth in Part II for details concerning the elevators.

Sponsor reserves the right to restrict access to any full or partial floor Office Unit solely to the Unit Owner or Permitted Users of such Office Unit, by way of elevator lock off, or other means permissible by Law.

c. Telecommunications

The Office Building is pre-wired for telephone, cable television and internet services, however, not all individual Office Units are pre-wired. Office Unit Owners will be able to subscribe for telephone, television and internet services. Charges for activating such telecommunication systems, installing and attaching appropriate wiring, receptacles, additional installations and monthly usage charges will be determined by and payable directly to the applicable company by each Office Unit Owner subscribing for and activating such service.

d. Mail

All incoming mail will be delivered to the desk located in the Building lobby, where it may be picked up by individual Unit Owners; provided, however, that items delivered by overnight couriers (such as FedEx and UPS) will be delivered directly by such couriers to the individual Units located throughout the Building.

e. Laundry Facilities

There will not be a laundry room for the use of the Unit Owners.

f. Heating, Ventilation and Air Conditioning

The heating, ventilation and air-conditioning ("HVAC") are in existing condition. Most Units in the Building contain either air-cooled package HVAC units or split-system HVAC units. Cooling is provided by the electric compressors/condensers that are part of the HVAC units, so it is anticipated that Unit Owners will be able to control the system 24 hours a day, 7 days a week, during the cooling season as the

HVAC units will be connected to the ConEdison meter for the respective Unit. The Building's boilers will provide heat to the Building Monday through Friday between the hours of 8 a.m. to 6 p.m., during the heating season. The boilers' output will be lowered at all other times to provide the minimum output necessary to keep the Building's pipes from freezing. All Units have a mix of air-conditioning units with hot water heating coils.

Hours of operation of the HVAC system may be modified or regulated by the Condominium Board in its sole discretion. Any Office Unit Owner or Retail Unit Owner who would like HVAC to be provided to the Unit outside of the aforementioned service periods should contact the Managing Agent, and may be required to pay an additional fee.

Please see the Description of the Property and Building Condition in Part II of the Offering Plan for additional information.

g. Refuse Disposal

There are no trash chutes in the Office Building. Trash and recycling are picked up outside of the Office Building on West 36th Street. It is the responsibility of each Unit Owner to arrange for all refuse from their Unit to be brought to West 36th Street in accordance with Law. With respect to the Common Elements and building services spaces, it is the responsibility of the maintenance personnel to transport the refuse to West 36th Street for pick-up.

h. Communication Facilities and Intercom System

There is an existing intercom communication system for access to the Office Building.

i. Sprinklers

There is an existing sprinkler system in the Office Building.

j. Service Entrance

There is a service entrance located on the first floor of the Office Building on West 36th Street. Hours of access to the service entrance may be regulated by the Condominium Board in its sole discretion.

k. Marketing Material

In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like ("FFE") in any portion of the Office Building or Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Units imply or represent that any such FFE will be located within any portion of the Office Building or Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Units that differs from the designations utilized on the Floor Plans of the Units set forth in Part II of the Plan. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials.

l. General

Maintenance and use of the enumerated services and facilities shall be subject to the Rules and Regulations as may be promulgated from time to time by the Condominium Board, including, without

limitation, the right to impose fees and restrictions on hours of access and use and the right to discontinue or increase stated services as appropriate.

Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the elevators may be restricted during the period that Sponsor is performing work in the Office Building, if any. However, at all times after the First Closing, the lobby will be attended by an attendant, Monday through Friday, 7:30 a.m. to 7:00 p.m., excluding holidays.

LOCATION AND AREA INFORMATION

Location

The Office Building is located at 35 West 36th Street in the Borough of Manhattan in the City and State of New York. The Office Building is located in the center of West 36th Street between 5th Avenue and 6th Avenue.

Surrounding Area, Shopping, Museums, Theatre and Parks

There are many universities, museums, libraries, hotels, theaters and cultural institutions within close proximity to the Condominium. The Office Building is located in close proximity to Bryant Park and the Empire State Building.

There are numerous restaurants in the immediate vicinity of the Condominium, spanning many ethnic cuisines, including Japanese, Italian, French, Thai, and American, among others.

Transportation

Situated near the midtown tunnel the location of the Office Building offers convenient access via automobile to La Guardia and JFK International Airports.

The Office Building is near Grand Central Station, one of New York's largest public transportation hubs. Located at Lexington Avenue and 42nd Street, Grand Central has passenger railroad service including Metro North train service, five (5) subway lines, as well as a variety of restaurant and shopping options. The Office Building is also within close proximity to Pennsylvania (Penn) Station, located at Seventh Avenue and 33rd Street.

Transportation to and from the Condominium, and through New York City, is available by taxi, limousine, private automobiles, subway or bus. There are commercial parking garages located nearby.

Medical, Educational and Religious Facilities

A number of medical centers are located within close proximity to the Office Building, such as New York Hospital, Cornell Medical Center, Memorial Sloan Kettering, Lenox Hill Hospital, New York University Medical Center and Beth Israel Hospital.

Private schools, public schools and parochial schools on the elementary, middle school and high school levels are located within walking distance of the Condominium. There are many colleges available in the New York City area.

There are houses of worship of most major denominations in the vicinity of the Condominium.

Municipal Services

The City of New York will provide water, sanitation, police and fire services to the Office Building.

The local police station is located at 357 W. 35th Street, New York, NY 10018.

The local fire station is located at 222 West 37th St, New York, NY 10018 (FDNY Engine 26).

Mailing Address

The mailing address for the Office Building is 35 West 36th Street, New York, New York 10018.

Zoning

The Office Building is located within M 1-6 zoning district which permits use of retail stores, office buildings, and business services, among others.

Landmark Designation

The Office Building does not have landmark status.

General

Sponsor makes no representations to the continued existence of any of the named establishments or transportation lines. Additionally, no representation is made that future construction in the neighborhood surrounding the Condominium will not result in the obstruction of the views from any windows.
Sponsor is currently not participating in any development projects within a one-block radius of the Office Building.

SCHEDULE A – OFFERING PRICES AND RELATED INFORMATION

SCHEDULE A

35 West 36th Street Condominium
35 West 36th Street
New York, New York

Offering Prices and Related Information
Projected Common Charges and Real Estate Taxes are for the Anticipated First Year of Condominium Operation (January 1, 2020 - December 31, 2020)

(1)		(2)	(3)	(4)	(4)	(5)	(5)	(6)	(6)	(7)	(7)
Unit		Approx Sellable Square Footage	Offering Price	Common Interest	Office Common Interest	Projected Monthly Common Charges	Projected Annual Common Charges	Projected Monthly RE Taxes	Projected Annual RE Taxes	Projected Total Monthly Carrying Charges	Projected Total Annual Carrying Charges
12E	*	3,484	$3,484,000.00	4.0969%	4.6954%	$2,257.95	$27,095.38	$2,119.78	$25,437.33	$4,377.73	$52,532.71
12W	*	3,263	$3,589,300.00	3.8371%	4.3977%	$2,114.79	$25,377.46	$1,985.35	$23,824.26	$4,100.14	$49,201.72
11E	*	3,421	$3,249,950.00	4.0232%	4.6109%	$2,217.31	$26,607.76	$2,081.64	$24,979.74	$4,298.96	$51,587.50
11W		3,294	$3,458,700.00	3.8740%	4.4399%	$2,135.08	$25,620.99	$2,004.45	$24,053.37	$4,139.53	$49,674.36
10E	*	3,482	$3,220,850.00	4.0951%	4.6934%	$2,256.99	$27,083.84	$2,118.85	$25,426.16	$4,375.83	$52,510.00
10W	*	3,276	$3,276,000.00	3.8529%	4.4158%	$2,123.49	$25,481.91	$1,993.53	$23,922.36	$4,117.02	$49,404.27
9E	*	3,473	$3,212,525.00	4.0846%	4.6813%	$2,251.17	$27,014.01	$2,113.41	$25,360.96	$4,364.58	$52,374.97
9W	*	3,264	$3,427,200.00	3.8389%	4.3997%	$2,115.75	$25,389.00	$1,986.29	$23,835.43	$4,102.04	$49,224.43
8E	*	3,484	$3,135,600.00	4.0969%	4.6954%	$2,257.95	$27,095.38	$2,119.78	$25,437.33	$4,377.73	$52,532.71
8W	*	3,258	$3,095,100.00	3.8318%	4.3917%	$2,111.90	$25,342.84	$1,982.61	$23,791.35	$4,094.52	$49,134.19
7E		3,487	$3,225,475.00	4.1004%	4.6994%	$2,259.87	$27,118.46	$2,121.59	$25,459.07	$4,381.46	$52,577.53
7W	*	3,258	$3,176,550.00	3.8318%	4.3917%	$2,111.90	$25,342.84	$1,982.61	$23,791.35	$4,094.52	$49,134.19
6E		3,457	$3,111,300.00	4.0653%	4.6592%	$2,240.54	$26,886.48	$2,103.43	$25,241.13	$4,343.97	$52,127.61
6W	*	3,261	$3,097,950.00	3.8354%	4.3957%	$2,113.83	$25,365.92	$1,984.47	$23,813.70	$4,098.30	$49,179.62
5E		3,530	$3,353,500.00	4.1513%	4.7578%	$2,287.96	$27,455.47	$2,147.92	$25,775.10	$4,435.88	$53,230.57
5W		3,233	$3,071,350.00	3.8020%	4.3575%	$2,095.46	$25,145.49	$1,967.19	$23,606.32	$4,062.65	$48,751.81
4E	*	3,455	$3,023,125.00	4.0635%	4.6572%	$2,239.58	$26,874.94	$2,102.50	$25,229.96	$4,342.08	$52,104.90
4W		3,276	$2,866,500.00	3.8529%	4.4158%	$2,123.49	$25,481.91	$1,993.53	$23,922.36	$4,117.02	$49,404.27
3E	*	3,476	$3,128,400.00	4.0881%	4.6854%	$2,253.14	$27,037.67	$2,115.23	$25,382.70	$4,368.36	$52,420.37
3W	*	3,257	$2,849,875.00	3.8301%	4.3896%	$2,110.89	$25,330.72	$1,981.73	$23,780.79	$4,092.63	$49,111.51
2E	*	3,534	$3,268,950.00	4.1566%	4.7638%	$2,290.84	$27,490.09	$2,150.67	$25,808.01	$4,441.51	$53,298.10
2W	*	3,269	$3,023,825.00	3.8441%	4.4057%	$2,118.64	$25,423.63	$1,988.98	$23,867.72	$4,107.61	$49,291.35
OFFICE TOTAL		**74,192**	**$70,346,025.00**	**87.2529%**	**100.0000%**	**$48,088.52**	**$577,062.19**	**$45,145.54**	**$541,746.50**	**$93,234.06**	**$1,118,808.69**
RE	*	3,596	$6,000,000.00	6.3121%		$2,543.65	$30,523.79	$3,265.94	$39,191.30	$5,809.59	$69,715.09
RW	*	3,666	$7,000,000.00	6.4350%		$2,593.16	$31,117.97	$3,329.52	$39,954.20	$5,922.68	$71,072.17
RETAIL TOTAL		**7,262**	**$13,000,000.00**	**12.7471%**		**$5,136.81**	**$61,641.76**	**$6,595.46**	**$79,145.50**	**$11,732.27**	**$140,787.26**
GRAND TOTAL		**81,454**	**$83,346,025.00**	**100.0000%**		**$53,225.33**	**$638,703.95**	**$51,741.00**	**$620,892.00**	**$104,966.33**	**$1,259,595.95**

***Unit is currently leased**

Notes to Schedule A

1. Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions of the Units. Each Unit is being sold "as is" in its existing condition and should be inspected to determine its actual dimensions, layout and physical condition prior to Closing.

2. (a) The square footages of the Units listed in Schedule A represent sellable square footages. With respect to the Office Units, the square footages set forth in Schedule A exceed the square footages set forth in Exhibit B to the Declaration. With respect to all Units both the square footages in Schedule A and those in Exhibit B exceed the usable floor area of each Unit as is customary in New York. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Unit.

(b) The square footages set forth in Exhibit B to the Declaration are approximate and may change due to field conditions, construction variances and tolerances. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit by 5% or less (excluding interior partitions) is not a material and/or adverse change. In the absence of such proof to the contrary, if the net square footage of the Unit, as set forth in Exhibit B to the Declaration, is decreased by greater than 5%, Sponsor's sole obligation shall be to refund the Deposit made under the Purchase Agreement and any interest earned thereon. Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling.

3. The Offering Prices and other terms of sale (as more fully set forth in the Section of the Plan entitled "Changes in Prices and Units") of Units may be negotiated by Sponsor and, therefore, may be changed. Accordingly, Purchasers may pay different Offering Prices for similar Units. The effect of this, as well as the right of Sponsor to change Offering Prices, is more particularly discussed in the Section entitled "Changes in Prices and Units." In addition to the payment of the Offering Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments." If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Units at the Closing. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

4. (a) The Common Interests of each Unit in the Common Elements has been determined pursuant to the method set forth in Real Property Law Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

(b) The percentage interest of each Office Unit in the Office Common Elements is apportioned in the same proportion that the Office Unit bears to the aggregate Office Common Interests of all of the Office Units in the Condominium. Each Unit Owner must pay Common Charges to cover the cost of the operation and maintenance of the Condominium and Office Building in accordance with the New York Condominium Act (Real Property Law §§339(i)1(iv) and 339(m)). These costs, including

those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole, will generally be borne by the Unit Owners in proportion to their respective Common Interests. However, certain budgeted items are allocated between the Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements, which may not be modified without the consent of the affected Unit Owner(s).

5. The estimated monthly Common Charges for each Unit are based on Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium Operation will be the year from January 1, 2020 to December 31, 2020. The actual First Year of Condominium Operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on the Unit, mortgage payments under a loan, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Unit.

6. It is estimated that the aggregate real estate taxes payable with respect to all Units for the First Year of Condominium Operation running from January 1, 2020 through December 31, 2020 and covering the final six months of the 2019/20 tax year and the first six months of the 2020/21 tax year will be approximately $620,892, assuming (a) a 2019/20 transitional assessed valuation for the Property of $5,696,100 for the final six months of the 2019/20 tax year and a 2020/21 transitional assessed valuation of $6,114,657 for the first six months of the 2020/21 tax year based on the real estate tax projection opinion prepared by Real Estate Tax Counsel dated April 10, 2019 set forth in Part II of the Plan, and (b) a tax rate of 10.514 per $100 of assessed valuation for both the 2019/20 and 2020/21 tax years.

In arriving at the assessed valuation for each Unit in the Condominium, the Office Building is first assessed as an entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Register's Office. For purposes of Schedule A, the projected real estate taxes for the Office Building were apportioned among the Units based on Common Interest percentages. It is possible that the apportionment will be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. There is no assurance that the City of New York tax assessor will allocate taxes among Units based upon Common Interest percentages. At such time as the Units have been separately assessed for real estate tax purposes, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes assessed against any other Unit.

Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, Tax Counsel, Real Estate Tax Counsel or Selling Agent be liable to any Purchaser nor will any Purchaser have the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that projected herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future.

In the opinion of Olshan Frome Wolosky LLP a copy of which is set forth in Part II of the Plan, a Unit Owner who uses the Unit in connection with the active conduct of a trade or business may, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a

deduction for mortgage interest and real estate taxes, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. See the Section of the Plan entitled "Income Tax Deductions to Office Unit Owners and Tax Status of the Condominium" for more details. Purchasers should review and discuss all financial implications and projections, including the real estate tax and income tax deductions and treatment with their own tax consultants.

At such time as the Units have been separately assessed for real estate tax purposes, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes assessed against any other Unit.

7. These figures represent the aggregate estimated monthly carrying charges which include estimated Common Charges and estimated real estate taxes.

A Purchaser of a Unit will be required to make a non-refundable contribution at the Closing of Title to the Working Capital Fund in an amount equal to 2 months' Common Charges with respect to the Unit based on the Condominium budget in effect on the Closing Date of the Unit. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

SCHEDULE B – BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE B

35 West 36th Street
New York, NY

Projected Budget for the Projected First Year of Condominium Operation (Note 1)
January 1, 2020 – December 31, 2020

ESTIMATED INCOME (Note 2)

Common Charges - Office Units		$580,674.96
Common Charges – Retail Units		$58,028.99
Total Estimated Income		$638,703.95

ESTIMATED EXPENSES

Heating Gas (Note 3)	$24,310.53
Payroll and Related Expenses (4)	$228,884.80
Electricity (Note 5)	$15,593.05
Water and Sewer (Note 6)	$16,009.56
Repairs, Maintenance and Supplies (Note 7)	$52,290.00
Service Contracts (Note 8)	$108,747.65
Insurance (Note 9)	$47,000.00
Management Fee (Note 10)	$78,000.00
Legal and Audit Fee (Note 11)	$17,000.00
Administrative (Note 12)	$15,000.00
Contingency (Note 13	$25,000.00
Reserve (Note 14)	$29,526.01
Total Estimated Expenses	$638,703.95

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

Allocation of Common Charges Among
Office Units and Retail Units
(also see detailed notes which follow)

Expenses	Amount	Office Units Common Charges	Retail Units Common Charges
Payroll/Labor	$228,884.80	$201,418.62	$27,466.17
Gas	$24,310.53	$21,393.26	$2,917.27
Electricity	$15,593.05	$13,721.88	$1,871.17
Water & Sewer	$16,009.56	$14,088.42	$1,921.14
Repairs & Maintenance	$52,290.00	$47,815.20	$4,474.80
Service Contracts	$108,747.65	$95,697.93	$1,305.31
Insurance	$47,000.00	$41,360.00	$5,640.00
Management Fee	$78,000.00	$68,640.00	$9,360.00
Legal & Audit Fee	$17,000.00	$14,960.00	$2,040.00
Administrative	$15,000.00	$13,200.00	$1,800.00
Contingency	$25,000.00	$22,000.00	$3,000.00
Reserve	$29,526.01	$25,982.88	$3,543.13
Total	$638,703.95	$580,674.96	$58,028.99

NOTES TO SCHEDULE B

(1) Projected First Year of Condominium Operations

Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from January 1, 2020, to December 31, 2020. The actual First Year of Condominium Operation may be earlier or later than projected.

If the actual or anticipated date of commencement of condominium operations is delayed by more than six (6) months from the commencement of the projected First Year of Condominium, the Sponsor will amend the Plan to include a revised budget disclosing current projections ("Revised Budget Amendment"). If such amended projections exceed original projections by twenty-five (25%) percent or more, the Sponsor will offer all Purchasers that entered into Purchase Agreements prior to the date of the Revised Budget Amendment the right to rescind their Purchase Agreements for a period of fifteen (15) days after the date of the presentation of the Revised Budget Amendment setting forth the right to rescind, and any Purchasers electing rescission pursuant to such offer will have their Down Payments returned, together with any interest earned thereon.

(2) Common Charges and Misc. Income: (Office Units – 580,674.96; Retail Units - $58,028.99; Total - $638,703.95)

These amounts represent the total Common Charges to be levied against and collected from the Office and Retail Unit Owners during the anticipated First Year of Condominium Operation. The Common Charges will be utilized by the Condominium Board to defray the operational expenses of the Condominium. Except as otherwise set forth herein, the Common Charges have been allocated among the Office + Retail Unit Owners based on anticipated usage and benefits derived by such Unit Owners, and between and among the Unit Owners on the basis of percentage of Common Interest allocated to each Unit. Where the allocation of Common Expenses is not based on percentage of Common Interest, or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes.

(3) Gas Heating: $24,310.53

The gas budget is based on 2018 & 2019 actuals provided by the Sponsor, plus 15% contingency. The estimated rates are based on approximate current rates. The projected rates and subsequent costs are not guaranteed and it is expected that these rates will increase over time and are affected by the factors which are beyond control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will continue to be metered and will vary based on the needs of building operation and weather conditions. The hot water that the boilers produce are for the building HVAC units ONLY.

Domestic hot water is provided by individual electric hot water heating units in each Office + Retail Unit. It is anticipated that hot water for HVAC units provided to the Office + Retail Units by natural gas and will cost $24,310.53. This estimate is based on a projected usage of 15,300 therms of gas per year at an anticipated average cost $1.47 per therm thereafter. Costs include a 10% delivery charge. Gas rates based on Con Edison rate structure GS3. Sales tax is included without an inflation factor.

(4) Payroll & Related Expenses ($228,884.80)

The building staffing will consist of one (1) superintendent, one (1) porter/doorman/lobby attendant, and one (1) afternoon doorman /lobby attendant. The superintendent will work Monday – Friday totaling forty (40) hours per week. The porter/doorman/lobby attendant will work forty (40) hours per week. The afternoon doorman/lobby attendant will work 30 hours per week. The Budget is based upon the employees not being members of any labor union. Employee wages include coverage for overtime, vacation and sick days. It is anticipated that employees will be employed by the condominium. A personnel charge of up to fifty (50%) plus applicable Sales Taxes may be added to the approved salary expense which includes federal employment taxes, workers compensation insurance, fringe benefits and related employee payroll costs, taxes and expenses.

SALARIES, WAGES, PAYROLL TAXES & BENEFITS

Building Staff (#)	**Salary/Yr./Person**	**Total Wages**
Superintendent (1)	$ 68,069.96	$ 68,069.96
Doorman/Concierge (1)	$ 72,092.29	$ 72,092.29
Porters (1)	$ 10,000.00	$ 10,000.00
Subtotal Employee Salary		$ 150,162.25
Benefits (@~40%)		$ 60,064.90
Total Labor Expense (Including NYS Sales Tax 8.875%)		$ 228,884.80

(5) Electricity: $15,593.05

The electrical budget is based upon actuals (plus 15% contingency) for the building

common areas and lobby. The estimated ratesare based on approximate current rates. The estimated projected rates and subsequent costs are not guaranteed and it is expected that these rates will increase over time and are affected by the factors which are beyond control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the needs of building operation and weather conditions. Electric consumption by each Office + Retail Unit will be separately metered and the costs thereof will be paid directly to the utility provider.

General Common charges are based upon CON ED rate EL9 with supply and delivery charges. At an average projected cost of $0.23/KWHR the total estimated electrical charges (including a 15% contingency) is $15,593.05. Projected approximate consumption for electricity for the first year of condominium operation based off information that the Sponsor provided is 67,795.86 kWh. Sales tax and an inflation factor are not included.

Electricity (including current necessary to operate HVAC systems and individual domestic hot water heating units) shall be supplied to all Office + Retail Units through a separate Con Edison meter for each such Retail + Office Unit, and the cost of electricity consumed or used in each such Retail + Office Unit or any Commercial Limited Common Elements appurtenant thereto shall be payable directly to Con Edison.

(6) Water and Sewer and Steam Charges: $16,009.56

Municipal water and sewer will be provided by The City of New York. The water and sewer budget is based upon actuals plus 15% contingency. The estimated rates are based on approximate current rates. The estimated projected rates and subsequent costs are not guaranteed and it is expected that these rates will increase over time and are affected by the factors which are beyond control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the needs of building operation and weather conditions. There is one meter that measure water consumption for the entire Building. Each Retail Unit has its own sub-meter to measure water consumption. Note, sewer costs are taken as 159% of water rates. Sales tax is included without an inflation factor.

(7) Repairs, Maintenance and Supplies: $52,290

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

Air Conditioning Filters/Repairs	$ 4,000
General Building Maintenance & Repairs	$ 7,500
Electrical & Lighting	$ 2,500
Elevators	$15,000
Access Control / Intercom Maintenance	$ 1,500

Life Safety Equipment	$ 1,750
Paint & Painting Supplies	$ 750
Sprinkler System (includes Roof Tank)	$1,000
Plumbing (includes Roof Tank)	$ 6,500
Rubbish & Snow Removal	$ 2,000
Boiler/Burner/Heating	$2,500
Signage	$800
Supplies & Hardware	$4,000
5% Contingency	$2,490
Total	**$52,290**

This estimate is based on experience of Sponsor's budget expert, Choice NY Property Management, LLC, in operating comparable buildings.

(8) Service Contracts: $108,747.65

The Budget represents the estimated costs for the initial year of building operations for service contracts and supplies.

Annual inspections (Fire Ex/Sprinkler/Fire Pumps)	$4,500
Boiler/Burner/Heating (Doesn't include Boiler Mgmt Contract)	$8,500
Sprinkler System (Includes Roof Tank)	$4,000
Plumbing (Includes Roof tank)	$2,000
Fire Alarm / Central Station Monitoring + Inspections	$11,500
Communication Services (Cable/Internet/Telephone)	$10,500
Access Control / Intercom	$16,000
Elevator Maintenance Contract	$15,000
HVAC Service Contract	$2,550
Pest & Rodent Control (Exterminator)	$1,500
Pumps & Motors	$3,500
Trash Collection/Roll Off	$3,750
Staff Uniforms	$2,500
5% Contingency	$4,290

It should be noted that no service contracts have been entered into as of the date of the Plan. However, it is anticipated that other service contracts will be entered into prior to the initial year of building operating or service contracts for the building systems shall be included. Purchasers are advised that the projections are only estimates and include reasonable allowances for increases in costs that may arise prior to the initial year of building operations. No warranty or guarantee is made that the actual cost for these services or other services will be in accordance with this projection.

It is anticipated that maintenance and service contracts will include such items as fire/security systems maintenance, elevator maintenance, sprinkler maintenance, compactor maintenance, exterminating, mechanical equipment service contract, pump and

motor maintenance and other service contracts as are applicable in the operation of building of similar size and class.

This estimate is based on experience of Sponsor's budget expert, Choice NY Property Management, LLC AT 254 West 31ST Street, 6th Floor, NY NY 10001, in operating comparable buildings.

(9) Insurance: $47,000 (our 2019 coverage is costing $53,092.00)

The insurance premiums are based on a letter dated February 22, 2019, from York International Agency LLC. The fire, casualty and general liability are on the terms set therein:

COVERAGES	LIMITS OF LIABILITY
Property (Building Limit)	$ 32,400,000
Business Personal Property Limit	$ Actual
Demolition and Increased Cost	$ Included
Flood	$ 1,000,000
Earthquake	$ 1,000,000
Deductibles	
Flood (Rising Water)	$ 25,000
Earthquake	$ 100,000
Elevator Collision	$ Included
General Liability (**Public Liability** (General Aggregate)	$ 2,000,000
Each Occurrence	$ 1,000,000
Hired/Non Owner Auto Liability	$ 1,000,000
Directors & Officers Liability	$ 1,000,000
Deductible	$ 5,000
Umbrella	$ 100,000,000
Liability	$ Included

The total premium for these various coverages is estimated at $47,000 which includes an inflation factor of 3% per annum.

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

Owners obtain additional coverage.

This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units or any Limited Common Elements exclusive to such Units.

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

The proposed insurance provides property coverage on a replacement cost basis. The Building limits and Business Income limits are based on an Agreed Amount which includes a waiver of co-insurance.

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

(10) Management Fee: $78,000

A management agreement ("Management Agreement") is currently in effect between Sponsor and Hidrock Properties Inc. ("Managing Agent"). At or before the first closing of title to a Unit, either Sponsor will assign the existing Management Agreement to the Condominium Board or the Condominium Board will enter into a new Management Agreement with Hidrock Properties, Inc. In either event, it is anticipated that Managing Agent will receive an annual fee of $78,000.00 for the First Year of Condominium Operation. The management fee reflects the current cost for similar services on a portfolio basis. Reference should be made to the Section of the Plan entitled "Management Agreement, Contracts and Leases" in the Offering Plan for further details of the Management Agreement.

(11) Legal and Audit Fee: $17,000

Based upon the estimate set forth in a letter dated August 8, 2018 from EisnerAmper LLP, located at 750 3rd Avenue, New York, NY 10017, the Sponsor has budgeted $12,000.00 for estimated auditing and accounting fees in connection with the preparation of the audited financial statements for the First Year of Condominium Operation and federal, state and city income tax returns. The balance of the budgeted amount ($5,000.00) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building, such as attendance at Board meetings, preparation of Board minutes and negotiation of minor agreements.

(12) Administrative: $15,000

The Budget amount includes anticipated expenses for permits and licenses, telephone,

Board expenses, meeting and events, postage, printing, copying, messenger services, miscellaneous office supplies and equipment.

(13) Contingency: $25,000

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

(14) Reserve Fund $29,526.01

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 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 five percent (5%) of the Total Expenses. Note, a reserve study has not been done.

The reserve fund provides a fund for possible overages in the budget including but not limited to categories provided. There can be no assurance that the Reserve Fund will be sufficient to pay for all of the aforesaid expenses. If additional funds are required over and above these funds, it may be necessary to increase Common Charges or separately assess all Unit Owners. The cost of this budget item will be borne by all Unit Owners in accordance with the respective Common Interests allocated to their respective Units

Total Expenses: $638,703.95

IN THE OPINION OF CHOICE NY MANAGEMENT, THE PROJECTED INCOME IS ADEQUATE TO MEET THE PROJECTED COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING JANUARY 1 2020. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME AND EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY WILL BE AS SET FORTH IN THE BUDGET, SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM AMOUNTS SHOWN IN THE BUDGET BASED ON FACTORS SUCH AS INFLATION, CHANGES IN THE ECONOMY AND UNFORESEEN FACTORS.

OPINION OF COUNSEL RE: REAL PROPERTY LAW SECTION 339-i

STARR ASSOCIATES LLP
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November 4, 2019

3536 Associates LLC
40 Wall Street, 45th Floor
New York, New York 10005

Re: 35 West 36th Street Condominium
35 West 36th Street
New York, New York 10018 ("Property")

Ladies and Gentlemen:

You have requested our opinion regarding the allocation of Common Interests to the Units at the Property as required by NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion shall have the same meaning as set forth in the Condominium Offering Plan ("Plan") for the Property.

In connection with the rendering of this opinion we have reviewed the determination of Common Interests as shown on 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 also based upon the factual determinations made by Rudder Property Group, LLC ("Real Estate Broker") set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Real Estate Broker. Accordingly, in the event that facts presented by Real Estate Broker were or prove incorrect in no event will Starr Associates LLP be liable.

Based upon our review of the foregoing, we have determined that the method selected by Real Estate Broker to calculate the percentage of Common Interests is permissible under Real Property Law ("RPL") Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

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 Sponsor, Starr Associates LLP, Selling Agent, Managing 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.

Very truly yours,

STARR ASSOCIATES LLP

By: _____
Name: Shaun W. Pappas
Title: Partner

REAL PROPERTY LAW SECTION 339-i COMPLIANCE LETTER

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

DATE: October 25th, 2019

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street
New York, New York 10005

Re: Condominium Offering Plan
35 West 36th Street Condominium
35 West 36th Street
New York, New York 10271

Dear Sir/Madam:

3536 Associates LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained Rudder Property Group ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate and brokerage business for over 5 years and have been actively associated with sale and management of condominium and cooperative buildings.

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

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

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

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

Very truly yours,

Rudder Property Group

By: _____

Michael Rudder
Principal

CHANGES IN PRICES AND UNITS

Purchase prices for the Units offered hereby are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the Condominium Board, any Unit Owner or mortgagee, to change the price by a duly filed amendment to the Plan, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, except that no such change with respect to any Unit for which a Purchase Agreement is then in effect may be made without the consent of the Purchaser. However, Sponsor reserves the right to decrease Purchase Prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the Purchase Price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. If any such change is made, a Purchaser of a Unit affected thereby may pay more or less than other Purchasers under the Plan for similar Units, but this will not affect any prior or subsequent sale of Units which are not the subject of such change. However, the Purchase Prices set forth in Schedule A must be changed by a duly filed amendment to the Plan when the change in Purchase Price (i) is an across the board increase or decrease affecting one or more lines of Units or Unit models; (ii) is to be advertised; or (iii) is a Purchase Price increase for an individual Purchaser.

Sponsor reserves the right to negotiate with each Purchaser the following terms and conditions of the Purchase Agreement among other terms: Purchase Price; the amount and timing of the Deposit; the availability of financing; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; extensions of time periods within which to perform obligations under the Purchase Agreement.

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

The location in the Office Building, approximate size and layout of the Units are shown on the Floor Plans set forth in Part II of the Plan. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to (a) change the size, layout and square footage of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit without changing the percentage of Common Interest of such Unit, and (c) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b) or (c) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to such Unsold Unit for which a Purchase Agreement is then in effect which increases or decreases the square footage (excluding interior partitions) or Common Interest, or materially changes the Unsold Unit size, the layout or Common Interest of such Unsold Unit, unless the Purchaser consents to such changes. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in Exhibit B to the Declaration, by 5% or less (excluding interior partitions) is not a material and/or adverse change. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Unit and will not have any claim against Sponsor as a result of any such change and such

change will not affect a Purchaser's obligations under the Purchase Agreement or the Plan. If Purchaser's consent is required as a result of such change and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to refund to Purchaser the Deposit made under the Purchase Agreement and any interest earned thereon.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price of the Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue of a non-material inaccuracy or error in the Floor Plans.

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

Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Unit Owner, any non-material portion of the Common Elements for the exclusive use of such Unit Owner, provided that such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan and the Declaration and Floor Plans will be amended, if required.

ACCOUNTANT'S CERTIFIED FINANCIAL STATEMENTS FOR 2016, 2017 & 2018



3536 ASSOCIATES, LLC

(a Delaware limited liability company)

FINANCIAL STATEMENTS

DECEMBER 31, 2017 and 2016

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

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INDEPENDENT AUDITORS' REPORT

To the Members of
3536 Associates, LLC

Report on the Financial Statements

We have audited the accompanying financial statements of 3536 Associates, LLC (the "Company"), which comprise the balance sheets as of December 31, 2017 and 2016, and the related statements of operations, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 3536 Associates, LLC as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

EisnerAmper LLP

EISNERAMPER LLP
New York, New York
February 12, 2018

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Balance Sheets

	December 31, 2017	December 31, 2016
ASSETS		
Real estate - net of accumulated depreciation	$ 30,007,609	$ 29,630,396
Cash	511,449	174,641
Mortgage escrow reserves	46,965	33,705
Tenant accounts receivable, net	14,640	20,780
Unbilled straight-line rents receivable	643,418	753,668
Deferred leasing costs, net of accumulated amortization of $436,495 and 464,813, respectively	480,576	439,257
Interest rate protection cap, at fair value (cost $138,000)	130,111	351,351
Tenants' security deposits	551,784	582,939
Prepaid expenses and other assets	292,281	252,500
Total assets	$ 32,678,833	$ 32,239,237
LIABILITIES AND MEMBERS' EQUITY		
Mortgage note payable, net of unamortized deferred financing costs of $623,439 and $793,468, respectively	$ 24,374,693	$ 23,956,532
Accounts payable, accrued expenses and other liabilities	750,946	373,752
Deferred income	75,018	63,033
Tenants' security deposits payable	551,784	582,939
Total liabilities	25,752,441	24,976,256
Commitments and contingencies		
Members' equity	6,926,392	7,262,981
Total liabilities and members' equity	$ 32,678,833	$ 32,239,237

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Statements of Operations

	Year Ended December 31,	
	2017	**2016**
Building Revenue:		
Base rent	$ 2,702,812	$ 2,915,022
Escalation and expense reimbursements	305,164	149,980
Total building revenue	3,007,976	3,065,002
Building Expenses:		
Real estate taxes	473,468	435,597
Operating	356,021	283,448
Office and administration	149,112	90,528
Repairs and maintenance	146,672	103,299
Property management fees to related parties	106,723	105,404
Insurance	39,026	34,540
Renting and marketing	24,786	19,254
Bad debts	2,807	13,635
Total building expenses	1,298,615	1,085,705
Income before depreciation and other income (expense)	1,709,361	1,979,297
Other income (expense):		
Interest, including amortization of deferred financing costs of $170,029 and $85,702, respectively, and extinguishment loss of $200,047 in 2016	(966,349)	(891,671)
Depreciation and amortization	(979,525)	(849,212)
Unrealized (loss) gain on interest rate cap	(221,240)	213,351
Gain on insurance settlement	121,164	-
Total other expenses	(2,045,950)	(1,527,532)
Net (loss) income	$ (336,589)	$ 451,765

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Statements of Members' Equity

	Total
Balance, December 31, 2015	$ 16,152,017
Members' contributions	50,000
Members' distributions	(9,390,801)
Net income	451,765
Balance, December 31, 2016	7,262,981
Net loss	(336,589)
Balance, December 31, 2017	$ 6,926,392

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Statements of Cash Flows

	Year Ended December 31, 2017	Year Ended December 31, 2016
Cash flows from operating activities:		
Net (loss) income	$ (336,589)	$ 451,765
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	1,149,554	934,914
Unbilled straight-line rents receivable	110,250	(89,579)
Bad debts	2,807	13,635
Unrealized loss (gain) on interest rate cap	221,240	(213,351)
Changes in assets and liabilities:		
Mortgage escrow reserves	(13,260)	(33,524)
Tenant accounts receivable	3,333	(16,815)
Tenants' security deposits	31,155	(582,939)
Prepaid expenses and other assets	(39,781)	(7,630)
Accounts payable, accrued expenses and other liabilities	405,143	92,997
Deferred income	11,985	61,237
Tenants' security deposits payable	(31,155)	(76,540)
Net cash provided by operating activities	1,514,682	534,170
Cash flows from investing activities:		
Additions to building and tenant improvements	(1,215,115)	(403,813)
Additions to deferred leasing costs	(210,891)	(30,379)
Net cash used in investing activities	(1,426,006)	(434,192)
Cash flows from financing activities:		
Repayment of mortgage note payable	-	(14,624,790)
Proceeds of mortgage note payable	248,132	24,750,000
Deferred financing costs	-	(864,314)
Interest rate protection cap	-	(138,000)
Members' contributions	-	50,000
Members' distributions	-	(9,390,801)
Net cash provided by (used in) financing activities	248,132	(217,905)
Net change in cash	336,808	(117,927)
Cash at beginning of year	174,641	292,568
Cash at end of year	$ 511,449	$ 174,641
Supplemental disclosures of cash flow information:		
Interest paid	$ 782,128	$ 595,431
Supplemental disclosures of noncash investing activities:		
Accrued additions to building and tenant improvements	$ 64,414	$ 92,363

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Notes to Financial Statements
December 31, 2017 and 2016

NOTE A - BASIS OF PRESENTATION

3536 Associates, LLC (the "Company"), was organized on November 6, 2007 as a Delaware limited liability company to acquire, maintain and operate the commercial property located at 35 West 36th Street, New York, New York (the "Property"). The Company is owned 50% by 3536 HC Partners LLC (the "HC Member") and 50% collectively by a group of companies owned by Assurant Investment Management LLC (the "Assurant Member") (collectively the "Members"). From inception through December 31, 2017, each Member has contributed $9,990,533 and $5,688,050 has been distributed to each Member.

Profits, losses, contributions and distributions of the Company are allocated amongst its Members in accordance with the operating agreement. The term of the Company shall continue until the earlier of its dissolution pursuant to applicable law or the occurrence of certain events as delineated in the operating agreement.

In accordance with the operating agreement, each Member is required to make their pro-rata share of capital contributions on a timely basis. If either Member fails to make a timely contribution, the contributing Member's contribution will be categorized as either a special loan or a default capital contribution, as described in the operating agreement. Both Members have made capital contributions in equal amounts through December 31, 2017. As of December 31, 2017, there are no special loans or default capital contributions.

In accordance with the operating agreement, distributions shall be distributed to the Members as follows:

Net cash flow from operations (to the extent available) shall be distributed: a) first, to the Members until the Preferred Return Arrearage, as provided in the operating agreement, of each Member is reduced to zero, in proportion to the amounts distributable to each; and b) thereafter, to the Members in accordance with their respective residual percentage interests.

Net Cash from Sales or Refinancing shall be distributed: a) first, to the Members until the Preferred Return Arrearage of each Member is reduced to zero, in proportion to the amounts distributable to each; b) next, to the Members until the unreturned capital balance of each Member is reduced to zero, in proportion to the amounts distributable to each; c) next, to the Members in accordance with their percentage interests, until the Investor Member has received an amount which results in an 11% Internal Rate of Return with respect to its Capital Contributions; and d) thereafter, to the Members in accordance with their respective Residual Percentage Interests.

Upon Termination assets shall be distributed: i) first, to the payment of creditors and the expenses of liquidation; ii) then to the setting up of reserves which the Investor Member or liquidating trustee deems necessary for any contingent obligations of the Company; and iii) thereafter, as provided in the distribution of net cash from sales or refinancing, above. If any assets of the Company are to be distributed in kind, such assets shall be distributed on the basis of its fair market value and any Member entitled to an interest shall receive such interest as a tenant-in-common.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of accounting:

The accompanying financial statements are prepared on the accrual basis of accounting in conformity with generally accepted accounting principles ("GAAP").

[2] Use of estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in assets and liabilities and the disclosure of contingencies, if any, at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Notes to Financial Statements
December 31, 2017 and 2016

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[3] Concentration of credit risk:

The Company's policy is to maintain funds only with financial institutions they consider reputable and management believes that the risk of loss is minimal. However, at times, the Company's bank balances may exceed the Federal Deposit Insurance Corporation coverage limit of $250,000.

[4] Depreciation and amortization:

Depreciation of the building, building improvements and tenant improvements is provided by the straight-line method over the established useful lives ranging from 10 to 39 years for the building and improvements, and over the term of the related lease for tenant improvements.

The Company reviews its long-lived assets for impairment when there is an event or changes in circumstances that indicate a decline in the fair value below the carrying value has occurred. For the year ended December 31, 2017, there was no indication of impairment.

Repairs and maintenance are expensed as incurred; major replacements, betterments, adaptations and restorations which improve the efficiency or extend the life of the asset are capitalized and depreciated over their estimated useful lives. Fully depreciated assets are removed from the accounts.

[5] Deferred costs:

Deferred financing costs consist of fees and costs incurred to obtain mortgage financing. These costs are presented as a direct reduction of the outstanding debt on the balance sheets. Such costs are amortized utilizing the straight-line method, which approximates the interest method in the circumstances, over the term of the mortgage and are included in interest expense.

Deferred leasing costs consist of fees and costs incurred to initiate or renew operating leases and are amortized on a straight-line basis over the initial term of the lease or renewal period as appropriate. Upon early termination of a lease, any unamortized balance are written off and included in amortization expense.

[6] Interest rate protection cap:

The Company's interest rate protection cap acquired in 2016 (see Note D) is reflected at fair value in the balance sheets. The interest rate cap does not qualify for hedge accounting treatment and accordingly, the change in fair value is recorded as an item of other income (expense) in the statements of operations.

[7] Revenue recognition:

Rental income is derived from commercial office units occupied by tenants under operating leases. Rental revenues include base rents plus additional charges for taxes and other items. Base rents are recognized on a straight-line basis over the occupancy term of the related leases. The difference between actual rent earned pursuant to the lease term and straight-line rent amounts is recorded as unbilled straight-line rents receivable on the balance sheets. Real estate taxes and other operating expenses, billable per the terms of the leases, are recognized in the year that the applicable costs are incurred.

The Company utilizes the allowance method of accounting for doubtful accounts and evaluates collectability of its receivables based upon various factors, including an analysis of tenant receivables and historical bad debts, tenant concentrations and tenant creditworthiness. As of December 31, 2016, management had reserved for approximately $13,600 of outstanding receivables. Management determined that all receivables as of December 31, 2017 are fully collectible.

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Notes to Financial Statements
December 31, 2017 and 2016

NOTE C - REAL ESTATE

[8] Income taxes:

The Company is treated as a partnership for income tax purposes. As such, no provision for income taxes is necessary in the financial statements of the Company since all items of income and expense, gain and loss are reportable directly by the Company's Members.

Management is required to determine whether a tax position of the Company is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Company has evaluated whether it has any uncertain tax positions and has determined that there are none that would materially impact the financial position or results of operations of the Company. Management's evaluation could change in the future based on numerous factors including its ongoing analysis of tax laws, regulations and related interpretations.

Should any uncertain tax positions be identified by the Company, the Company will account for any interest on such taxes and any penalties as a distribution to its Members.

[9] Subsequent events:

Management has evaluated events occurring through February 12, 2018, the date the financial statements were available for issuance.

The Company's real estate consisted of the following at December 31:

	2017	2016
Land	$ 15,656,869	$ 15,656,869
Building	13,307,880	13,307,880
Building improvements	4,286,340	3,495,940
Tenant improvements	1,572,348	1,814,286
	34,823,437	34,274,975
Less accumulated depreciation	(4,815,828)	(4,644,579)
	$ 30,007,609	$ 29,630,396

NOTE D - MORTGAGE NOTE PAYABLE

The Company had a mortgage loan, as amended, with several members of the Company with an original principal amount of $16,089,326. The loan bore interest at 3.89% per annum and required monthly principal and interest payments of $83,951, and was scheduled to mature of May 1, 2017.

On August 9, 2016, the Company refinanced this loan, having a then current balance of approximately $14,329,000, and releasing the Company from any and all obligations under the loan agreement. The Company incurred a prepayment penalty of $200,047 (representing the debt extinguishment loss) which is included in interest on the statements of operations. The Company entered into a new loan agreement with a new institutional lender to borrow a total principal of $25,500,000 (the "Loan") of which $24,750,000 was advanced at closing. The remaining $750,000 holdback will be funded to the Company to pay for tenant improvements and leasing commissions. As of December 31, 2017, a total of $24,998,132 has been advanced to the Company. As part of that refinancing, the Company incurred deferred financing costs of approximately $864,000, of which the unamortized portion has been recorded as a direct reduction of the outstanding debt in the balance sheets.

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Notes to Financial Statements
December 31, 2017 and 2016

NOTE D - MORTGAGE NOTE PAYABLE (CONTINUED)

The Loan, which is collateralized by the real estate and an assignment of its rent and leases, matures on September 1, 2021 at which time the remaining principal balance, and all accrued and unpaid interest, becomes due and payable. The Loan bears interest at 2.10% per annum plus LIBOR based on a 360-day year. At December 31, 2017 and 2016, the interest rate was 3.50% and 2.82%, respectively. The Loan requires monthly interest-only payments through and including September 1, 2018. Thereafter, the Loan requires monthly payments of interest and principal calculated based on an amortization period of thirty years.

Interest expense amounted to $796,320 and $605,922, respectively, for the years ended December 31, 2017 and 2016. Accrued interest expense amounted to $72,092 and $57,900 as of December 31, 2017 and 2016, respectively, and was included in accounts payable, accrued expenses and other liabilities on the balance sheets.

As provided for in the Loan Agreement, commencing on August 9, 2018, the Company is also required to meet certain financial covenants including a minimum debt yield and debt service coverage ratio.

The Company purchased an interest rate protection cap with a LIBOR strike price of 2.5% and a notional amount equal to the Loan. The cap expires on September 1, 2021.

The Company carries its interest rate protection cap at fair value. FASB ASC 820, Fair Value Measurements and Disclosures, provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Quoted prices are available in active markets for identical unrestricted investments as of the reporting date.

Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

At December 31, 2017 and 2016, the interest rate protection cap is categorized as a Level 2 investment with an estimated fair value of $130,111 and $351,351, respectively, which is included in the balance sheets. There is an unrealized loss of $221,240 for the year ended December 31, 2017. There was an unrealized gain of $213,351 for the year ended December 31, 2016. The unrealized change in fair value is recorded as an item of other income (expense) in the statements of operations.

At December 31, 2017, the Company's future annual minimum debt payments are approximately as follows:

2018	$ 114,666
2019	466,900
2020	482,012
2021	23,934,554
	$ 24,998,132

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Notes to Financial Statements
December 31, 2017 and 2016

NOTE D - MORTGAGE NOTE PAYABLE (CONTINUED)

The mortgage note payable stated on the balance sheets is comprised of the following as of December 31:

	2017	2016
Mortgage note payable	$ 24,998,132	$ 24,750,000
Deferred financing costs, net of accumulated amortization of $240,875 and $70,846, respectively	(623,439)	(793,468)
	$ 24,374,693	$ 23,956,532

NOTE E - MORTGAGE RESERVE ESCROWS AND OTHER ACCOUNTS HELD WITH LENDER

In connection with the Loan Agreement (see Note D), the Company is required to maintain an escrow deposit for real estate taxes for the term of the Loan. The balance in the account as of December 31, 2017 and 2016 was $38,974 and $25,713, respectively. Also, in accordance with the loan agreement, the Company has a repair reserve escrow with a balance of $7,991 as of December 31, 2017 and 2016.

The Loan Agreement also requires the Company to segregate tenant security deposits in a separate account held with the lender. As of December 31, 2017 and 2016, the balance in this account was $551,784 and $582,939, respectively.

NOTE F - TENANT LEASES

The Company leases office and retail space to various tenants under operating leases, which generally provide for renewal options and additional rentals based on increases in real estate taxes and certain operating expenses.

As of December 31, 2017 and 2016, the Company has entered into leases for 80% and 100% of the rentable space, respectively. There were no major tenants for the years ended December 31, 2017 or 2016.

Future base rental amounts under non-cancelable operating leases are as follows:

2018	$ 2,174,000
2019	1,758,000
2020	1,666,000
2021	1,101,000
2022	1,002,000
Thereafter	1,082,000
	$ 8,783,000

At December 31, 2017 and 2016, the Company was holding $82,240 and $166,805, respectively, in the form of letters of credit as security deposits.

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Notes to Financial Statements
December 31, 2017 and 2016

NOTE G - RELATED PARTY TRANSACTIONS

The Property is managed by an affiliate of the Company, related through common control, for various services including among other things, property management, construction management and leasing. The agreement provides for a monthly management fee at the greater of 3.5% of gross income or $4,000. In addition, the Company shall reimburse the property manager for various expenses (as provided), including payroll and related costs incurred in the management of the Property.

The Company incurred $106,723 and $105,404 in property management fees to this affiliate, for the years ended December 31, 2017 and 2016, respectively, of which $8,156 and $8,127 of such fees were payable as of December 31, 2017 and 2016, respectively, and were included in accounts payable, accrued expenses and other liabilities on the balance sheets.

The Company incurred $67,472 and $4,767 in construction management fees to this affiliate, for the years ended December 31, 2017 and 2016, respectively, of which $41,568 of such fees were payable as of December 31, 2017 and were included in accounts payable, accrued expenses and other liabilities on the balance sheets. There were no construction management fees outstanding as of December 31, 2016.

Leasing costs of $103,620 were incurred with this affiliate for the year ended December 31, 2017. There were no leasing fees incurred during 2016.

The Property manager was also reimbursed $398,117 and $212,291 for the years ended December 31, 2017 and 2016, respectively, for costs incurred in connection with the Property's management, of which $44,476 and $30,138 were payable as of December 31, 2017 and 2016, respectively, and included in accounts payable, accrued expenses and other liabilities on the balance sheets.

EISNERAMPER
ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

To the Members of
3536 Associates, LLC

We have audited the financial statements of 3536 Associates, LLC as of December 31, 2017 and 2016, and for the years then ended, and have issued our report thereon dated February 12, 2018 which expressed an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

EisnerAmper LLP

EISNERAMPER LLP
New York, New York
February 12, 2018

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Supplemental Statements of Members' Equity

	Total	Assurant USIC Disability	Assurant USIC Reset	Assurant USP	Assurant Fed. Warranty	Assurant Amer. Security	Assurant ABIC	Hidrock Partners
Balance, December 31, 2015	$ 16,152,017	$ 807,600	$ 807,599	$ 2,422,804	$ 1,211,402	$ 1,615,200	$ 1,211,404	$ 8,076,008
Members' contributions	50,000	2,500	2,500	7,500	3,750	5,000	3,750	25,000
Members' distributions	(9,390,801)	(469,540)	(469,540)	(1,408,620)	(704,311)	(939,080)	(704,309)	(4,695,401)
Net income	451,765	22,588	22,588	67,764	33,882	45,177	33,882	225,884
Balance, December 31, 2016	7,262,981	363,148	363,147	1,089,448	544,723	726,297	544,727	3,631,491
Net loss	(336,589)	(16,829)	(16,829)	(50,488)	(25,244)	(33,659)	(25,244)	(168,296)
Balance, December 31, 2017	$ 6,926,392	$ 346,319	$ 346,318	$ 1,038,960	$ 519,479	$ 692,638	$ 519,483	$ 3,463,195

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3536 ASSOCIATES, LLC

(a Delaware limited liability company)

FINANCIAL STATEMENTS

DECEMBER 31, 2018 and 2017



3536 ASSOCIATES, LLC
(a Delaware limited liability company)

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INDEPENDENT AUDITORS' REPORT

To the Members of
3536 Associates, LLC

Report on the Financial Statements

We have audited the accompanying financial statements of 3536 Associates, LLC (the "Company"), which comprise the balance sheets as of December 31, 2018 and 2017, and the related statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 3536 Associates, LLC as of December 31, 2018 and 2017, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

EisnerAmper LLP

EISNERAMPER LLP
New York, New York
March 11, 2019

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Balance Sheets

	December 31, 2018	December 31, 2017
ASSETS		
Real estate - net of accumulated depreciation	$ 30,307,071	$ 30,007,609
Cash	334,982	511,449
Mortgage escrow reserves	43,359	46,965
Tenant accounts receivable, net	33,619	14,640
Unbilled straight-line rents receivable	655,824	643,418
Deferred leasing costs, net of accumulated amortization of $512,686 and $436,495, respectively	405,781	480,576
Interest rate protection cap, at fair value (cost $138,000)	171,217	130,111
Tenants' security deposits	508,584	551,784
Prepaid expenses and other assets	322,091	292,281
Total assets	$ 32,782,528	$ 32,678,833
LIABILITIES AND MEMBERS' EQUITY		
Mortgage note payable, net of unamortized deferred financing costs of $453,410 and $623,439, respectively	$ 24,822,622	$ 24,374,693
Accounts payable, accrued expenses and other liabilities	597,637	750,946
Deferred income	47,733	75,018
Tenants' security deposits payable	508,584	551,784
Total liabilities	25,976,576	25,752,441
Commitments and contingencies		
Members' equity	6,805,952	6,926,392
Total liabilities and members' equity	$ 32,782,528	$ 32,678,833

See notes to financial statements

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Statements of Operations

	Years Ended December 31,	
	2018	**2017**
Building Revenue:		
Base rent	$ 2,876,753	$ 2,702,812
Escalation and expense reimbursements	213,183	305,164
Total building revenue	3,089,936	3,007,976
Building Expenses:		
Real estate taxes	521,003	473,468
Operating	354,504	356,021
Office and administration	115,172	149,112
Repairs and maintenance	77,300	146,672
Property management fees to related parties	104,751	106,723
Insurance	68,191	39,026
Renting and marketing	22,448	24,786
Bad debts	-	2,807
Total building expenses	1,263,369	1,298,615
Income before depreciation and other income (expense)	1,826,567	1,709,361
Other income (expense):		
Interest, including amortization of deferred financing costs of $170,029 each year	(1,219,833)	(966,349)
Depreciation and amortization	(768,280)	(979,525)
Unrealized gain (loss) on interest rate cap	41,106	(221,240)
Gain on insurance settlement	-	121,164
Total other expenses	(1,947,007)	(2,045,950)
Net loss	$ (120,440)	$ (336,589)

See notes to financial statements

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Statements of Members' Equity

	Total
Balance, December 31, 2016	$ 7,262,981
Net loss	(336,589)
Balance, December 31, 2017	6,926,392
Net loss	(120,440)
Balance, December 31, 2018	$ 6,805,952

See notes to financial statements

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Statements of Cash Flows

	Years Ended December 31,	
	2018	**2017**
Cash flows from operating activities:		
Net loss	$ (120,440)	$ (336,589)
Adjustments to reconcile net loss		
to net cash provided by operating activities:		
Depreciation and amortization	938,309	1,149,554
Unbilled straight-line rents receivable	(12,406)	110,250
Bad debts	-	2,807
Unrealized (gain) loss on interest rate cap	(41,106)	221,240
Changes in assets and liabilities:		
Mortgage escrow reserves	3,606	(13,260)
Tenant accounts receivable	(18,979)	3,333
Tenants' security deposits	43,200	31,155
Prepaid expenses and other assets	(29,810)	(39,781)
Accounts payable, accrued expenses and other liabilities	(116,025)	405,143
Deferred income	(27,285)	11,985
Tenants' security deposits payable	(43,200)	(31,155)
Net cash provided by operating activities	575,864	1,514,682
Cash flows from investing activities:		
Additions to building and tenant improvements	(987,324)	(1,215,115)
Additions to deferred leasing costs	(42,907)	(210,891)
Net cash used in investing activities	(1,030,231)	(1,426,006)
Cash flows from financing activities:		
Proceeds of mortgage note payable	409,704	248,132
Repayment of mortgage note payable	(131,804)	-
Net cash provided by financing activities	277,900	248,132
Net change in cash	(176,467)	336,808
Cash at beginning of year	511,449	174,641
Cash at end of year	$ 334,982	$ 511,449
Supplemental disclosures of cash flow information:		
Interest paid	$ 1,031,304	$ 782,128
Supplemental disclosures of noncash investing activities:		
Accrued additions to building and tenant improvements	$ 6,452	$ 64,414
Accrued additions to deferred leasing costs	$ 20,678	$ -

See notes to financial statements

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Notes to Financial Statements
December 31, 2018 and 2017

NOTE A - BASIS OF PRESENTATION

3536 Associates, LLC (the "Company"), was organized on November 6, 2007 as a Delaware limited liability company to acquire, maintain and operate the commercial property located at 35 West 36th Street, New York, New York (the "Property"). The Company is owned 50% by 3536 HC Partners LLC (the "HC Member") and 50% collectively by a group of companies owned by Assurant, Inc. (the "Assurant Member") (collectively, the "Members"). From inception through December 31, 2018, each Member has contributed $9,990,533 and $5,688,050 has been distributed to each Member.

Profits, losses, contributions and distributions of the Company are allocated amongst its Members in accordance with the operating agreement. The term of the Company shall continue until the earlier of its dissolution pursuant to applicable law or the occurrence of certain events as delineated in the operating agreement.

In accordance with the operating agreement, each Member is required to make their pro-rata share of capital contributions on a timely basis. If either Member fails to make a timely contribution, the contributing Member's contribution will be categorized as either a special loan or a default capital contribution, as described in the operating agreement. Both Members have made capital contributions in equal amounts through December 31, 2018. As of December 31, 2018, there are no special loans or default capital contributions.

In accordance with the operating agreement, distributions shall be distributed to the Members as follows:

Net cash flow from operations (to the extent available) shall be distributed: a) first, to the Members until the Preferred Return Arrearage, as provided in the operating agreement, of each Member is reduced to zero, in proportion to the amounts distributable to each; and b) thereafter, to the Members in accordance with their respective residual percentage interests.

Net Cash from Sales or Refinancing shall be distributed: a) first, to the Members until the Preferred Return Arrearage of each Member is reduced to zero, in proportion to the amounts distributable to each; b) next, to the Members until the unreturned capital balance of each Member is reduced to zero, in proportion to the amounts distributable to each; c) next, to the Members in accordance with their percentage interests, until the "Investor Member" has received an amount which results in an 11% Internal Rate of Return with respect to its Capital Contributions; and d) thereafter, to the Members in accordance with their respective Residual Percentage Interests.

Upon termination, assets shall be distributed: i) first, to the payment of creditors and the expenses of liquidation; ii) then to the setting up of reserves which the Investor Member or liquidating trustee deems necessary for any contingent obligations of the Company; and iii) thereafter, as provided in the distribution of net cash from sales or refinancing, above. If any assets of the Company are to be distributed in kind, such assets shall be distributed on the basis of its fair market value and any Member entitled to an interest shall receive such interest as a tenant-in-common.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of accounting:

The accompanying financial statements are prepared on the accrual basis of accounting in conformity with generally accepted accounting principles ("GAAP").

[2] Use of estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in assets and liabilities and the disclosure of contingencies, if any, at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Notes to Financial Statements
December 31, 2018 and 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[3] Concentration of credit risk:

The Company's policy is to maintain funds only with financial institutions it considers reputable and management believes that the risk of loss is minimal. However, at times, the Company's bank balances may exceed the Federal Deposit Insurance Corporation coverage limit of $250,000.

[4] Depreciation and amortization:

Depreciation of the building, building improvements and tenant improvements are provided by the straight-line method over the established useful lives ranging from 10 to 39 years for the building and improvements, and over the term of the related lease for tenant improvements.

The Company reviews its long-lived assets for impairment when there is an event or changes in circumstances that indicate a decline in the fair value below the carrying value has occurred. For the year ended December 31, 2018, there was no indication of impairment.

Repairs and maintenance are expensed as incurred; major replacements, betterments, adaptations and restorations, which improve the efficiency or extend the life of the assets, are capitalized and depreciated over their estimated useful lives. Fully depreciated assets are removed from the accounts.

[5] Deferred costs:

Deferred financing costs consist of fees and costs incurred to obtain mortgage financing. These costs are presented as a direct reduction of the outstanding debt on the balance sheets. Such costs are amortized utilizing the straight-line method, which approximates the interest method in the circumstances, over the term of the mortgage and are included in interest expense.

Deferred leasing costs consist of fees and costs incurred to initiate or renew operating leases and are amortized on a straight-line basis over the initial term of the lease or renewal period as appropriate. Upon early termination of a lease, any unamortized balance are written off and included in amortization expense.

[6] Interest rate protection cap:

The Company's interest rate protection cap acquired in 2016 (see Note D) is reflected at fair value in the balance sheets. The interest rate cap does not qualify for hedge accounting treatment and accordingly, the change in fair value is recorded as an item of other income (expense) in the statements of operations.

[7] Revenue recognition:

Rental income is derived from commercial office units occupied by tenants under operating leases. Rental revenues include base rents, plus additional charges for taxes and other items. Base rents are recognized on a straight-line basis over the occupancy term of the related leases. The difference between actual rent earned pursuant to the lease term and straight-line rent amounts is recorded as unbilled straight-line rents receivable on the balance sheets. Real estate taxes and other operating expenses, billable per the terms of the leases, are recognized in the year that the applicable costs are incurred.

The Company utilizes the allowance method of accounting for doubtful accounts and evaluates collectability of its receivables based upon various factors, including an analysis of tenant receivables and historical bad debts, tenant concentrations and tenant creditworthiness. Management determined that all receivables as of December 31, 2018 are fully collectible.

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Notes to Financial Statements
December 31, 2018 and 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[8] Income taxes:

The Company is treated as a partnership for income tax purposes. As such, no provision for income taxes is necessary in the financial statements of the Company since all items of income and expense, gain and loss are reportable directly by the Company's Members.

Management is required to determine whether a tax position of the Company is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Company has evaluated whether it has any uncertain tax positions and has determined that there are none that would materially impact the financial position or results of operations of the Company. Management's evaluation could change in the future based on numerous factors, including its ongoing analysis of tax laws, regulations and related interpretations.

Should any uncertain tax positions be identified by the Company, the Company will account for any interest on such taxes and any penalties as a distribution to its Members.

[9] Subsequent events:

Management has evaluated events occurring through March 11, 2019, the date the financial statements were available for issuance.

NOTE C - REAL ESTATE

The Company's real estate consisted of the following at December 31:

	2018	2017
Land	$ 15,656,869	$ 15,656,869
Building	13,307,880	13,307,880
Building improvements	4,869,507	4,286,340
Tenant improvements	1,831,997	1,572,348
Construction in process	52,937	-
	35,719,190	34,823,437
Less accumulated depreciation	(5,412,119)	(4,815,828)
	$ 30,307,071	$ 30,007,609

NOTE D - MORTGAGE NOTE PAYABLE

On August 9, 2016, the Company entered into a new loan agreement with an institutional lender to borrow a total principal of $25,500,000 (the "Loan") of which $24,750,000 was advanced at closing. The remaining holdback will be funded to the Company to pay for tenant improvements and leasing commissions. As of December 31, 2018, a total of $25,407,836 has been advanced to the Company.

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Notes to Financial Statements
December 31, 2018 and 2017

NOTE D - MORTGAGE NOTE PAYABLE (CONTINUED)

The Loan, which is collateralized by the real estate and an assignment of its rent and leases, matures on September 1, 2021 at which time the remaining principal balance, and all accrued and unpaid interest, becomes due and payable. The Loan bears interest at 2.10% per annum plus LIBOR based on a 360-day year. At December 31, 2018 and 2017, the interest rate was 4.45% and 3.50%, respectively. The Loan required monthly interest-only payments through and including September 1, 2018. Thereafter, the Loan requires monthly payments of interest and principal calculated based on an amortization period of thirty years.

Interest expense amounted to $1,049,804 and $796,320, respectively, for the years ended December 31, 2018 and 2017. Accrued interest expense amounted to $90,592 and $72,092 as of December 31, 2018 and 2017, respectively, and was included in accounts payable, accrued expenses and other liabilities on the balance sheets.

As provided for in the Loan Agreement, commencing on August 9, 2018, the Company is also required to meet certain financial covenants including a minimum debt yield and debt service coverage ratio.

The Company purchased an interest rate protection cap with a LIBOR strike price of 2.5% and a notional amount equal to the Loan. The cap expires on September 1, 2021.

The Company carries its interest rate protection cap at fair value. Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, Fair Value Measurements and Disclosures, provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Quoted prices are available in active markets for identical unrestricted investments as of the reporting date.

Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

At December 31, 2018 and 2017, the interest rate protection cap is categorized as a Level 2 investment with an estimated fair value of $171,217 and $130,111, respectively, which is included in the balance sheets. There is an unrealized gain of $41,106 for the year ended December 31, 2018. There was an unrealized loss of $221,240 for the year ended December 31, 2017. The unrealized change in fair value is recorded as an item of other income (expense) in the statements of operations.

At December 31, 2018, the Company's future annual minimum debt payments are approximately as follows:

2019	424,337
2020	434,217
2021	24,417,478
	$ 25,276,032

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Notes to Financial Statements
December 31, 2017 and 2016

NOTE D - MORTGAGE NOTE PAYABLE (CONTINUED)

The mortgage note payable stated on the balance sheets is comprised of the following as of December 31:

	2018	2017
Mortgage note payable	$ 25,276,032	$ 24,998,132
Deferred financing costs, net of accumulated amortization of $410,904 and $240,875, respectively	(453,410)	(623,439)
	$ 24,822,622	$ 24,374,693

NOTE E - MORTGAGE RESERVE ESCROWS AND OTHER ACCOUNTS HELD WITH LENDER

In connection with the Loan Agreement (see Note D), the Company is required to maintain an escrow deposit for real estate taxes for the term of the Loan. The balance in the account as of December 31, 2018 and 2017 was $35,424 and $38,974, respectively. Also, in accordance with the loan agreement, the Company has a repair reserve escrow with a balance of $7,935 and $7,991 as of December 31, 2018 and 2017, respectively.

The Loan Agreement also requires the Company to segregate tenant security deposits in a separate account held with the lender. As of December 31, 2018 and 2017, the balance in this account was $508,584 and $551,784, respectively.

NOTE F - TENANT LEASES

The Company leases office and retail space to various tenants under operating leases, which generally provide for renewal options and additional rentals based on increases in real estate taxes and certain operating expenses.

As of December 31, 2018 and 2017, the Company has entered into leases for 82% and 80% of the rentable space, respectively. There were no major tenants for the years ended December 31, 2018 or 2017.

Future base rental amounts under non-cancelable operating leases are as follows:

2019	2,485,000
2020	2,086,000
2021	1,412,000
2022	1,368,000
2023	1,082,000
Thereafter	915,000
	$ 9,348,000

At December 31, 2018 and 2017, the Company was holding $156,520 and $82,240, respectively, in the form of letters of credit as security deposits.

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Notes to Financial Statements
December 31, 2017 and 2016

NOTE G - RELATED PARTY TRANSACTIONS

The Property is managed by an affiliate of the Company, related through common control, for various services including among other things, property management, construction management and leasing. The agreement provides for a monthly management fee at the greater of 3.5% of gross income or $4,000. In addition, the Company shall reimburse the property manager for various expenses (as provided), including payroll and related costs incurred in the management of the Property.

The Company incurred $104,751 and $106,723 in property management fees to this affiliate, for the years ended December 31, 2018 and 2017, respectively, of which $17,188 and $8,156 of such fees were payable as of December 31, 2018 and 2017, respectively, and were included in accounts payable, accrued expenses and other liabilities on the balance sheets.

The Company incurred $43,277 and $67,472 in construction management fees to this affiliate, for the years ended December 31, 2018 and 2017, respectively, of which $6,452 and $41,568 of such fees were payable as of December 31, 2018 and 2017, respectively, and were included in accounts payable, accrued expenses and other liabilities on the balance sheets.

The Company incurred $37,459 and $103,620 in leasing costs to this affiliate, for the years ended December 31, 2018 and 2017, respectively. As of December 31, 2018, $20,678 of such fees were payable and were included in accounts payable, accrued expenses and other liabilities on the balance sheets. There were no leasing commissions payable as of December 31, 2017.

The Property manager was also reimbursed $433,524 and $398,117 for the years ended December 31, 2018 and 2017, respectively, for costs incurred in connection with the Property's management, of which $97,866 and $44,476 were payable as of December 31, 2018 and 2017, respectively, and included in accounts payable, accrued expenses and other liabilities on the balance sheets.

EISNERAMPER

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

To the Members of
3536 Associates, LLC

We have audited the financial statements of 3536 Associates, LLC as of December 31, 2018 and 2017, and for the years then ended, and have issued our report thereon dated March 11, 2019 which expressed an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

EisnerAmper LLP

EISNERAMPER LLP
New York, New York
March 11, 2019

3536 ASSOCIATES, LLC
(a Delaware limited liability company)

Supplemental Statements of Members' Equity

	Total	Assurant USIC Disability	Assurant USIC Reset	Assurant USP	Assurant Fed. Warranty	Assurant Amer. Security	Assurant ABIC	Hidrock Partners
Balance, December 31, 2016	$ 7,262,981	$ 363,148	$ 363,147	$ 1,089,448	$ 544,723	$ 726,297	$ 544,727	$ 3,631,491
Net loss	(336,589)	(16,829)	(16,829)	(50,488)	(25,244)	(33,659)	(25,244)	(168,296)
Balance, December 31, 2017	6,926,392	346,319	346,318	1,038,960	519,479	692,638	519,483	3,463,195
Net loss	(120,440)	(6,022)	(6,022)	(18,066)	(9,033)	(12,044)	(9,033)	(60,220)
Balance, December 31, 2018	$ 6,805,952	$ 340,297	$ 340,296	$ 1,020,894	$ 510,446	$ 680,594	$ 510,450	$ 3,402,975

LEASES AND TENANCIES

At present certain Units are vacant and certain Units are leased to tenants. The Schedule A denotes which Units are vacant and which Units are currently subject to leases. Notwithstanding, Sponsor specifically reserves the right to lease Units not subject to Purchase Agreements after the Plan is consummated and may determine, in its sole discretion, to offer such leased Units to Purchasers subject to the terms of such leases. Sponsor will disclose the existence of any leases to potential Purchasers of such Units and provide copies of the relevant lease files for inspection by bona-fide potential Purchasers via the Selling Agent. Any Purchaser of an occupied Unit will be purchasing such Unit subject to the existing lease. Therefore, Purchasers are advised to review such leases to ascertain, for example, what the Purchaser's obligations would be as landlord under such leases.

None of the Units in the Building are subject to any law limiting or controlling rent or terms of occupancy. Therefore, no tenant of a Unit occupying pursuant to a lease with Sponsor is entitled to any special rights or protections not otherwise stated within the lease itself, including rights with respect to lease renewals or continued occupancy. Neither the submission, acceptance nor effectiveness of the Plan shall in any way afford any tenant any rights not expressly set forth in the lease and there shall also be no right of first refusal, exclusive purchase right, or other similar rights afforded to tenants of the Units covered by leases or otherwise in respect of this offering.

To the extent a Purchase Agreement is entered into by Sponsor and a third-party Purchaser with respect to a leased Unit, Sponsor makes no representation or warranty that any such lease will be in force or effect at the Closing or that the tenant has or will have performed its obligations pursuant to the lease, except to the extent specifically stated in the Purchase Agreement. The termination of any lease prior to Closing by reason of the tenant's default shall not affect the obligations of Purchaser under its Purchase Agreement in any manner or entitle Purchaser to an abatement of or credit against the Purchase Price for its Unit or give rise to any other claim on the part of Purchaser, including with respect to pursuing an action to recover the Unit and evict the tenant or occupant thereof.

In addition to any other documents required to be delivered by Sponsor at Closing, with respect of any Unit which, at the time of Purchase Agreement, is subject to a lease, Sponsor shall deliver to Purchaser (i) an original counterpart, if available, or otherwise a copy of the lease and copies of all records relating thereto; (ii) an assignment of all of Sponsor's right, title and interest as landlord under the lease; (iii) a schedule concerning the security deposit together with, to the extent applicable, the most recent report with respect thereto issued by the banking organizations in which such security is deposited (pursuant to New York General Obligations Law ("GOL") Section 7-103); (iv) a check or credit to Purchaser in the amount of any cash security deposit, including any interest thereon, held by Sponsor on the Closing Date or, if held by an institutional lender, an assignment to Purchaser and written instructions to the holder of such deposit to transfer the same to Purchaser, and appropriate instruments of transfer or assignment with respect to any security deposit which is other than cash; (v) if applicable, a schedule setting forth all arrears in rent and all prepayments of rent under the lease; and (vi) an original letter, executed by Sponsor or by its agent, advising the tenant of the sale of such Unit to the Purchaser and directing that rent and other payments under the lease affecting the Unit thereafter be sent to Purchaser or as Purchaser may direct.

PROCEDURE TO PURCHASE

A Purchaser desiring to purchase a Unit will be required to execute a Purchase Agreement, which will be in the form set forth in Part II of the Plan.

Purchasers shall be afforded not less than 3 business days to review the Plan prior to executing a Purchase Agreement. A Purchaser may obtain the Plan upon payment of a $300 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition or (ii) the execution by the Purchaser of a Purchase Agreement subsequently accepted by Sponsor. If a Purchaser has not received the Plan at least 3 business days prior to executing a Purchase Agreement, a Purchaser shall have the right to rescind the Purchase Agreement within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to Sponsor or Selling Agent. The Purchase Agreement sets forth in detail the terms of sale with respect to each Unit and should be read carefully by Purchaser. In the event of any inconsistency between the provisions of the Purchase Agreement and the Plan, the provisions of the Plan will govern and be binding.

Although a Purchaser may obtain financing from any lending institution or other source, 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 and may want to finalize their financing arrangements before execution of a Purchase Agreement. No representation is made by Sponsor or Selling Agent as to the availability, cost or terms of such financing. While the First Closing is projected to occur on or around January 1, 2020, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment.

Purchase Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the Purchaser. Sponsor reserves the right to request thorough identification and financial information (including credit reports and litigation searches) concerning any Purchaser, subject to any limitations and requirements imposed by Law.

Sponsor will have 30 days after delivery by Purchaser of an executed Purchase Agreement and the required Deposit, within which to accept or reject the Purchase Agreement. If a Purchase Agreement is not accepted by Sponsor within the 30 day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and the Deposit shall be returned to Purchaser within 30 days thereafter. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, to refuse to approve and execute (a) a Purchase Agreement for any Unit, except as prohibited by Law, and (b) a Purchase Agreement for more than one Unit to any Person.

The signing of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan), including, but not limited to, the Unit, the Office Building and all Common Elements contained in the Office Building. In the event of any inconsistency between the provisions of the Purchase Agreement and the Plan, the provisions of the Plan will govern and be binding. The Purchase Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law of the State of New York.

At the time of execution of a Purchase Agreement, Purchaser will be required to make a Deposit in an amount equal to 10% of the Purchase Price either by wire transfer or by an official bank check (subject to collection) drawn on or issued by a bank or trust company which is a member of The New York

Clearinghouse Association. Sponsor may require that Purchasers of more than one Unit deliver a Deposit in excess of that set forth in the Plan, which amount shall be on terms individually negotiated with each Purchaser. All checks tendered in connection with Deposits must be made payable to the direct order of "Starr Associates LLP, as escrow agent." All checks delivered in payment of the Deposit shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be cancelled and of no further force or effect.

All Deposits made pursuant to a Purchase Agreement are subject to the requirements of Section 71a(3) of the State of New York Lien Law and 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Pursuant to these laws, Sponsor will cause all Deposits received by it directly or by its agents or employees to be promptly deposited and held in accordance with the procedures set forth in the Section of the Plan entitled "Escrow and Trust Fund Requirements."

The Balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Unit and, if applicable, by wire transfer (at Sponsor's sole option) or, official bank or cashier's check drawn on or issued by a bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor shall so notify Purchaser. Any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. The deed will be substantially in the form as set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposit will be credited or paid to Purchaser at Closing.

Sponsor presently contemplates that First Closing of a Unit will occur on or about January 1, 2020. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the projected date or the time to complete or to close title to any Unit is delayed or postponed by Sponsor. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. In the event the First Closing does not occur within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame, to rescind their Purchase Agreement. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

Following the Plan being declared effective, Sponsor will deliver to each Purchaser an Initial Closing Notice at least 30 days prior to the Closing Date specified therein ("Scheduled Closing Date"). In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel the Purchase Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of written notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the entire Deposit and any interest earned on the Deposit. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Agreement had never been

made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of written notice of Sponsor's election to close title to the Unit in accordance with the Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection).

If Purchaser fails for any reason to close title to the Unit on the Scheduled Closing Date, other than due to Sponsor's failure or inability to Close: (a) the Closing apportionments described in the Section of the Plan entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs ("Actual Closing Date"), and (b) Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the Purchase Price of the Unit per day commencing with the Scheduled Closing Date through the Actual Closing Date, as a reimbursement of Sponsor's increased 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. If through no fault of Purchaser, Sponsor postpones the Scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS UNDER THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF ALL DEPOSITS AND THE BALANCE OF THE PURCHASE PRICE. FUNDS DRAWN ON FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE.

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

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

Prior to the Closing of Title to a Unit, the Purchase Agreement prohibits a Purchaser from listing such Unit for sale or rental with any broker or placing or authorizing any listing in any broker's listing system or other listing service or from advertising or otherwise offering, promoting or publicizing the availability of such Unit for sale or rental, without Sponsor's prior written consent, which consent may be unreasonably withheld, conditioned, or delayed in Sponsor's sole and absolute discretion. Any such action by Purchaser in violation of the terms of the Plan will be deemed a material default under the Purchase Agreement, and Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, the entire Deposit made by Purchaser, together with interest earned thereon.

If the Plan is withdrawn or abandoned, all Deposits previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser in accordance with the provisions set forth in the Section of the Plan entitled "Effective Date."

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

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Unit, at which time such risk, to the extent not covered by existing insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price of the Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that Sponsor does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return 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.

Sponsor is obligated to provide only the equipment, fixtures and furnishings set forth in the "Description of the Property and Building Condition" set forth in Part II of the Plan. If a Person desiring to purchase a Unit requests that Sponsor perform special or additional work in the Unit or provide extra or upgraded fixtures or finishes, including, but not limited to, any deviation from the materials or specifications described in the Description of the Property and Building Condition set forth in Part II of the Plan, and Sponsor agrees in writing to perform such work and/or provide such fixtures or finishes, then Sponsor may require such Person to deposit an amount greater than the Deposit required under the Purchase Agreement.

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

Each Purchaser shall be given an opportunity to examine the Unit prior to the Closing during normal business hours and in the company of Sponsor's representative and is urged to make a careful inspection thereof, as more fully set forth in the Purchase Agreement set forth in Part II of the Plan.

At Closing, each Purchaser will be required to execute and deliver a Unit Power of Attorney in favor of the Condominium Board and Sponsor, the failure of which shall be a default under the Purchase Agreement entitling Sponsor to all of the remedies set forth in the Plan and the Purchase Agreement.

Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Office Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. Set forth as an

Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. In accordance with the terms of the rider annexed to the Purchase Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint.

While Sponsor has, to the best of its knowledge, received no specific reports regarding lead-based paint in the Office Building, given the age of the Office Building and the widespread use of lead-based paint in preceding decades, it can be assumed that there is lead-based paint present in the Office Building. In addition, there are numerous layers of paint on the walls of the original building. Sponsor makes no representation as to the existence or non-existence of lead-based paint within the walls. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense. See the Section of the Plan entitled "Sponsor's Statement of Office Building Condition" and the Purchase Agreement set forth in Part II of the Plan for further details.

ESCROW AND TRUST FUND REQUIREMENTS

All deposits, down payments, advances and payments made by Purchasers prior to the Closing ("Deposits") will be held in escrow in conformity with the disclosure contained in this Section of the Plan and in accordance with the escrow provisions contained in the Purchase Agreement.

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in the escrow agreement or Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds. However, notwithstanding anything to the contrary set forth herein or anywhere else in the Plan, in the Event of Default by Purchaser, as that term is defined the Purchase Agreement, Purchaser shall be obligated to reimburse Sponsor for any legal fees, expenses and disbursements incurred by Sponsor in defending Sponsor's rights under the Purchase Agreement or otherwise enforcing Purchaser's obligations thereunder.

All Deposits made by Purchasers prior to the Closing of each individual transaction will be placed in a segregated special escrow account of Starr Associates LLP, the escrow agent ("Escrow Agent"), whose address is 220 East 42 Street, Suite 3302, New York, New York 10017 and whose telephone number is (212) 620-2680. As of the Filing Date of the Plan, the attorneys who are signatories on these accounts authorized to withdraw funds, acting singly, are: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq. Shaun W. Pappas, Esq. and Adam Kriegstein, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any Authorized Signatory is the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

Escrow Agent has established a master escrow account entitled "Starr Associates LLP, Escrow Account" ("Escrow Account") at JP Morgan Chase Bank located at 270 Park Avenue, New York, New York 10018 ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York. All checks tendered in connection with Deposits properly made payable to "Starr Associates LLP, as Escrow Agent" will be placed in the Escrow Account within 5 business days after tender by Purchaser to Sponsor or Selling Agent. Any subsequent funds tendered by Purchaser after the Deposit will be placed in the Escrow Account within 10 business days after tender by Purchaser to Sponsor or Selling Agent. Escrow Agent shall execute the Purchase Agreement Escrow Rider with respect to its obligations in this Section.

All Deposits will be placed initially in the non-interest bearing portion of the Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status) in the forms set forth in Part II to the Plan, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Purchase Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser. If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing portion of the Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Escrow Account so that checks may be drawn thereon. The Escrow Account is not an IOLA account.

All Deposits are and shall continue to be the Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, until such time as Sponsor is entitled to the Deposit as per GBL § 352-h.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the tender of the Deposit. If Purchaser does not receive notice that the Deposit has been placed in the Escrow Account within 15 business days after tender of the Deposit, Purchaser may cancel the Purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after tender or crediting of the Deposit by notice delivered to Sponsor and 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 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. Escrow Agent will not be required to send the letter referred to above to each Purchaser in connection with any funds tendered by Purchaser after the Deposit (whether in connection with any changes in the interest rate or otherwise).

Escrow Agent shall maintain the Escrow Account under its direct supervision and control. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and as set forth in the Escrow Agreement, Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

Under current Law, the sub-accounts at the Escrow Bank are insured by the Federal Deposit Insurance Corporation ("FDIC") to a maximum of $250,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $250,000 such Deposit will not be FDIC insured in excess of $250,000; and (ii) while the Deposit is in the non-interest bearing portion of the Escrow Account, the Deposit may not be fully FDIC insured even if the Deposit does not exceed $250,000. No representation is made with respect to any further changes in Law which may increase or decrease such limit.

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

Acceptance of the Deposit by Sponsor or Selling Agent and the Deposit thereof by Escrow Agent into escrow shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes a Purchase Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Purchase Agreement to Purchaser in accordance with the terms of the Plan. Any Deposits made by check are subject to collection.

If a Purchaser tenders a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after tender, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser. In the event a Deposit or portion thereof is delivered by wire transfer to Escrow Agent, any wiring fees charged by the initiating and/or receiving banks will be Purchaser's obligation.

The checking account portion of the Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to Sponsor only in the event there is a Consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be

earned will be the prevailing rate for these accounts. As of March 15, 2019, the interest rate for the Escrow Bank is 0.4%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no guarantee of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit clears.

All instruments shall be made payable directly to the order of "Starr Associates LLP, as escrow agent." Endorsed instruments will not be accepted.

If a check delivered by a Purchaser fails for collection, the Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed).

Sponsor or its agents, including any selling agents, shall deliver to Escrow Agent any Deposit within two (2) business days of tender of such Deposit by a Purchaser, using such transmittal forms as required by Escrow Agent from time to time. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary and statutory obligations set forth in GBL §§ 352(e)(2-b) and 352(h) and the Department of Law's regulations promulgated thereto.

Under no circumstances shall Sponsor seek the release of the Deposits of a defaulting Purchaser until after Consummation of the Plan (as such term is defined in the Attorney General's regulations). Consummation of the Plan does not relieve Sponsor of its obligations pursuant to General Business Law Section 352-h.

Escrow Agent shall release the Deposits if so directed:

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

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

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

If the Deposits are not released pursuant to this paragraph and Escrow Agent receives a request by Sponsor or Purchaser to release the Deposits, Escrow Agent shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If Escrow Agent has not received notice of objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and Escrow Agent shall provide further written notice to both parties informing them of the release of the Deposits. If Escrow Agent receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, Escrow Agent shall continue to hold the Deposits until otherwise directed pursuant to subsections (i) through (iii) of this paragraph. However, Escrow Agent shall also have the right at any time to deposit the Deposits with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

Sponsor will not object to the release of the Deposits to:

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

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

The Purchase Agreement provides that Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposits to Sponsor in the event Sponsor and Purchaser close title under the Purchase Agreement.

If Sponsor elects to change the Escrow Bank and/or Escrow Agent, such change will be disclosed in a duly filed amendment to the Plan prior to transferring any Deposits.

Set forth in Part II of the Plan is a copy of the form of escrow agreement between Sponsor and Escrow Agent which incorporates the terms of the Attorney General's regulations. Purchaser's execution of the Purchase Agreement shall be deemed to constitute Purchaser's acceptance of the terms of the escrow provisions set forth herein and the escrow agreement set forth in the Plan. Escrow Agent shall be a signatory to the Purchase Agreement solely with respect to Escrow Agent's obligations as set forth herein and the escrow agreement set forth in the Plan.

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Deposits or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Deposits and continues to act as Escrow Agent.

Escrow Agent may rely upon any document which may be submitted to it in connection with its duties under this Section 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 has agreed to indemnify Escrow Agent from all claims, losses, judgments, costs, expenses and damages, including those brought by third-parties, including purchasers, incurred in connection with or arising out of the escrow agreement or the performance or non-performance of Escrow Agent's duties under the Escrow Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the Escrow Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, reasonable professional fees, including attorneys' fees, court costs and disbursements, either paid to retain attorneys or representing the value of all legal services rendered by Escrow Agent to itself and any and all reasonable attorneys' and professional fees, court costs, expenses and disbursements incurred by Escrow Agent in connection with a bankruptcy case filed by Sponsor for protection under the United States Bankruptcy Code, the enforcement of any rights, or defense of any claims against Escrow Agent in any bankruptcy proceeding, or any other matter arising in or in connection with Sponsor's bankruptcy case.

Sponsor has agreed to compensate Escrow Agent for services rendered in connection with Escrow Agent's duties under the escrow agreement. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Deposits nor deducted from the Deposits by any financial institution under any circumstance.

Escrow Agent and all Authorized Signatories submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of their obligations with respect to this Section or otherwise concerning the maintenance of or release of the Deposits from escrow.

Escrow Agent will maintain all records concerning the Escrow Account for 7 years after the release of Deposits.

ASSIGNMENT OF PURCHASE AGREEMENTS

No Third-Party Assignment

Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld, conditioned, or delayed. Any purported assignment by Purchaser in violation of this Section will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle 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 to Starr Associates LLP a fee of $1,500.00, 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.

EFFECTIVE DATE

The offering by Sponsor of the Units under the Plan is contingent upon the Plan being declared effective. The First Closing shall not occur until the Plan has been declared effective. The Plan may be declared effective, at Sponsor's option by (i) an amendment to the Plan or (ii) personal service of a notice to each Purchaser stating that the Plan is declared effective and submission of an amendment to the Department of Law within 5 days confirming that the Plan was declared effective on a specified date. The Plan may be declared effective, at Sponsor's option, at any time when bona fide purchasers, including investors, have executed Purchase Agreements with respect to not less than 15% of the Units offered for sale (i.e. 4 Units based on 24 Units offered for sale). The Plan must be declared effective at such time as Purchase Agreements have been executed and are in effect with respect to 80% of the Units offered for sale (i.e. 20 Units based on 24 Units offered for sale).

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

Once the Plan has been declared effective, it may not thereafter be abandoned, except that, prior to the First Closing, the Plan may, at the option of Sponsor, be abandoned in the event of: (1) the existence of one or more title defects (including violations of record or work orders of a mortgagee or insurance carrier) affecting any one or more Units or the Property that cannot be removed, complied with or cured without litigation or for less than ½ of 1% of the total offering amount in the aggregate, and which are not waived by the Purchasers thereof; (2) a substantial damage to or destruction of the Office Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than ½ of 1% of the total offering amount in the aggregate; or (3) a taking of a material portion of the Property in condemnation proceedings or by eminent domain. Excluded from the dollar amounts set forth in (1) and (2) above are attorneys' fees and title defects (including violations of record or work orders) or determinations of any authority or regulatory association which existed on the Filing Date of the Plan and were either known to Sponsor or were a matter of public record.

If the Plan is abandoned and Sponsor has accepted Purchase Agreements, then Sponsor shall file an amendment with the Department of Law abandoning the Plan together with a form RS-3. If Sponsor has accepted Purchase Agreement, all Deposits, together with any interest earned thereon, will be returned to Purchasers 5 days after the Filing Date of the amendment abandoning the Plan. Upon the return of the Deposits, as aforesaid, the Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to Purchaser under the Plan or the Purchase Agreement. If the Plan is abandoned and Sponsor has not accepted Purchase Agreements, then Sponsor shall file a form RS-3 with the Department of Law without an amendment, which form RS-3 shall be served simultaneously by Sponsor on all commercial and professional tenants, if any.

TERMS OF SALE

The term "Closing" refers to the conveyance of title to a Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the Purchase Price for such Unit. The Closing to each Unit shall be held at the office of Starr Associates LLP, 220 East 42 Street, Suite 3302, New York, New York or at such other place as Sponsor may designate.

Purchasers are required to close title upon the occurrence of the following events:

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

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

(c) the release of the Unit and its appurtenant Common Interest from the lien of all mortgages, if any.

(d) the delivery to Purchaser of written notice of the time and place of the Closing at least 30 days prior to the Closing Date specified therein, including a reasonable opportunity for Purchaser to examine the Unit, during normal business hours and in the company of Sponsor's representative, prior to Closing.

(e) the conveyance of title to the Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions and (2) liens and encumbrances other than Permitted Encumbrances to which the Unit's title is subject, either (a) which have been expressly accepted by Purchaser, or (b) for which the instrument required to remove it of record has been delivered to the Title Company for recording in the proper office, together with the requisite recording or filing fees or delivered to the representative of Purchaser's title insurance company (or, if none, to Purchaser's attorney); or (c) as to which the Title Company will insure (without additional premium to Purchaser) that such lien or encumbrance will not be collected out of or enforced against the Unit; or (d) as to which Sponsor, at its sole option, pays and discharges from monies paid by Purchaser at Closing.

Sponsor shall be entitled to deliver a 30 day closing notice ("Initial Closing Notice") once the Plan has been declared effective and prior to meeting the remaining Closing prerequisites set forth in this section.

At the Closing of Title to each Unit, each Purchaser shall execute and deliver:

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

(b) a Unit Owner's Power of Attorney, substantially in the form set forth in Part II of the Plan.

(c) certificates or other evidence of property and liability insurance for the Unit, in amounts determined by the Condominium Board.

(d) all other documents necessary and/ or customary in connection with the conveyance of a condominium unit as directed by Sponsor's attorney.

Purchaser's failure to execute and deliver at Closing, all documents necessary and/or customary or as directed by Sponsor's attorney in connection with the conveyance of a condominium unit, including without limitation, the documents listed in (a) through (d) above, shall constitute an event of default under the terms of the Purchase Agreement, entitling Sponsor to the default remedies set forth in the Purchase Agreement.

Only those fixtures, appliances and items of personal property which are located in the Unit and owned by Sponsor, if any, or otherwise described in the Plan (including in the Description of Property and Building Condition) as being included in the Unit are included in the sale of the Unit

The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances or otherwise enable the Title Company to omit such title exceptions from Purchaser's title insurance policy are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments. If existing mortgages or construction loans will not be satisfied at or prior to the First Closing, each mortgagee will either (i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

Sponsor shall be entitled to adjourn the Closing (without any credit or reduction in the Purchase Price) to remove or correct any title exception that cannot be dealt with as set forth above. Sponsor is not obligated to cause Purchaser's title company to omit any exception if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception. Purchaser will be responsible to pay to the Title Company the entire premium for Purchaser's title insurance. Purchaser may obtain title insurance from any title insurance company or abstract company or not obtain any title insurance at all, at Purchaser's sole discretion (unless Purchaser's lender shall require Purchaser to purchase title insurance covering such lender).

Purchasers are advised that there is no Certificate of Occupancy available for the Office Building. The Office Building was built prior to 1938 at which time the New York City did not require a Certificate of Occupancy. Sponsor will not undertake to procure a Certificate of Occupancy and Purchasers will be required to consummate the purchase of a Unit notwithstanding the fact that the Office Building does not have a Certificate of Occupancy. Purchasers are urged to consult with their lending institution, title company, or other professionals prior to signing a Purchase Agreement.

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

As more particularly set forth in the Purchase Agreement, in addition to Purchaser's legal fees, Purchaser will pay the following estimated closing costs and expenses at the time of the Closing of Title. Recording charges, fees, title costs and taxes set forth below pertain to Units only and are based on rates in effect on the Filing Date of the Plan and are subject to change without notice. Please note that the rate information in this section is based on the assumption that the title insurance underwriter has filed an application for a rate deviation in the State of New York (as have most major title insurance underwriters in the state).

(a) A non-refundable contribution to the Working Capital Fund of the Condominium in an amount equal to 2 months' Common Charges with respect to the Unit based on the Condominium budget at the time of Closing.

(b) If Purchaser elects to obtain fee title insurance Purchaser will pay the premium therefor, which will vary depending upon the amount requested. Spano Abstract Service Corp., having an office at 350 Old Country Road, Suite 205, Garden City, New York 11530 (telephone: (516) 294-7037) ("Title Company"), has (i) reviewed the Plan and the Condominium Documents and has issued a letter to Sponsor that it is committed to insure that a valid Condominium will be created pursuant to the Condominium Act, (ii) issued the Specimen Title Policy set forth in Part II of the Plan, and (iii) provided Sponsor with the standard fee policy rates as set forth below. However, Purchaser is free to select a title company of its choice without penalty.

FEE RATE SCHEDULE FOR INSURANCE UP TO $1,000,000

AMOUNT OF INSURANCE	PREMIUM
First $35,000 or less	$325.00
From $35,001 to $50,000	$5.39 per Thousand
From $50,001 to $100,000	$4.39 per Thousand
From $100,001 to $500,000	$3.52 per Thousand
From $500,001 to $1,000,000	$3.21 per Thousand

FEE RATE SCHEDULE FOR INSURANCE OF $1,000,000 OR MORE

AMOUNT OF INSURANCE	PREMIUM
First $35,000 or less	$382.00
From $35,001 to $50,000	$6.34 per Thousand
From $50,001 to $100,000	$5.16 per Thousand
From $100,001 to $500,000	$4.14 per Thousand
From $500,001 to $1,000,000	$3.78 per Thousand
From $1,000,000 to $5,000,000	$3.48 per Thousand
From $5,000,001 to $10,000,000	$3.09 per Thousand
From $10,000,001 to $15,000,000	$2.92 per Thousand
From $15,000,001 and up	$2.62 per Thousand

(c) If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the fee title insurance will be calculated as described in paragraph (b) above. The premium for the mortgage title insurance that does not exceed the fee policy will be calculated at a discounted rate of 30% of standard mortgage policy rates. Title Company has provided Sponsor with the standard mortgage policy rates as set forth below:

SIMULTANEOUS MORTGAGE RATE SCHEDULE

AMOUNT OF INSURANCE	PREMIUM
First $35,000	$327.00
From $35,001 to $50,000	$5.27 per Thousand
From $50,001 to $100,000	$4.31 per Thousand
From $100,001 to $500,000	$3.46 per Thousand
From $500,001 to $1,000,000	$3.14 per Thousand
From $1,000,001 to $5,000,000	$2.90 per Thousand
From $5,000,001 to $10,000,000	$2.57 per Thousand
From $10,000,001 to $15,000,000	$2.42 per Thousand
From $15,000,001 and up	$2.19 per Thousand

A form of Unit Owner's Specimen Title Policy, if title insurance is ordered from the Title Company, is set forth in Part II of the Plan.

(d) A fee for recording the deed and Unit Owner's power of attorney, being $42 for each instrument plus $5 per page together with a fee of $125 for filing the New York City Real Property Transfer Tax return ("City Tax Return").

(e) The following taxes: (i) New York City Real Property Transfer Tax ("RPT Tax"), calculated by multiplying the consideration by a 1.425% tax rate where the consideration is $500,000 or less or by a 2.625% tax rate where the consideration is more than $500,000, and (ii) New York State Real Estate Transfer Tax ("State Transfer Tax"), calculated by rounding the consideration up to the nearest $500 and multiplying that number by the applicable tax rate shown on the chart below.

State Transfer Tax:

Rounded Consideration Amount	*Tax Rate (Commercial)*
Under $2 million	0.4%
Over $2 million	0.65%

While State Transfer Tax and the RPT Tax are the statutory obligation of Sponsor (in its role as seller), this obligation has been transferred to the Purchasers under the terms of this Plan, as is typical and customary in the majority of offering plans filed with the Department of Law.

The New York City Department of Finance has taken the position that where the purchaser of property assumes the obligation for the payment of the RPT Tax, the State Transfer Tax and other fees that are generally an obligation borne by a Seller (which in this case includes Sponsor Closing Fees (defined below)), those amounts will be treated as additional consideration for the transaction subject to tax. Upon adding these amounts to the Purchase Price of the Unit, the resulting sum ("Taxable Consideration") is used as the basis for the calculation of the State Transfer Tax and the RPT Tax payable by Purchaser at the Closing.

By way of illustration, the following breakdown of calculations reflect how the RPT Tax and the State Transfer Tax are computed based on the "bulked up" consideration:

	Purchase Price $500,000 or less	*Purchase Price greater than $500,000*
Tentative RPT Tax:		
Purchase Price	$400,000	$1,500,000
Applicable Tax Rate	x 1.425%	x 2.625%
Subtotal: Tentative RPT Tax	**$ 5,700**	**$ 39,375**
Tentative State Transfer Tax:		
Purchase Price	$400,000	$1,500,000
Rounded up to the nearest $500	$400,000	$1,500,000
Applicable Tax Rate	x 0.4%	x 0.4%
Subtotal: Tentative State Tax	**$ 1,600**	**$ 6,000**
Actual RPT Tax:		
Purchase Price	$400,000	$1,500,000
Tentative taxes (RPT + State Transfer)	+ 7,300	+ 45,375
Sponsor Closing Fees	+ 3,000	+ 3,000
Taxable Consideration	**$410,300**	**$1,548,375**
Applicable Tax Rate	x 1.425%	x 2.625%
Total: RPT Tax	**$ 5,847**	**$ 40,645**
Actual State Transfer Tax:		
Purchase Price	$400,000	$1,500,000
Tentative taxes (RPT + State Transfer)	+ 7,300	+ 45,375
Sponsor Closing Fees	+ 3,000	+ 3,000
Taxable Consideration	**$410,500**	**$1,548,375**
Rounded up to the nearest $500	$411,000	$1,548,500
Applicable Tax Rate	x 0.4%	x 0.4%
Total: State Transfer Tax	**$ 1,642**	**$ 6,194**

(f) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording taxes, mortgage recording fees, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, for original mortgages in a loan amount of less than $500,000, the mortgage recording tax rate is 2.05% of the face amount of the mortgage. For original mortgages in a loan amount of $500,000 or more, the mortgage recording tax rate is 2.8% of the face amount of the mortgage for commercial condominium units. No representation is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources.

In addition to the above-specified costs and expenses, a mortgage on a Unit may provide that the Unit Owner deposit monthly with the lender 1/12 of the estimated annual real estate taxes and tax assessments which are assessed or will be assessed against the Unit, together with 1/12 of the annual fire and casualty insurance policy premiums for the Unit, or other amounts, and, at Closing, Purchaser may be

required to deposit with the lender a multiple of the aggregate of such one month's real estate taxes, tax assessments and insurance premiums, or other amounts, in order that sufficient funds will be available for the lender to pay the same when due.

(g) Closing fees payable to Starr Associates LLP, in accordance with the following schedule, all of which fees will be cumulative to the extent applicable to any individual closing ("Sponsor Closing Fees"):

(1) $3,500.00 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Starr Associates LLP, or such other place as Sponsor may designate and supervision of execution of closing documents;

(2) $250.00 for the preparation of ACRIS transfer documents required by the City of New York.

(3) If Purchaser requires that the Closing occur other than at the office of Starr Associates LLP, or such other place as Sponsor may designate, and Sponsor consents to such change (in Sponsor's sole discretion), an additional attendance fee of $500.00 for each Closing held within Manhattan. No Closing will be held in any borough outside Manhattan.

(4) 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 (which request in all instances must be received by Sponsor's attorney no later than 7 business days prior to the Scheduled Closing Date), a fee of $1,250.00, payable in advance, for preparation of an assignment agreement.

(5) If through no fault of Sponsor, Purchaser fails to close on the date scheduled for Closing, then Purchaser shall pay an additional fee of $500.00 for each rescheduled Closing granted at Purchaser's request to defray the cost of preparing and coordinating the Closing and recalculating the Closing apportionments.

(6) If Purchaser obtains mortgage financing, then Purchaser shall pay an additional fee of $750.00 to defray the costs associated therewith.

(7) If Purchaser effectuates a tax deferred exchange under section 1031 of the Internal Revenue Code, the Purchaser shall pay an additional fee of $750 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with such tax deferred exchange.

Purchaser may pay more than one fee pursuant to (g) above with respect to a Unit. In addition to an attendance fee in connection with a completed Unit transfer, Starr Associates LLP shall also be entitled to an attendance fee in the amount set forth above if such firm's representative attends a scheduled Closing but the Closing is adjourned due to Purchaser's failure to comply with Purchaser's closing obligations. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one assignment request.

(h) If Purchaser has dealt with any broker other than Selling Agent or any other broker engaged in writing by Sponsor in connection with the purchase, then Purchaser will be required to pay any commission due to such broker. Should any claim be made against Sponsor or Selling Agent for commissions by any broker other than the Selling Agent on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor and Selling Agent free and harmless from and against any and all liabilities and expenses in connection therewith, including legal fees.

(i) If Purchaser obtains mortgage financing, then one of the two following events shall apply, to the extent applicable: (a) if a mortgage recording tax ("MRT") credit is available, then Purchaser will pay Sponsor a sum equal to the partial MRT credit to which Purchaser may be entitled pursuant to § 339-ee(2) of

the Condominium Act," or (b) if a MRT credit is not available under the Condominium Act, Purchaser shall be required to cooperate with Sponsor, Sponsor Lender, and Title Company to effectuate a partial mortgage assignment, as set forth in more detail in the following subsection entitled "Mortgage Recording Tax Credit." In either case, any MRT credit received by Purchaser shall be paid to Sponsor as a reimbursement for the MRT previously paid by Sponsor in connection with any existing mortgages;

(j) If Purchaser is a Foreign Government Purchaser, Purchaser will be required to deposit with the Condominium an amount equal to 2 years' Common Charges with respect to the Unit, based on the Condominium budget in effect as of the Closing Date.

All legal costs, fees and expenses of Starr Associates LLP, other than those specifically set forth above, will be the sole responsibility of Sponsor.

Mortgage Recording Tax ("MRT") Credit

In the event a MRT credit is available under the Condominium Act, then any Purchaser who obtains a mortgage loan must pay Sponsor a sum equal to the partial MRT credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the MRT previously paid by Sponsor in connection with any existing mortgage(s) taken out by Sponsor ("Mortgage").

In the event a MRT credit is not available under the Condominium Act, in whole or in part, Sponsor's intention is for its mortgage lender to assign a portion of the Mortgage to each Purchaser's lender, with the lender's cooperation, when and if a Purchaser obtains financing. Each Purchaser's loan would, therefore, consist of a portion of the assigned Mortgage, for MRT purposes. The partial mortgage assignment would have no adverse impact on the purchase price of the Unit or on Purchaser's mortgage payment. Mortgage assignments (as opposed to new mortgages) are exempt from MRT. Since a portion of the Mortgage would be assigned to each Purchaser's lender as each Unit is conveyed from Sponsor to Purchaser, the Purchaser would be exempt from paying MRT to the City and State of New York to the extent that its mortgage consists of the assigned Mortgage. At the closing, Sponsor would receive a payment from Purchaser equal to (but not in excess thereof) the MRT that would otherwise be payable to the City and State of New York on the recording of Purchaser's mortgage. Pursuant to the terms of the Purchase Agreement, the form of which is set forth in Part II of the Plan, such Purchasers will be required to (i) advise its lender of this provision, and make a good faith effort to cooperate with Sponsor and Sponsor's Lender in connection with the partial assignment of its Mortgage, and (ii) cause its title company (if such title company is different from the Title Company named in the Plan) to cooperate with Sponsor's Title Company in effectuating and keeping record of the partial mortgage assignments.

Example of Estimated Closing Costs for a Typical Unit

A numerical example of estimated closing costs and expenses for a single Office Unit with a Purchase Price of $3,000,000 and a projected mortgage of $2,000,000 are set forth below by way of illustration only. All tax rates, title insurance premiums and recording rates are subject to change:

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium for $3,000,000 of owner's insurance	Fee insurance premium.	$11,241
Mortgage Insurance Premium for $2,000,000 of lender's insurance	Mortgage insurance premium.	$1,943
NYC RPT Tax	2.625% of bulked-up consideration of $3,098,250	$81,329
State Transfer Tax	0.65% of bulked-up consideration of $3,098,250	$20,140
Mortgage Recording Tax	The tax rate is 2.8%	$56,000
Departmental and Bankruptcy Searches	Title searches	$565
Estimated Recording Fees	One deed, one mortgage and one condo power of attorney.	$810
Estimated Lender's Title Endorsements	Three endorsements at $50 each.	$150
Closing fees to Starr Associates LLP	Basic closing fee and ACRIS document preparation fee	$3,750
Working Capital Contribution	2 months' Common Charges	See Schedule A
Total Estimated Closing Costs	Excluding Working Capital Contribution	**$175,928**

This example does not include the following costs or fees, to the extent applicable: Purchaser's costs, legal fees of Purchaser's attorney, additional Sponsor Closing Fees payable as set forth in paragraph (g) above, recording additional documents, penalty for late closing or adjustments with Sponsor (including mortgage recording tax reimbursement), apportionment of real estate taxes and insurance as described below.

Purchasers should note that adjustments for various closing items including Common Charges and real estate taxes will be made at Closing.

The foregoing projections assume that title insurance is purchased from the Title Company and that Purchaser closes without delays or the imposition of penalties. If Purchaser obtains a mortgage loan Purchaser can expect to incur additional fees for mortgage title insurance (with benefit of simultaneous rates), mortgage recording taxes and fees and other closing fees set forth above, plus the fee of Purchaser's and lender's attorney. Purchasers are advised to consult with prospective lenders for a detailed projection of related financing costs. Furthermore, the above example does not take into account possible new taxes, increases in tax rates or recording fees or increases in the cost of title insurance.

In the event Sponsor obtains a construction or acquisition loan which satisfies certain parameters and pays a mortgage recording tax thereon, it is specifically understood that, any mortgage tax credit shall inure to the benefit of Sponsor. Accordingly, at Closing, each Purchaser may pay all or a portion of the mortgage recording tax to Sponsor, to the extent of any mortgage tax credit allowed.

Closing Adjustments

(i) Adjustments. At Closing, adjustments between Sponsor and Purchaser will be made as of midnight of the day preceding the Closing Date with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, and future real estate taxes and assessments in accordance with the terms of the subsection below entitled

"Real Estate Taxes;" and (b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes and other charges.

(ii) Penalties. If Purchaser fails for any reason to close title to the Unit on the Scheduled Closing Date, (a) the Closing adjustments described above will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the Actual Closing Date occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased carrying costs 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 0.03% of the Purchase Price for each day starting from (and including) the Scheduled Closing Date to (and including) the Actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally Scheduled Closing Date, these provisions shall apply to any new Scheduled Closing Date.

(iii) Real Estate Taxes. In the event the Units have not been separately assessed for real estate tax purposes by the New York City Department of Finance ("Finance Department") prior to the First Closing. Sponsor shall deliver at the First Closing to Escrow Agent, either cash, a letter of credit or a surety bond ("Tax Security") in the amount of the real estate taxes for the next ensuing tax period ("Future Taxes"). Escrow Agent shall hold the Tax Security in escrow for the benefit of the Condominium. At each Closing prior to the date the Units are separately assessed and billed, Purchasers will be obligated to pay to Sponsor an amount equal to the Unit's pro-rata share of the Future Taxes (computed by multiplying the Common Interest of the Unit by the amount of the Future Taxes) ("Unit Tax Payment"). The Future Taxes shall be paid to the Finance Department when due by Sponsor, or by Escrow Agent using the Tax Security, either at Sponsor's direction, or upon Sponsor's failure to make such payment. If Sponsor pays the Future Taxes directly, the Tax Security shall be released to Sponsor upon delivery to Escrow Agent of proof of payment from the Finance Department of the Future Taxes. If at the time the Future Taxes are paid, the amount of the Future Taxes has been reduced by the Finance Department as a result of the implementation of real estate tax benefits, Escrow Agent shall make appropriate refunds to Sponsor and Sponsor shall in turn make such appropriate refunds to Purchasers on account of Unit Tax Payments.

In the event the Units are separately assessed and individual tax bills are issued by the Finance Department prior to the date the Future Taxes are due, Escrow Agent shall release the Tax Security to Sponsor and Sponsor shall in turn make such appropriate refunds to Purchasers, as appropriate. In such event, Sponsor and Purchasers who closed title shall be required to pay their respective tax bills directly to the Finance Department.

With respect to subsequent Future Taxes, until the Units are separately assessed and individual tax bills are issued, the Condominium Board shall collect a Unit Tax Payment from each Unit Owner which Unit Tax Payment shall constitute additional Common Charges. Unit Tax Payments shall be payable by Unit Owners within 5 days of the date billed by the Condominium Board and shall be due and payable by such Unit Owner to the Condominium Board irrespective of whether such Unit Owner is required to escrow funds with a Lender in connection with a mortgage loan on such Unit. If any Unit Owner fails to make the Unit Tax Payment as set forth above, the Condominium will have a lien on the Unit for non-payment in the same manner as Common Charges (see the section of the Plan entitled "Rights and Obligations of Unit Owners," subsection: " Common Charges: Collection and Lien for Non-Payment" for details).

Illustration. By way of illustration only, a Purchaser closing on a Unit in the middle of December (prior to separate assessment and individual billing of real estate taxes) is obligated to: (a) adjust with Sponsor for the first-half real estate taxes (July 1 to December 31) paid by Sponsor in July for the period from Closing through December 31; and (b) deliver to Sponsor a Unit Tax Payment for the second-half Future Taxes (January 1 to June 30). Thereafter, if the Units are not separately assessed and individual tax bills are not issued prior to the next ensuing tax payment, the Condominium will have the obligation to collect from each Unit Owner a Unit Tax Payment for first-half real estate taxes (July 1 to December 31) and pay such real estate taxes directly to the Finance Department on behalf of all Unit Owners.

In the event the amount of Future Taxes is increased (due to an increase in the tax rate or otherwise) prior to the separate assessment and issuance of individual tax bills by the Finance Department, the amount of such increase shall be payable by all Unit Owners, including Sponsor (with respect to its Units), in proportion to each Unit's Common Interest, adjusted for the period of ownership of each Unit by the respective Unit Owner. Such amount of increase shall be payable to Sponsor or the Condominium Board, as the case may be, within 5 days following written notice provided to such Unit Owner. Such increase shall be deemed additional Common Charges.

Other Costs

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

RIGHTS AND OBLIGATIONS OF SPONSOR

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

(a) Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Building as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of Units, or due to structural, architectural or mechanical considerations provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser, increase any obligation of a Unit Owner or Purchaser to any adverse and material degree. Any such material and adverse modification, addition or change will be reflected in a duly filed amendment to the Plan. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in Exhibit B to the Declaration, by 5% or less (excluding interior partitions) is not a material and/or adverse change.

(b) The offering by Sponsor under the Plan is contingent upon the Plan being declared effective and the First Closing shall not occur until the Plan has been declared effective. The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective (see the Section of the Plan entitled "Effective Date" for details).

(c) Sponsor is selling Units to Purchasers "as is" in the condition in which they exist on the date of the Purchase Agreement, subject to ordinary wear and tear and further subject to Sponsor's obligation to maintain the Office Building until the First Closing. Sponsor presently contemplates that Closings of Units will begin on or about January 1, 2020. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the projected date or the time to complete or to close title to any Unit is delayed or postponed by Sponsor, it being understood that nothing contained in this Section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreement for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

(d) Sponsor reserves the right, in its sole and absolute discretion, without prior notice to Purchasers or amendment to the Plan to (i) amend from time to time the Plans and Specifications (including changes in layouts and designs) in accordance with the Section of the Plan entitled "Changes in Prices and Units"; and/or (ii) substitute materials, appliances, equipment and fixtures that are of substantially equal or better quality in place of those described in the Plan. Notwithstanding the foregoing, no such change, including any change in the Common Interest, or in the amount or quality of

Common Elements directly affecting or servicing a Unit, will be made with respect to such Unsold Unit for which a Purchase Agreement is then in effect which increases or decreases the square footage (excluding interior partitions) or Common Interest, or materially changes the unit size, layout or percentage of Common Interest of such Unsold Unit, or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless the affected Unit Owners or Purchasers consent in writing to such changes. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in Exhibit B to the Declaration, by 5% or less (excluding interior partitions) is not a material and/or adverse change. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Unit and will not have any claim for damages or losses against Sponsor as a result of any such change and such change will not affect a Purchaser's obligations under the Purchase Agreement or the Plan, it being understood that nothing contained in this Section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. If Purchaser's consent is required as a result of such change and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to refund to Purchaser the Deposit made under the Purchase Agreement and any interest earned thereon.

(e) An Asbestos Control Program form 5 ("ACP-5") is set forth in Part II of the Plan. Sponsor makes no representation as to the existence or non-existence of ACM in any specific locations in the Building other than as set forth in the ACP-5. Sponsor's obligations under the Plan do not include an obligation to remove asbestos, if any, and Sponsor does not intend to perform such remedial work.

(f) Sponsor has no obligation to repair or improve the Units, the Common Elements, or the Facilities used in connection with the operation of the Office Building except as otherwise expressly provided in the Plan. However, in the event that Sponsor agrees to repair or improve the Units, the Common Elements or the Facilities used in connection with the operation of the Office Building, Sponsor does not anticipate conducting any renovations to the Office Building. However, Sponsor will cause all mechanic's liens with respect to any renovations of the Office Building performed by Sponsor, if any, to be promptly discharged or bonded or to deliver any and all requested documents to the title company necessary to insure title to the Unit, if such mechanic's lien creates a defect in title (all subject to Sponsor's rights to abandon the Plan).

(g) The Office Building contains certain major mechanical equipment, including, but not limited to, elevator machine rooms, fans, pumps, domestic water tanks, chillers and cooling towers (collectively, "Equipment") located on the cellar level and roof. While Sponsor is endeavoring to reduce excessive noise and vibration emanating from the Equipment, which noise and vibration levels will be in compliance with Law and applicable codes, it may be impossible to eliminate it entirely and, therefore, Units and Common Elements in close proximity may be affected. Purchasers should note that subsequent to the First Closing, the Condominium Board will be responsible for the proper upkeep and maintenance of such Equipment in accordance with Law.

(h) Each Unit and the fixtures and personal property contained therein, are being sold and delivered as described in the Plan, at the time of transfer of title to such Unit unless Sponsor and the Purchaser otherwise agree in writing. Each Purchaser shall be given an opportunity to examine the Unit prior to the Closing during normal business hours and in the company of Sponsor's representative and is urged to make a careful inspection thereof, as more fully set forth in the Purchase Agreement set forth in Part II of the Plan.

(i) Except for those warranties or guarantees provided to Sponsor by contractors, manufacturers or suppliers, which Sponsor will assign to the Condominium Board and/or Unit Owners, as necessary, Sponsor does not make any warranty of any kind, express or implied, and Sponsor hereby disclaims any and all warranties, including but not limited to, implied warranties of merchantability and

fitness for a particular purpose, with respect to the construction of the Units and the Common Elements and with respect to the personal property located within the Units, the Common Elements, and the Unit Owners assume all risk and liability from the use of this personal property.

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

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

(l) Sponsor shall be obligated to defend any suits or proceedings arising out of Sponsor's obligations set forth in the Plan and shall be obligated to indemnify the Condominium Board and Unit Owners against any such action or proceeding.

(m) Sponsor will pay all Common Charges (once Common Charges have been assessed by the Condominium Board), Special Assessments and real estate taxes allocated to any Unsold Units in accordance with the provisions of the By-Laws, with the exception that during a Waiver Period (if any) Sponsor shall not be obligated to pay Common Charges. Sponsor expects to have the financial resources to meet the aforesaid obligations and to fund same from income from projected sales, the rental or leasing of Unsold Units and Sponsor's other financial resources. No bond or other security will be posted by Sponsor with respect to this obligation.

(n) At or prior to the First Closing, the Condominium Board or Sponsor (on behalf of the Condominium Board) will procure fire and casualty insurance pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws, the types and cost of which insurance has been reflected in the First Year's Budget. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws.")

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

(p) Sponsor will deliver to the Condominium Board copies of all books of account and records pertaining to the Office Building's operation which are in Sponsor's possession.

(q) In the event of the dissolution or liquidation of Sponsor or the transfer by Sponsor of 10 or more Units or 20% or more of the total number of Units in the Condominium, whichever is less, to a single Purchaser, Sponsor will provide financially responsible entities or individuals who will assume the status and all obligations of Sponsor for those Units under the Plan and Laws.

(r) The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Unit, at which time such risk, to the extent not covered by existing insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due

to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion as set forth in the Purchase Agreement) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price of the Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return the Deposit, together with any interest earned 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.

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

(t) Sponsor intends, in good faith and in a reasonably timely manner, to sell rather than rent Units. However, under the Plan, Sponsor has reserved the unconditional right to rent Units rather than sell Units after the Plan has been consummated. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, Sponsor is not committed to sell more Units than the minimum 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium.

(u) Sponsor intends to offer Unsold Units for sale both to Purchasers for personal use as well as to those who are purchasing for investment or resale. Purchasers for investment or resale may rent such Units. As a result, some and possibly many Units may be occupied by renters instead of Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers or lessees of Units, the Condominium Board is unable to limit the number of Purchasers who purchase Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Unit Owners who are not occupants. It is possible that Unit Owners who purchased such Units for personal use may have different interests than those Unit Owners who purchased such Units as an investment.

(v) All representations under the Plan, all obligations pursuant to the General Business Law Section 352-e, and such additional obligations under the Plan which are to be performed subsequent to the Closing Date shall survive delivery of the deed.

(w) As of the acceptance date of the Plan, there are no Excess Development Rights of the Office Building available. However, if the applicable provisions of the Zoning Resolution change in the future, such changes may generate transferable Excess Development Rights which will not be included in the Property and shall be the exclusive property of Sponsor. Sponsor cannot represent the amount of

transferable Excess Development Rights that could result from such changes. Neither the Condominium Board nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights. If any Excess Development Rights are transferred to an adjoining premises, the light and air of the Office Building and views from Units may be affected. Notwithstanding the foregoing, Excess Development Rights may not be used to expand the size, height, bulk or density of any portion of the Property after the recording of the Declaration. (See the section of the Plan entitled "Rights and Obligations of Sponsor" and the Declaration in Part II of the Plan for details.)

Obligations of Sponsor under the Plan with respect to the Office Building and the Units shall be enforceable by the Condominium Board on behalf of all Unit Owners. Obligations of Sponsor shall be enforceable by individual Unit Owners if either (i) the Condominium Board fails to take reasonable action to enforce such obligations within 120 days following the giving of notice of such claim by any Unit Owner to the Condominium Board or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid 120-day period.

All rights of Sponsor as set forth herein and in the Condominium Documents shall inure to the benefit of the principal of Sponsor. Obligations of Sponsor under the Plan shall inure solely to the benefit of Purchasers of Units directly from Sponsor and shall not inure to the benefit of any Purchaser or tenant upon the resale, assignment or subletting of a Unit.

To the best of Sponsor's knowledge, as of the Filing Date of the Plan, Sponsor has sufficient resources to fund its obligations set forth in the Plan. Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time Sponsor is called upon to perform. No representation is made that Sponsor will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan shall survive the delivery of the respective deeds to the Units to Purchasers.

In the event Sponsor is unable to perform its material obligations under the Plan, all sales will cease, Sponsor will promptly submit an amendment to the Plan setting forth its inability to perform such material obligations under the Plan, and will offer all Purchasers the right to rescind their Purchase Agreements within 15 days after the Presentation Date of the amendment. Any Purchaser electing rescission pursuant to the offer will have their Deposit and any interest accrued thereon returned.

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

The terms of the Plan will govern in the event of a conflict between the Plan and any other document or advertisement used in connection with the Plan.

Use of Unsold Units

Sponsor reserves the right, without prior notice or amendment to the Plan, to use any Unsold Units as sales, rental offices and model units and in any other manner in compliance with Law. In the event Sponsor thereafter elects to sell any such Unsold Unit, Sponsor may require Purchaser to purchase all or any of the furniture, furnishings, finishes, equipment or decorations (including wall coverings, window treatments, carpeting, and the like) ("FFE") therein and pay, in addition to the Purchase Price of the Unit, such amounts as Sponsor may determine.

Selling Agent/Model Unit/FFE

In no event shall the presence of any FFE in any portion of the Office Building or Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Units imply or represent that any such FFE will be located within any portion of the Office Building or Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Units that differs from the designations utilized on the Floor Plans of the Units set forth in Part II of the Plan. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials.

Sponsor's Easement Rights

Sponsor shall have an exclusive right and easement (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) any pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Office Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business conducted in any Unit. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Retail Unit Owners and/or Permitted Users.

Condominium Name

Pursuant to the Declaration, Sponsor shall own and control all rights to the name of the Condominium and/or the Office Building. In addition, Sponsor shall have the right to utilize other names for the Office Building or portion thereof for marketing and/or promotional purposes, without the consent of the Condominium Board or the Unit Owners.

CONTROL BY SPONSOR

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor. Sponsor presently anticipates that the initial members of the Condominium Board shall be Abraham Hidary, Eddie Hidary, and Steven Hidary, who shall serve as President, Vice President and Secretary/Treasurer, respectively. These individuals are affiliated with Sponsor as each are executives/members of Hidrock Properties, the operator of the Building while it was an office/commercial rental property. Sponsor reserves the right to designate different individuals to serve on the initial Condominium Board in lieu of the above mentioned individuals. The initial Condominium Board shall conduct all affairs of the Condominium.

Sponsor will have voting control over the Condominium Board until the Closing of Title with Purchasers under the Plan to Office Units representing at least 90% of all Office Common Interest in the aggregate ("Sponsor Control Period"). Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Sponsor Control Period.

The First Annual Meeting of the Unit Owners will be held approximately 30 days after the later to occur of (i) the second anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan to Office Units representing at least 50% in number of all Office Units offered for sale. Sponsor is not committed to sell more Office Units than the minimum 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Units as it sees fit. When voting for members of the Condominium Board, each Unit Owner shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Unit per Member to be elected. However, at elections of members to the Condominium Board held during the Sponsor Control Period, Sponsor shall have the right to designate 2 of the 3 Office Members of the Condominium Board.

Within 30 days after the expiration of the Sponsor Control Period, and assuming the First Annual Meeting has not yet occurred, 2 of the 3 Office Members of the Condominium Board who were designated by Sponsor shall resign and a replacement shall be filled by a vote of the Unit Owners (including Sponsor) at a special meeting called for such purpose.

So long as Sponsor shall continue to own at least 1 Unsold Office Unit, Sponsor shall have the right to designate 1 Office Member to the Condominium Board, and shall have the right to vote its Common Interests attributable to the Unsold Office Units for the remaining Office Member of the Condominium Board.

The number of members of the Condominium Board may not be increased or decreased without the consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Unit.

During the Sponsor Control Period, Sponsor will through its control of the Condominium Board have control of the maintenance and operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners. Sponsor may continue to exercise veto power over certain actions of, or contemplated by, the Condominium Board after the Sponsor Control Period, to the extent that, the Condominium Board may not take any of the following actions without Sponsor's prior written consent for so long as Sponsor shall continue to own Unsold Office Units representing at least 25% in number of all Office Units (but in no event later than the fifth anniversary of the First Closing): (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges or Special Assessment for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees from those described in the First Year's Budget, or (d) enter into any service or maintenance

contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit. Notwithstanding the foregoing, however, (x) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to (i) comply with Law, (ii) remedy any notice of violation, (iii) remedy any work order of the Condominium's insurer, or (iv) ensure the health and safety of the occupants of the Condominium.

CONDOMINIUM BOARD

The affairs of the Condominium shall be governed by the Condominium Board. The term of office of the members of the Condominium Board shall be for 1 year or until their successors are elected. Members of the Condominium Board shall serve without compensation. Any member of the Condominium Board may resign membership at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

The First Annual Meeting will be held approximately 30 days after the later to occur of (i) the second anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan to Office Units representing at least 50% in number of all Office Units offered for sale.

Commencing with the First Annual Meeting and for so long as Sponsor continues to own at least 1 Unsold Office Unit, the Condominium Board shall consist of 4 individuals (collectively, the "Members"): 3 of whom shall be elected by the Office Unit Owners ("Office Members"), subject to the rights of Sponsor to designate Office Members; 1 of whom shall be designated by the Retail Unit Owners ("Retail Member") in accordance with the terms of the By-Laws. The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

An Office Member may be removed with or without cause by an affirmative vote of a Majority of Office Unit Owners who are present at a meeting containing a quorum of Office Unit Owners, provided, however, that (i) any Office Member designated by Sponsor may only be removed and replaced by Sponsor, and (ii) the Retail Member may only be removed by the Retail Unit Owner who designated such Retail Member, who shall alone shall have the right to designate a replacement. No member of the Condominium Board shall continue to serve on the Condominium Board if, during the term of office, such member shall cease to be a Unit Owner or an interested party as described in the By-Laws; provided, however, that these provisions respecting Unit Ownership and occupancy, and Condominium Board membership, shall not apply to members of the Condominium Board designated by Sponsor, and/or the Retail Unit Owners.

A successor officer may be elected at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose. The President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Unit Owners having in aggregate no less than 40% of the Common Interest of all Unit Owners.

All officers, and members of Condominium Board, and employees of the Condominium will be insured at all times from and after the First Closing under directors and officers liability insurance in favor of the Condominium. The amount and cost of the insurance has been provided for in the First Year's Budget.

To the extent permitted by Law, members of the Condominium Board will have no liability to Unit Owners except for liability for bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any member of the Condominium Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing, except in the cases of bad faith or willful misconduct. The Condominium Board has a fiduciary duty to act in the best interests of the Condominium. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests indemnify each member of the Condominium Board against any liability or claim except those arising out of the bad faith or willful misconduct of such member of the Condominium Board.

Subject to the terms of the Declaration and By-laws (including terms relating specifically to any amendments, modifications, deletions, or additions affecting Sponsor, or a Retail Unit Owner), any provision

of the By-laws affecting the (i) General Common Elements or all Units may be added to, amended, modified or deleted by the affirmative vote of at least 66 2/3% in number and Common Interest of all Unit Owners, and (ii) Office Common Elements or all Office Units may be added to, amended, modified or deleted by affirmative vote of at least 66 2/3% in number and Office Common Interest of all Office Unit Owners, either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in the By-laws.

Subject to the terms of the Declaration and By-laws (including terms relating specifically to any amendments, modifications, deletions, or additions affecting Sponsor, or a Retail Unit Owner), any provision of the Declaration affecting the (i) General Common Elements or all Units may be added to, amended, modified or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners, and (ii) Office Common Elements or all Office Units may be added to, amended, modified or deleted by affirmative vote of at least 66-2/3% in number and Office Common Interest of all Office Unit Owners, taken in accordance with the provisions of the By-laws; provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected.

Purchasers should refer to the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-laws" subsection "Amendments to Condominium Documents" for a discussion of the procedures to amend the Condominium Documents.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Units

Each Unit Owner may sell or lease the Unit provided that such Unit Owner gives the Condominium Board, on behalf of all Unit Owners, within 30 days of the consummation of the transaction embodied in such Sale Agreement or Lease Agreement, copies of the deed of the Unit or the lease, as the case may be.

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

A Unit may not be sold or leased unless all unpaid Common Charges and liens against the Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to the sale or rental. The Condominium Board has the right, in its sole discretion, to terminate a lease, if the tenant has violated the terms of the Condominium Documents, including the Rules and Regulations beyond all applicable notice and grace periods. If the tenant fails to vacate after receipt of the termination notice from the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings against the tenant.

The restrictions upon the sale and lease of Units shall not apply to (i) Sponsor with respect to any Unsold Units, (ii) Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and (iii) the Retail Unit Owners, each of whom shall be free to sell or lease without payment of any fees.

Notwithstanding anything contained in the Plan to the contrary, prior to the Closing of Title to a Unit, the Purchase Agreement prohibits a Purchaser from listing such Unit for sale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental, without Sponsor's prior written consent, which consent may be unreasonably withheld, conditioned, or delayed in Sponsor's sole and absolute discretion.

Use of Units and Common Elements

The Units may be used for any lawful, non-hazardous purposes consistent with the Operating Standard. With respect to the Retail Units, such use may include, without limitation, professional office units, retail stores, banks, restaurants, theaters, bars, spas, health clubs, and commercial space. Notwithstanding the foregoing, no Units may be used for (i) any use generating odors permeating outside the Unit (which shall not be construed to mean any limitation on the use of a Retail Unit as a legally-compliant restaurant), (ii) heavy manufacturing, (iii) any residential, sleeping or hotel purpose, including any "dormitory," "bed and breakfast" or other transient hotel-type use, (iv) any pornographic or immoral purpose or as a massage parlor, strip club, head shop, adult book store, peep show or adult entertainment facility or any other lurid uses; (v) a billiard parlor or gambling establishment. No assurance, representation, or warranty is given that any of the tenants, occupants, or users of any Units will not be objectionable to other Unit Owners or other parties. The uses of the Retail Units may generate noise, traffic, fumes or other disturbances over which the Office Unit Owners will have no control. In all instances, Units may only be used in compliance with Law, the Declaration of Condominium and the By-Laws.

Notwithstanding the foregoing, Sponsor may, without the permission of the Condominium Board: (a) retain ownership of one or more Unsold Units for use as model Units and offices for the selling, leasing,

management, operation and promotion of the Unsold Units, or for any other purpose, subject only to compliance with Law; and (b) lease any Unsold Unit.

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

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Office Building. All Laws shall be complied with at the sole expense of the respective Unit Owners or the Condominium Board, whoever or whichever shall have the obligation to maintain or repair such portion of the Property.

No awnings, air conditioning equipment or ventilators shall be installed or modified in the Office Building by any Unit Owner without prior approval of the Condominium Board. No radio or television aerial or satellite dish or other similar device shall be erected on the roof or exterior walls of the Office Building or on the Property (excluding Sponsor) by Unit Owners, without obtaining in each instance the approval of the Condominium Board.

No pets may be kept in any Unit in the Office Building.

Each Unit Owner shall keep the Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair the Unit in accordance with the provisions of the By-Laws and Law. The Rules and Regulations concerning the use of Office Units may be amended from time to time by the Condominium Board provided that copies thereof are furnished to each Office Unit prior to the time that they become effective (except that no amendment thereof affecting the Unsold Units may be made unless agreed to by Sponsor).

Mortgage of Units by Unit Owners

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

As more particularly set forth in the Section entitled "Amendments to Condominium Documents," in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than 3 Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are Institutional Lenders.

Common Charges: Determination and Assessment

Common Expenses, which are payable by Unit Owners and are included in their Common Charges, are allocated among Unit Owners either based on actual usage of services and facilities (in the case of the Retail Units) or in proportion to their respective Office Common Interest (in the case of Office Units). Common Expenses include, among other things, (a) all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, (b) water charges and sewer rents in connection with the Office Building; and (c) amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves for capital expenditures or in connection with the purchase or lease by the Condominium Board of any Unit.

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

During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided the basic operating costs of the Condominium (inclusive of insurance premiums and reserves required by lenders) are paid by Sponsor. If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the closing notice or closing statement to Purchasers as well as in the post-closing amendment to the Plan. In the event that the term of the Waiver Period has not already been disclosed, Sponsor shall notify all Unit Owners by written notice of the expiration of the Waiver Period at least thirty (30) days prior to such expiration. Thereafter, such expiration of the Waiver Period shall be disclosed in the next substantive amendment to the Plan. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan.

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

With respect to any Unit Owner who is a foreign government, any failure by such Unit Owner to pay Common Charges due may result in Sponsor or the Condominium Board reporting such default by the foreign government to the United States Department of State.

Common Charges: Collection and Lien for Non-Payment

Under the provisions of Section 339-z of the New York Real Property Law and the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit in proportion to the respective Common Interests. Pursuant to the provisions of Section 339-aa of the New York Real Property Law, during the Sponsor Control Period, Sponsor shall cause the Condominium Board to file a lien for unpaid Common Charges against any Unit owned by Sponsor in which Sponsor is more than 30 days in arrears. All such liens, however, to the extent permitted by Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until 6 years from the date of filing (unless foreclosure of such lien is started within such 6 year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing such lien. In addition, the Condominium Board may assess Unit Owners a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, and interest at the rate of 1.5% per month of such unpaid amounts (less any "late charges" theretofore collected), plus all expenses of collection, including but not limited to attorneys' fees and costs.

No Unit Owner may become exempt from liability for Common Charges by waiving use of any of the Common Elements or by abandonment of the Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges subsequent to a permissible sale, transfer or other conveyance of the Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying the Unit without consideration to the Condominium Board and complying with certain conditions in connection

therewith, become exempt from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to the Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unsold Unit thereafter accruing, unless: (i) the aggregate Common Interests appertaining to the Unsold Units constitutes 15% or less of the total Common Interests then appertaining to all Units; (ii) at least 5 years have elapsed from the date of the First Closing; and (iii) at the time of conveyance, Sponsor shall pay the Condominium Board a sum equal to the product of the then current monthly Common Charges for the Unsold Units being conveyed multiplied by 24.

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

Set forth in Part II of the Plan is a copy of §339-kk of the Real Property Law of the State of New York, which provides, among other things, for the ability of the Condominium to serve a notice to any tenant occupying a Unit to pay its rent directly to the Condominium if the Unit Owner has failed to pay Common Charges, assessments or late fees within 60 days after the expiration of any grace period.

Repairs to, and Maintenance of, Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Unit (other than to the Common Elements contained therein), including all mechanical and electrical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), the plumbing, appliances in the Units, and the interior side of entrance doors thereto, shall be performed by the Unit Owner at such Unit Owner's sole cost and expense (except for any skylights located in an Office Unit, which shall be performed by the Condominium Board at the sole cost and expense of such Office Unit Owner); (b) in or to the General Common Elements shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a General Common Expense (c) in or to the Office Common Elements shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Office Unit Owners as an Office Common Expense.

The exterior and interior glass surfaces of all windows located in any Unit shall not be colored or painted. The interior and exterior glass of all windows in the Retail Unit are to be washed and cleaned by the Retail Unit Owner at the Retail Unit Owner's sole cost and expense. The interior glass surfaces of all windows in the Office Units are to be washed and cleaned by the Office Unit Owners at their sole cost and expense. The cleaning of the exterior portion of the glass surfaces of all windows in the Office Units will be performed by a professional window washing company engaged by the Condominium Board, the cost and expense of which shall be borne by all Office Unit Owners as an Office Common Expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Unit Owner thereof at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Condominium

Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner), including the expense of an exterior hoist if the replacement window does not fit into the service elevator. The Condominium Board reserves the right to make all decisions with respect to the type of replacement window installed.

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, are either (x) necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., or (y) required as a result of special or custom work performed in the Unit by the Unit Owner, such maintenance, repairs or replacements will be made by the Condominium Board, and any portion of the cost thereof attributable to such Unit Owner's acts or omissions shall be paid by such Unit Owner.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep the Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the Section of the Plan entitled "Rights of Access" for details.)

The By-Laws further require that those public or other areas of the Office Building exposed to public view that are required to be maintained by each Unit Owner or the Condominium Board, be kept in good appearance in conformity with the dignity and character of the Office Building by such Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof pursuant to the Condominium Documents.

Alterations, Additions and Improvements of Units and Common Elements

Sponsor shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or representatives of holders of Mortgages on Units to: (a) make alterations additions, improvements, or repairs in or to its Unsold Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (b) subdivide, combine and change the boundary walls of their respective Units. (See the Section of the Plan entitled "Changes in Prices and Units" for details.)

No Notice Work shall be commenced by or on behalf of any Unit Owner unless the Condominium Board, in its reasonable discretion, (i) approves such Notice Work and (ii) either executes together with the Unit Owner an alteration agreement in a form to be determined by the Condominium Board ("Alteration Agreement") or provides written notification that the requirement for an Alteration Agreement in such instance has been waived ("Alteration Agreement Waiver"). An application to the Condominium Board to perform Notice Work is deemed rejected where the Condominium Board has neither executed an Alteration Agreement nor provided an Alteration Agreement Waiver within thirty (30) days following the Condominium Board's receipt of the application. Condominium Board approval for Notice Work is deemed obtained where the Condominium Board has executed an Alteration Agreement or has provided an Alteration Agreement Waiver for such Notice Work in each instance. Notwithstanding the foregoing, all Notice Work must be in compliance with Law and the terms of the Declaration, the By-Laws, and the Rules and Regulations. In connection with Notice Work approved by the Condominium Board, each Unit Owner and its Permitted Users shall have an easement for access, ingress, and egress through all Common and Private Areas, to the extent necessary, subject to prior approval by the Condominium Board and each affected Unit Owner (if any) in each instance. All Common and Private Areas shall be subject to such easement.

Additionally, no Notice Work shall be commenced by the Performing Unit Owner until the Condominium Board has been furnished with: (i) certificates of insurance evidencing that the insurance required in connection with the Unit Work under Section 5.4 of the By-Laws, or as required by the Condominium Board in its reasonable discretion, has been obtained and is in full force and effect, along with reasonably satisfactory evidence of payment of premiums therefor, indicating that the insurance coverage

then required by the Condominium Board to be carried during the making of any work is in effect; (ii) a certification (in form and content reasonably satisfactory to the Condominium Board) of a New York licensed structural engineer and/or mechanical engineer, as applicable, having at least ten (10) years' experience involving similar structures in the Borough of Manhattan, stating in the case of structural alterations that such Notice Work will not adversely impact the structural integrity of the Office Building or result in the inability to add additional floors to the height of the Office Building, and in the case of Work impacting a building system or other Common Element, that such Notice Work will not adversely impact the functioning of the building systems or the operation of the Office Building. For purposes of this Section of the By-Laws, "structural integrity" shall include, without limitation, the weight bearing load of all structural columns, beams, and members of the Office Building, the engineering of the Office Building as it exists on the date of the filing of the Declaration and all other matters relating to the structure of the Office Building; (iii) in the case of Notice Work involving noise, odor or vibrations, a certification of the architect for the Notice Work (or such other consultant reasonably acceptable to the Condominium Board) stating that such Notice Work will be performed in a commercially reasonable manner so as to minimize such noise, odor or vibrations (taking into account the fact that portions of the Office Building will be occupied by tenants); and (iv) all necessary permits, authorizations, approvals and certificates from any governmental authority required for the commencement and prosecution of the work have been obtained (subparagraphs (i) through (iv) collectively, "Notice Work Conditions"). Any failure to meet the Notice Work Conditions prior to commencement of Notice Work by the Unit Owner shall be a default by such Unit Owner under the Condominium Documents.

Any application to any department of The City of New York or to any other Governmental Authority having jurisdiction thereof for a permit to perform structural alterations or repairs in or to any Unit shall, if required by Law or such governmental authority, be executed by the Condominium Board, provided (i) that such structural alterations or repairs constitute authorized Notice Work; (ii) that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any Unit Owner, contractor, subcontractor, materialperson, or architect on account of such alterations or repairs, or to any Person having any claim for injury to person or damage to property arising therefrom; and (3) the Unit Owner undertaking such structural alterations or repairs (or an entity reasonably acceptable to the Condominium Board) shall have executed and delivered to the Condominium Board the indemnity required by the By-Laws. The provisions of this paragraph shall not apply to an Unsold Unit provided any alteration to such Unsold Unit shall be in accordance with, and only as permitted by, the Condominium Act and Law.

Subject to the approval by the Condominium Board in each instance, not to be unreasonably withheld, conditioned, or delayed, and provided that all the following alterations, additions, improvements or repairs are in compliance with Law and the terms of the Declaration, and By-Laws, each Retail Unit Owner shall have the right, at such Retail Unit Owner's sole cost and expense (i) to erect, maintain, repair and replace one or more signs and lighting of such size and content as the Condominium Board may approve, not to be unreasonably withheld, conditioned, or delayed, in the storefronts and windows of such Unit for the purposes of advertising the sale or rental of all or any portion of a Unit or the operation of any business conducted in the Retail Unit, and (ii) to use the sidewalks adjacent to such Retail Unit (if any) for any purposes permitted by Law, including, without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalks. In the event a Retail Unit Owner utilizes such sidewalks, the cost of maintenance and repair of such sidewalk during the period of such use or resulting from such usage shall be borne by such Retail Unit Owner.

Upon request of a Unit Owner, the Condominium Board shall execute (i) any declaration or other instrument affecting such Unit Owner's Unit which the Unit Owner deems necessary or appropriate to comply with any Law, applicable to the maintenance, alteration or repair of such Unit and which would not have an Adverse Effect on another Unit Owner or otherwise violate the Declaration, or the By-Laws, and (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Unit which the Unit Owner deems necessary or appropriate and which would not have an Adverse Effect on another Unit Owner or otherwise violate the Declaration, or the By-Laws; provided, in each such case the

Condominium Board and the Managing Agent shall have received an indemnity in form and substance acceptable to the Condominium Board and from a creditworthy entity acceptable to the Condominium Board, in its reasonable discretion, indemnifying the Condominium Board from any and all liability and claims in connection with such instrument, declaration, easement, amendment or other document. All reasonable costs and expenses of the Condominium Board in connection with the foregoing shall be paid by the Unit Owner making such request.

Certificate of Occupancy

Purchasers are advised that there is no Certificate of Occupancy available for the Office Building. The Office Building was built prior to 1938 at which time the New York City did not require a Certificate of Occupancy. Sponsor will not undertake to procure a Certificate of Occupancy and Purchasers will be required to consummate the purchase of a Unit notwithstanding the fact that the Office Building does not have a Certificate of Occupancy. Purchasers are urged to consult with their lending institution, title company, or other professionals prior to signing a Purchase Agreement.

Insurance

The Condominium Board is required to obtain and maintain the forms of insurance described in the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." The Condominium Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit. Consequently, all Unit Owners are required to obtain casualty insurance with respect to the Unit, including, without limitation, the flooring, fixtures, furniture, furnishings and personal property located within the Unit and liability insurance with respect to occurrences in or about the Unit. All such certificates of insurance shall name the Condominium Board, the Condominium, Sponsor and, if requested, Sponsor's lender as additional insureds and shall be delivered to the Condominium at the Closing of Title to the Unit. All such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and the Managing Agent, manager, and other Persons authorized by the Condominium Board, will have a right of access to any Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Office Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by Law, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the occupants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for purposes of performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan, provided that access to any Unit may not be exercised in such a manner as will unreasonably interfere with the use of such Unit for its permitted purposes.

Compliance with Condominium Documents

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

Examination of Books and Records

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

Self-Help

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

General

All restrictions and prohibitions, set forth herein with regard to the use of a Unit shall not apply to Sponsor or any principal of Sponsor owning or leasing such Unit.

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

Condominium Board

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor (collectively, the "Members"). The Condominium Board will call the First Annual Meeting to elect a new Condominium Board approximately 30 days after the later to occur of (i) the second anniversary of the First Closing or (ii) the Closing of Title with Purchasers under the Plan to Office Units representing at least 50% in number of all Office Units offered for sale. At such meeting, the incumbent Condominium Board shall resign and, subject to the rights of Sponsor, and/or the Retail Unit Owners to designate members of the Condominium Board, the Office Unit Owners (including Sponsor) shall elect and/or or designate a new Condominium Board consisting of 4 members. (See the subsection below entitled "Meetings and Votes of Unit Owners" and the Section of the Plan entitled "Control by Sponsor" for details.) Thereafter, at each annual meeting, members of the Condominium Board shall be elected and/or designated and shall serve until the next annual meeting thereof and until a successor has been elected and/or designated.

Except for the Members of Condominium Board designated by Sponsor, and/or the Retail Unit Owners, all Members of the Condominium Board must be either Office Unit Owners or certain interested parties as described in the By-Laws. No member of the Condominium Board shall continue to serve on the Condominium Board if, during such Member's term of office, such member shall cease to be an Office Unit Owner or an interested party. All Members of the Condominium Board shall serve without compensation.

Powers and Duties of and Determinations by the Condominium Board

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

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

Notwithstanding anything to the contrary contained herein, Sponsor may continue to exercise veto power over certain actions of, or contemplated by, the Condominium Board after the Sponsor Control Period, to the extent that, the Condominium Board may not take any of the following actions without Sponsor's prior written consent for so long as Sponsor shall continue to own Unsold Office Units representing at least 25% in number of all Office Units (but in no event later than the fifth anniversary of the First Closing): (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges or Special Assessment for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees from those described in the First Year's Budget, or (d) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit. Notwithstanding the foregoing, however, (x) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to (i) comply with Law, (ii) remedy any notice of violation, (iii) remedy any work order of the Condominium's insurer, or (iv) ensure the health and safety of the occupants of the Condominium.

Meetings and Votes of Unit Owners

Annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the First Annual Meeting. Commencing with the First Annual Meeting and for so long as Sponsor continues to own at least 1 Unsold Office Unit, the Condominium Board shall consist of 4 individuals (collectively, the "Members"): 3 of whom shall be elected by the Office Unit Owners ("Office Members"), subject to the rights of Sponsor to designate Office Members; 1 of whom shall be designated by the Retail Unit Owners ("Retail Member"). In addition, the President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Unit Owners having in aggregate not less than 40% of the total Common Interest. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice, which will be given at least 10 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Office Unit Owners owning more than 40% of the total Common Interests shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Office Unit Owners.

At all meetings, each Unit Owner (or their proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Unit.

Officers

The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint additional officers. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Condominium Board members until the first organizational meeting of the Condominium Board following the First Annual Meeting. Thereafter, the President and Vice President must be members of the Condominium Board. No officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium are to be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board.

Repair or Reconstruction after Fire or Other Casualty

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

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

If 75% or more of the Office Building is destroyed or substantially damaged by fire or other casualty and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Office Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a

Unit Owner until there has first been paid out of the Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on the Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. Any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Condominium Board in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

Insurance for the Office Building

With respect to the Office Building, the Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance:

(i) commercial general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each Member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within the Unit Owner's Unit);

(ii) umbrella liability insurance;

(iii) crime insurance;

(iv) directors & officers liability insurance;

(v) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another. Purchasers should review the form of Declaration and By-Laws set forth in Part II of Plan for more information regarding insurance.

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

All Unit Owners are required to obtain casualty and liability insurance for their own benefit covering their Units. All such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner.

Liability of the Condominium Board and Unit Owners

Every contract made by the Condominium Board or by any Managing Agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners and the members of the Condominium Board,

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

Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners approximately 4 months after the end of each fiscal year.

Amendments to Condominium Documents

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

No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or Rules and Regulations, other than those required by Law, shall be effective (a) against Sponsor or any Unsold Unit unless Sponsor has given its written consent thereto, or (b) against the holder of any mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto, or (c) against any Retail Unit Owner and/or any Retail Unit without the prior written consent of the affected Retail Unit Owner.

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of each of the Retail Unit Owners and at least 80% in number and in Office Common Interest of all Office Unit Owners. Such vote shall not be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of any Sponsor Lender, and Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

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

Units Acquired by Condominium Board

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

The purchase of any Unit by the Condominium Board on behalf of the Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium Board. If the funds in such account are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to the Common Interest, as a Common Charge and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its Common Interest.

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Office Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Office Units. All Office Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Office Common Interests. In the event any Office Unit Owner individually seeks to have the assessed valuation of the Office Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Office Unit Owner in pursuing, such reduction, provided that such Office Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, attorneys' fees and costs) resulting from such proceedings.

Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may arise or be created against only the several Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon but all Common Charges received by the Condominium Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Condominium Board or Managing Agent for the Common Elements.

Easements

In order to facilitate the operation and maintenance of the Office Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In addition, as set forth in Articles 10 and 11 of the Declaration, Sponsor and the Retail Unit Owners have been granted certain easements with respect to the use and operation of their respective Units.

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Units and Common Elements. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes.

The Declaration and By-Laws

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Units by Purchasers was prepared by Sponsor based, in part, upon the Attorney's Income Tax Opinion prepared by Olshan Frome Wolosky LLP, tax counsel to Sponsor ("Tax Counsel"), a copy of which is set forth in Part II of the Plan.

OLSHAN FROME WOLOSKY LLP IS TAX COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Income Tax Deductions to Unit Owners

Each Unit Owner will own fee simple title to the Unit together with an undivided interest in the Common Elements. Each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. As a result, each Unit Owner will be individually liable for the real estate taxes and assessments levied against the Unit. Additionally, each Unit Owner may mortgage the Unit, and thereby become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

Subject to certain exceptions and limitations that are more particularly discussed in Attorney's Income Tax Opinion, a Unit Owner who uses its Unit in the active conduct of a trade or business may be able to deduct for income tax purposes the real estate taxes and mortgage interest paid or accrued by it and attributable to its Unit.[1] Said expenses, to the extent deductible, shall be deductible when paid or accrued by the Unit Owner in accordance with such Unit Owner's method of accounting. The deductibility of real estate taxes and interest paid with respect to a Unit may be limited by passive activity and "at risk" limitations and rules as well as the limitation on business interest rules.

In all instances, each Purchaser should consult with his or her own tax counsel as to the tax consequences and financial expectations of Unit ownership.

Tax Status of the Condominium and the Condominium Board

The affairs of the Condominium will be governed by a Condominium Board. The exact status of the Condominium, under present law, is uncertain. The Condominium Board may take the position that because it acts as agent for the Unit Owners, the Condominium is not a separate taxable entity. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income (not including Common Charges) earned by the Condominium, reduced by the expenses incurred in earning such income. Under Section 528 of the Internal Revenue Code of 1986, as amended, certain boards of managers of residential condominiums may elect to be treated as an organization exempt from Federal income taxes.

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[1] Commencing in taxable years beginning after December 31, 2017, Code Section 163(j), as amended by 2017 Tax Cuts and Jobs Act, limits the deductibility of net interest expense paid or accrued on debt properly allocable to a trade or business to 30% of "adjusted taxable income," subject to certain exceptions. Any deduction in excess of the limitation is carried forward and may be used in a subsequent year, subject to the 30% limitation. "Adjusted taxable income" is determined without regard to certain deductions, including those for net interest expense, NOL carryforwards and, for taxable years beginning before January 1, 2022, depreciation, amortization and depletion. However, certain individuals or entities may be exempt from this limitation on the deduction of interest. Each Purchaser should consult its own tax advisor as to the application of the limitation on the deduction of interest under Code Section 163(j) to its particular circumstances.

Inasmuch as the Units are not residential units, the Condominium Board will not be eligible to make this election.

The taxing authorities also could take the position that the Condominium constitutes an association taxable as a corporation and therefore is a separate taxpayer with respect to income and deductions and return filing requirements. In such event, the Condominium would be subject to Federal corporate income tax and New York State Corporation Franchise Tax (collectively, "Corporate Taxes"). The New York State Department of Taxation and Finance is likely to take the position that the Condominium is subject to the New York State Corporation Franchise Tax even if the Condominium does not constitute an association taxable as a corporation for Federal income tax purposes. Regardless of whether or not the Condominium is subject to any Corporate Taxes, the New York City Department of Finance is likely to take the position that the Condominium is subject to the New York City Unincorporated Business Tax (collectively with Corporate Taxes, "Income Taxes").

To the extent it is subject to any Income Taxes, the Condominium's taxable income would consist of the portion of the Common Charges that is deemed to constitute gross income plus any income earned from other sources (such as from interim investments of funds by the Condominium), reduced by the current deductible expenses paid or incurred by or through the Condominium Board. If excess Common Charges are distributed to the Unit Owners during the year, the Condominium should have no taxable income attributable to such overassessments. However, to the extent the Condominium receives and retains excess Common Charges over which the Condominium Board retains discretion, or receives other amounts such as investment income on interim investment of funds, the Condominium may have taxable income giving rise to liability for Income Taxes. It should be noted that if the Condominium is required to pay any Income Taxes, and the Condominium Board makes an additional assessment in order to pay the tax liability, the additional amount collected through such assessment may itself constitute taxable income to the Condominium.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow any of such deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof upon which Tax Counsel bases its opinion, will not change. In addition, none of the aforesaid give any warranties with respect to the tax consequences of the Plan or the tax consequences of ownership of any Units offered under the Plan, and no one has been authorized to give any warranties.

REAL ESTATE TAXES

Purchasers are advised to review Footnote (6) of "Schedule A – Purchase Prices of Units and Related Information" for details concerning real estate taxes for the First Year of Condominium Operation. The information contained therein is based on the real estate tax projection opinion prepared by Marcus & Pollack LLP set forth in Part II of the Plan.

It is estimated that the aggregate real estate taxes payable with respect to all Units for the First Year of Condominium Operation running from January 1, 2020 through December 31, 2020 and covering the final six months of the 2019/20 tax year and the first six months of the 2020/21 tax year will be approximately $620,892, assuming (a) a 2019/20 transitional assessed valuation for the Property of $5,696,100 for the final six months of the 2019/20 tax year and a 2020/21 transitional assessed valuation of $6,114,657 for the first six months of the 2020/21 tax year based on the real estate tax projection opinion prepared by Real Estate Tax Counsel dated October 30, 2019 set forth in Part II of the Plan, and (b) a tax rate of 10.514 per $100 of assessed valuation for both the 2019/20 and 2020/21 tax years.

In arriving at the assessed valuation for each Unit in the Condominium, the Office Building is first assessed as an entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Register's Office. For purposes of Schedule A, the projected real estate taxes for the Office Building were apportioned among the Units based on Common Interest percentages. It is possible that the apportionment will be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. There is no assurance that the City of New York tax assessor will allocate taxes among Units based upon Common Interest percentages. At such time as the Units have been separately assessed for real estate tax purposes, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes assessed against any other Unit.

Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, Tax Counsel, Real Estate Tax Counsel or Selling Agent be liable to any Purchaser nor will any Purchaser have the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that projected herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future. Please refer to the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" for more details.

The Unit Power of Attorney which each Purchaser shall be required to sign at Closing, the form of which shall be substantially as set forth in Part II of the Plan, authorizes the Condominium Board to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate in accordance with Section 2.4(A)(xxiii) of the By-Laws.

As of the Filing Date of the Plan, there is a tax certiorari proceeding pending for the reduction of real estate taxes with respect to the Property for the 2014/15-2018/19 tax years. Any such proceedings are at Sponsor's sole cost and expense, for Sponsor's benefit.

WORKING CAPITAL FUND AND APPORTIONMENTS

Each Purchaser of a Unit shall be required to make a non-refundable contribution at the Closing to the working capital fund of the Condominium ("Working Capital Fund") in an amount equal to 2 months' Common Charges with respect to the Unit based on the Condominium budget in effect at the time of Closing. The payment of the Working Capital Fund contribution shall be required of all Purchasers of Units, whether purchased from Sponsor or on a resale.

At or subsequent to the First Closing, Sponsor will apportion with the Condominium the following items as of midnight of the day preceding the First Closing, to the extent applicable:

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

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any.

(3) charges for electricity and other utilities for the Common Elements.

(4) cost of fuel on hand (plus sales tax), if any.

(5) charges and receipts in connection with service, maintenance and concession contracts.

(6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units).

(7) cost of building supplies on hand at Sponsor's cost (including sales tax).

(8) premiums for transferable insurance policies, if any.

(9) janitorial service fees, if any.

(10) management fees.

(11) building supplies (including, but not limited, to uniforms, cleaning supplies, carts, luggage).

(12) other customary closing adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as set forth above, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and the other matters mentioned above.

If the result of Closing adjustments is a net credit in favor of the Condominium, Sponsor will contribute the amount of such net credit to the Working Capital Fund. If the result of Closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be evidenced by an unsecured, negotiable promissory note, without interest, to be executed by the Condominium Board and delivered to Sponsor at the First Closing to be repaid on the first anniversary of the First Closing. The promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty.

The Working Capital Fund will be used for working capital, a reserve for repairs or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges. While Sponsor controls the Condominium Board, the

Working Capital Fund will not be used to reduce Common Charges. (See the Section of the Plan entitled "Control By Sponsor" for details.)

The Condominium Board will be able to utilize the funds in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units. In addition, within 3 months following the end of the Sponsor Control Period, Sponsor shall deliver to the Condominium Board a statement from an officer of Sponsor, certifying in reasonable detail as to any changes in the amount of the Working Capital Fund which have occurred since the First Closing.

No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, including repairs, replacements or major improvements, for the first or any subsequent year of Condominium operation. If additional funds are required over and above the Working Capital Fund to cover expenses of the Office Building operation, it may be necessary to increase Common Charges or make Special Assessments. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

MANAGEMENT AGREEMENT

At the First Closing, Sponsor will assign, and the Condominium Board will assume, the Management Agreement for the Condominium between Sponsor and Hidrock Properties Inc. ("Managing Agent"), having an office at 40 Wall Street, 45th Floor, New York, New York 10005 ("Management Agreement"). Sponsor may, in the alternative, have the Condominium Board enter into the Management Agreement directly with Managing Agent. The Managing Agent is affiliated with Sponsor.

The Management Agreement will provide for an initial term of three (3) years commencing on the date of the First Closing ("Commencement Date"). Thereafter, the Management Agreement will automatically renew for successive one (1) year terms (unless terminated at least sixty (60) days prior to the commencement of such renewal term).

Managing Agent will receive an annual fee, payable in equal monthly installments during the initial term of the Management Agreement as follows: $78,000 per annum (increasing by 3% on each anniversary of the Commencement Date), plus separate reimbursements for the costs, salaries, and benefits of an on-site and off-site staff. In addition to the foregoing, Managing Agent shall receive reimbursements from the Condominium Board: (i) for services rendered to Unit Owners (other than Sponsor), in connection with processing applications to (x) sell, lease or otherwise transfer Units, (y) mortgage or refinance of an existing mortgage on a Unit and (z) alter or renovate a Unit, Managing Agent shall receive a fee from the Unit Owner in such amounts as shall be determined, from time to time, by the Condominium Board, (ii) with respect to certain costs, salaries, and benefits required to maintain a dedicated on-site staff at the Property, and (iii) such other items as are set forth in the Management Agreement, including, without limitation, the costs of accounting software, technology and other required office services.

The duties and services to be rendered by Managing Agent (subject to the availability of funds from the Condominium) include, among others:

(1) billing and collecting Common Charges.

(2) causing the Common Elements to be maintained, repaired and altered in the manner deemed advisable by the Managing Agent and Condominium Board.

(3) contracting for necessary services and repairs and purchasing all supplies necessary to properly maintain and operate the Office Building and its Common Elements.

(4) checking all bills received in connection with the maintenance and operation of the Common Elements and causing all such bills and other expenses to be paid.

(5) supervising, hiring, discharging and paying employees necessary for the proper maintenance and operation of the Office Building.

(6) rendering quarterly statements of receipts and disbursements to Sponsor or other designated entity, upon request.

(7) maintaining accurate sets of books for the Condominium Board.

(8) cooperating with the Condominium Board's accountants in preparing and submitting annually to the Condominium Board an operating budget of the anticipated income and expenses for the ensuing year.

(9) attending meetings of the Condominium Board and Unit Owners, and preparing agendas and sending notices relating to such meetings.

(10) causing to be obtained and maintained insurance for the Condominium in amounts deemed advisable by the Condominium Board.

(11) processing applications of Unit Owners for permission to alter the Units.

(12) creating the annual operating budget.

(13) creating the capital budget.

(14) generally, doing all things deemed reasonably necessary or desirable by the Condominium Board for the proper management of the Office Building.

Managing Agent, at its own expense, will be insured during the term of the Management Agreement under a fidelity bond in favor of the Condominium for any loss resulting from fraudulent or dishonest acts committed by Managing Agent, its directors, officers or employees.

The Management Agreement provides that the Condominium Board shall indemnify Managing Agent with respect to claims in connection with Managing Agent's carrying out the provisions of the Management Agreement or acting under the express or implied directions of the Condominium Board, unless arising from the gross negligence or willful misconduct of Managing Agent in carrying out its duties.

Sponsor reserves the right during the Sponsor Control Period to designate any other reputable managing agent to perform all of the duties and services to be performed by Managing Agent under the Plan and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above.

The Management Agreement may not be assigned by Managing Agent without the prior approval of the Condominium Board. The Condominium Board may not assign the Management Agreement.

The following service contracts are currently in place as of the Filing Date of the Plan:

Vendor	Contract Type	Annual Cost	Expiration Date
East Coast Mechanical	Gas and Oil Burner Labor Service	$900 per Unit, plus tax $2,700 Total, plus tax	October 2019
Assured Environments	Exterminator	$3,558.12 / year, plus tax	n/a
Capitol Sprinkler Service Corp.	Fire Sprinkler System Annual Inspection and Testing Agreement	$1,875, plus tax, per last invoice.	October 2019
CBA Elevator Consultants, LLC	Third Party Witnessing Services for elevator safety tests.	$794.40 for 2019 $816.42 for 2020	December 31, 2020
Constellation NewEnergy, Inc.	Electricity supply	n/a	Expired 1/16/19
Croker Fire Drill Corporation	Fire and Life Safety Services	$4,440 / year, plus tax Plus, owner pays any FDNY, city-assessed filing	Expires September 30, 2020, then auto renews

		or submission fees for original and any amended Fire Safety/Emergency Action Plans.	
The Metro Group, Inc.	Water Treatment	$513 annually, plus tax ($558.53 inclusive of tax)	
W.H. Christian & Sons, Inc.	Uniform rentals	$3,536 / year Vendor may increase cost by up to 5% on each annual anniversary.	Approx. February 2020
Unitec Elevator	Elevator maintenance	$12,572.28 / year	February 2021

IDENTITY OF PARTIES

Sponsor

3536 Associates LLC is a limited liability company organized under the laws of the State of Delaware, with an office at 40 Wall Street, 45th Floor, New York, New York 10005 ("Sponsor").

The principal of Sponsor is Sander Jacobowitz, having an office address c/o Sponsor at 40 Wall Street, 45th Floor, New York, New York 10005.

Sander brings his experience working for Hidrock Properties to Sponsor. At Hidrock, Sander is responsible for leading the transaction process for the company's acquisitions, financings and re-financings from term sheet, through due diligence and document negotiation, to closing. Sander earned a bachelor's degree in political science and a juris doctorate, both from Rutgers University, as well as master's degree from New York University's Schack Institute of Real Estate. Prior to joining Hidrock, Sander was the vice president of acquisitions and counsel at a New Jersey-based real estate capital advisor. He also practiced real estate law for 9 years for several prominent regional and international law firms before transitioning to the business side of the industry. Sander is licensed to practice real estate law in both New York and New Jersey.

There have not been any bankruptcies filed against Sponsor or Sander Jacobowitz within the last fifteen (15) years.

Prior Offerings

Sponsor and the principal of Sponsor have not taken part in any public offerings which were initially offered during the past 5 years.

There have been no prior felony convictions of Sponsor, or Sponsor's principal and no prior convictions, injunctions and judgments against Sponsor, or Sponsor's principal that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Sponsor and those principals of Sponsor who reside outside of the State of New York have designated the Secretary of State for service of process.

Attorneys for Sponsor

Sponsor has retained the law firm of Starr Associates LLP, having an office at 220 East 42 Street, Suite 3302, New York, New York 10017 to represent it in connection with the Plan and to serve as Escrow Agent. Shaun W. Pappas, Esq. participated in and supervised the preparation of the Plan. Starr Associates LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to the sale and closing of Units.

Sponsor has retained the law firm of Olshan Frome Wolosky LLP, having an office at 1325 Avenue of the Americas, New York, New York 10019 to prepare the Income Tax Opinion for the Condominium and Unit Owners under the direction of Warren R. Gleicher.

Sponsor has retained the law firm of Marcus & Pollack LLP, having an office at 633 3rd Avenue, 9th Floor, New York, New York 10017, to provide the benefits opinion set forth in Part II of the Plan.

Selling Agent

Selling Agent for the Condominium will be Rudder Property Group, LLC, having an address at 36 West 44th Street, Suite 1411, New York, New York 10036.

Selling Agent specializes in the sale of office condominiums in the New York metropolitan area. With over a decade of experience in this niche market, the principals of Selling Agent have sold over 2,000,000 square feet of office condominiums with a dollar value in excess of $1 billion.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent and no prior convictions, injunctions and judgments against Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Managing Agent

Managing Agent for the Condominium will be Hidrock Properties Inc., having an office at 40 Wall Street, 45th floor, New York, New York 10005. Managing Agent is a real estate and management firm that has been in business for many years. Managing Agent is a licensed real estate brokerage and management firm, which has been engaged in the management of commercial real estate for many years. It, and its affiliates, currently provide property management services for many commercial properties, including the following: 192 Prospect Park West, Brooklyn, New York; 348 Atlantic Avenue, Brooklyn, NY; 336 State Street, Brooklyn, NY; 32 Fifth Avenue, Brooklyn, NY; 110 Boerum Place, Brooklyn, NY; and 146-150 Tenth Avenue, New York, NY.

There have been no prior felony convictions of Managing Agent, or any principals of Managing Agent, and no prior convictions, injunctions and judgments against Managing Agent, or any principals of Managing Agent that may be material to the Plan or any offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Architects

Peter F. Farinella Architect, P.C., having an office at 70 Lafayette Street, Floor 3, New York, New York 10013 is the architect of record for the Office Building ("Farinella P.C."). Farinella prepared the Floor Plans set forth in Part II of the Plan and the Floor Plans, which will be filed with the New York City Real Property Assessment Department, as required in order to create the Condominium. Farinella P.C. has been providing architectural services for many years.

Howard L. Zimmerman, P.C., having an office at 11 West 30th Street, 3rd Floor, New York, New York 10001 ("Zimmerman P.C.") has examined the physical condition of the Office Building and has prepared the Description of Property and Building Condition and a Certification which is set forth in Part II of the Plan. Zimmerman P.C. has been providing architectural services for many years.

Condominium Budget Expert

Sponsor has engaged Choice New York Management, having an address at 254 West 31st Street, 6th Floor New York, New York 10001, as Sponsor's budget expert ("Budget Expert"). Budget Expert estimated all amounts of income and expenses in the First Year's Budget in consultation with Sponsor. The Budget Expert has rendered a certification as to the adequacy of the First Year's Budget which may be found in Part II of the Plan.

Related Parties

Sponsor and its principal have no affiliation with Selling Agent, Sponsor's Attorneys, the Architects, the Budget Expert, or any Person who will provide services to the Condominium subsequent to the First Closing, with the exception that Sponsor's principal is affiliated with Managing Agent.

Neither the Budget Expert, the Architects, nor Sponsor's Attorneys have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

No Pre-Sales

Neither Sponsor nor its principal has entered into contracts or agreements, written or oral, or accepted any Deposits or advances of funds for the purchase of Units as of the Filing Date of the Plan.

REPORTS TO UNIT OWNERS

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

1. A financial statement of the Condominium prepared by a certified public accountant or public accountant, within approximately 120 days after the end of each fiscal year of the Condominium. Such statement shall be certified while Sponsor is in control of the Condominium Board.

2. At least 30 days' prior notice of the annual Unit Owners' meeting.

3. A copy of the proposed annual budget of the Condominium at least 30 days prior to the date set for adoption thereof by the Condominium Board. While Sponsor is in control of the Condominium Board, such budget shall be certified in compliance with Section 20.4 of the Regulations of the Department of Law.

DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection by Purchasers and their attorneys without charge, and for copying at a reasonable charge, at Sponsor's office for a period of 6 years after the First Closing. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its Unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

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

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Copies are contained in Part II of the Plan of the forms of Declaration, By-Laws, Purchase Agreement, Unit Deed, Power of Attorney and other documents (which forms may be revised prior to their recordation or the First Closing, as applicable). Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to in the Plan, copies of which are on file with Sponsor, are not necessarily complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

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

Except as otherwise expressly provided in the Plan, Sponsor's obligation to make repairs in any Unit shall cease upon the Closing of Title to such Unit. Sponsor will, however, maintain and operate the Office Building until the First Closing in substantially the same manner and condition as on the Filing Date of the Plan (subject to ordinary wear and tear) except to the extent that Sponsor is precluded from so doing by acts of God, fire or other casualty, storm, strikes, lockouts, labor difficulties, acts of terrorism, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which Sponsor is reasonably unable to exercise control. If for any of the reasons set forth in the preceding sentence, other than fire or other casualty, Sponsor is prevented from so maintaining the Office Building and the Common Elements (or causing the same to be maintained), Sponsor shall make or cause to be made, within a reasonable period of time after such act ceases to exist, any repairs subsequent to the First Closing that it was obligated to make prior to the First Closing.

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

Sponsor reserves the right, from time to time prior to the First Closing, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor and Purchasers. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially and adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within 15 days from the Presentation Date of such amendment. Sponsor shall promptly return any Deposit, together with any interest earned thereon, to Purchasers who rescind, except that Sponsor shall retain the Deposit of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units on any ground in violation of Law.

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

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

The Property has not been the subject of a prior public offering.

SPONSOR'S STATEMENT OF OFFICE BUILDING CONDITION

Sponsor adopts the "Description of the Property and Building Condition" set forth in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Office Building except as set forth in the Description of the Property and Building Condition or as contemplated to be made as described therein.

An Asbestos Control Program form 5 ("ACP-5") is set forth in Part II of the Plan. Sponsor makes no representation as to the existence or non-existence of ACM in any specific locations in the Building other than as set forth in the ACP-5. Sponsor's obligations under the Plan do not include an obligation to remove asbestos, if any, and Sponsor does not intend to perform such remedial work.

Purchasers are advised that there is no Certificate of Occupancy available for the Office Building. The Office Building was built prior to 1938 at which time the New York City did not require a Certificate of Occupancy. Sponsor will not undertake to procure a Certificate of Occupancy and Purchasers will be required to consummate the purchase of a Unit notwithstanding the fact that the Office Building does not have a Certificate of Occupancy. Purchasers are urged to consult with their lending institution, title company, or other professionals prior to signing a Purchase Agreement.

Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Office Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. In accordance with the terms of the rider annexed to the Purchase Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint.

While Sponsor has, to the best of its knowledge, received no specific reports regarding lead-based paint in the Office Building, given the age of the Office Building and the widespread use of lead-based paint in preceding decades, it can be assumed that there is lead-based paint present in the Office Building. In addition, there are numerous layers of paint on the walls of the original building. Sponsor makes no representation as to the existence or non-existence of lead-based paint within the walls. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense.

PART II

CONDOMINIUM OFFERING PLAN

35 WEST 36TH STREET CONDOMINIUM
35 WEST 36TH STREET
NEW YORK, NEW YORK 10018

DESCRIPTION OF THE PROPERTY AND BUILDING CONDITION

August 19, 2019

HLZA

35 WEST 36TH STREET
NEW YORK, NEW YORK,
DESCRIPTION OF PROPERTY

I. PREFACE

This Report was prepared for 3536 Associates LLC ("Sponsor") for inclusion in an offering plan for said building in compliance with the requirements of the Department of Law of the State of New York. I hereby authorize reproduction of this Report for such purpose exclusively. Reproduction for any other purpose is not authorized.

The intent is to provide a description of the materials, finishes, equipment and structure which comprise this Building, as outlined in the guidelines of the office of the Attorney General of the State of New York.

The content of this Report is based on:

An inspection of the existing records and applications on file with the Department of Buildings of the City of New York which were made available for review;

A visual inspection of some, but not all areas of the Building, including basement/lobby, public halls, roof bulkheads, exterior walls, and courts, some but not all units, and related equipment contained therein;

Information on open violations on record provided by the governing New York City Agencies;

And

Information provided by the Sponsor and/or its representatives.

Inspection and visual observation were made on: **June 20th, 2019** and the following describes the conditions existing at the time of these site visits. Visual examination was made of a sufficiently large sampling of the spaces and equipment as deemed necessary in our professional opinions, but not, unless stated herein, any tests or penetrations into walls, ceilings, floors, etc., or removal of any structural or mechanical elements.

Except as noted in this Report, no representation is made as to the condition or legality of the various elements of the Building. This Report is not to be construed as a guarantee or warranty. It is not intended or prepared for the purpose of fixing a value to the property or as an opinion as the advisability or inadvisability to purchase condominium units being offered pursuant to the Sponsor's offering plan.

Unauthorized reproduction or alteration of this Report or any part thereof, without the express written permission of the undersigned, is a violation of the New York State Law and is prohibited. Except as indicated herein, no part of this document may be reproduced or utilized in any form or by any means, electronic or mechanical, including photo-copying, recording or by any information retrieval system, without permission in writing.

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II. CONDITION

A. LOCATION, AND USE OF PROPERTY

(1) Address of Property/Location:	35 West 36th Street, Borough of Manhattan, 10018
(2) Tax Block Number: Tax Lot Number:	838 21
(3) Zoning Map: Zoning District:	8D M1-6
(4) Permissible Use:	Light Manufacturing Districts. Zoning Use Groups 5-17, except use group 15

B. STATUS OF CONSTRUCTION

(1) Year Built:	1911
(2) Class of Construction:	1: FIREPROOF STRUCTURES- 1938 NYC Building Code
(3) Certificate of Occupancy - Type; Number:	There is no Certificate of Occupancy Available the building was built prior to 1938 at which time it was not required to have a Certificate of Occupancy.
(4) Alteration Permit Numbers and Description of Work Done:	121558288 – Interior Alteration
	120884686 – Office alteration
	120519670 – Interior alteration with sprinkler
	102628587 – Office Alteration

C. SITE

The property is located at 35 West 36th Street between 6th Avenue and 5th Avenue in the Borough of Manhattan in the City of New York.

The property located on an interior lot; and is bounded on the north by a 10-story office building, on the east by a 13-story office building, and on the west by a 5-story office building.

The Building's main entrance is located on West 36th Street. The main entrance provides access to the attended lobby, all Units and Common Areas.

There is a service entrance and corridor adjacent to the main entrance of the building for the use of all units.

The east and the west retail units are provided with separate entrances for patron's access.

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The street exterior wall is in line with the property line along West 36th Street. There are façade appurtenances that project over the sidewalk. The encroachments are original to the building and are inspected every 5 years under the Local Law for Façade Inspection and Safety Program (FISP)

(1) Size:	Lot Area approximately 5390 sf
(2) Number of Buildings Use:	1 Building, 5,138 sf; Commercial Only
(3) Streets Owned or Maintained by the Building:	West 36th Street between 5th Avenue and 6th Avenue. The street abutting the property (West 36th Street) is owned and maintained by the City of New York. The sidewalk is owned by the City of New York department of Transportation (DOT). The building is responsible for the condition and maintenance of the sidewalk next to the property.
(i) Paving (Material and Condition):	West 36th Street is asphalt paving and is owned and maintained by The City of New York Department of Transpiration (DOT).
(ii) Curb (Material and Condition):	Sidewalk curbs are concrete with steel-facing; New
(iii) Catch Basins, Drainage – Location; Condition:	There are no catch basins in front of the building. There is an existing city owned catch basins in the corner of West 36th and Sixth Avenue. The street bed is pitched toward the catch basin. There is a city owned manhole on West 36th Street in front of the building.
(iv) Street Lighting – Material; Type, Location; Condition:	Street lights are owned and maintained by the City of New York. There are street lights on West 36th Street at locations designated by DOT. Material, type and condition unknown.
(v) Conformance with local fire district, town or municipal building codes.	The building is located within the Manhattan fire district. It is believed that all items above were constructed in conformity with the New York City Rules and Regulations in effect at the time of construction.

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(4) drives, sidewalks and ramps:	
(i) Paving (Material and Condition):	West 36th Street is asphalt paving and is owned and maintained by The City of New York Department of Transpiration (DOT).
(ii) Curb (Material and Condition):	Sidewalk curbs are concrete with steel-facing; New
(iii) Catch Basins, Drainage – Location; Condition:	There are no catch basins in front of the building. There is an existing city owned catch basins in the corner of West 36th and Sixth Avenue. The street bed is pitched toward the catch basin. There is a city owned manhole on West 36th Street in front of the building.
(iv) Street Lighting – Material; Type Location; Condition:	Street lights are owned and maintained by the City of New York. There are street lights on West 36th Street at locations designated by DOT. Material, type and condition unknown.
(v) Driveways and ramps	There are no curb cuts and driveways. There are no ramps outside or inside the building.

D. UTILITIES

Electric:	Electricity to the building is existing and is currently provided by Consolidated Edison Company of New York. All units are separately metered, and unit owners thereof are responsible for their individual charges for electric service. The common areas of the building are separately metered and the charges for this service will be included in the building's common charges.
Gas:	Natural gas service to the building is existing and is currently provided by Consolidated Edison Company of New York. There are two (2) gas meters for the building. There is one (1) meter for the commercial restaurant tenant, and one (1) meter for the building boilers, which are located on the roof. Payment for these services will be included in the building's common charges.

Water:	Water service is existing and provided by New York City Department of Environmental Protection. The building has one (1) water meter. The office units are collectively metered, the charges for which will be included in the building's common charges. There are two (2) sub-meters for the two (2) retail spaces on the ground floor.
Sewer / Septic Tank:	Sewer service is existing and is provided by New York City Department of Environmental Protection, the charges for which will be included in the building's common charges.
Storm Drainage:	Storm drainage service is existing and is provided by New York City Department of Environmental Protection, the charges for which will be included in the building's common charges.
Telephone / Cable / Internet:	Telephone services to the building are existing and are currently provided by Verizon or Spectrum. Each unit is responsible to pay its individual charges for telephone service. The charges associated with the telephone service for common areas (e.g. concierge's desk, maintenance office, elevators, etc.) will be included in the building's common charges. Cable television and internet services to the building are existing and are currently available from Verizon or Spectrum. Each unit is responsible to pay its individual charges for these services. The charges associated with these services for common areas (e.g. concierge's desk, maintenance office, etc.) will be included in the building's common charges.
Fire Hydrant location:	On West 36th Street just to the west of Building.
Public Telephone location:	None
Other:	N/A

E. SUBSOIL CONDITIONS

(1) The subsoil conditions are unknown the building is existing covering 100% of site. Historical Geotechnical data of existing soil condition was not available.

(2) Exposed portions of the Building's foundation walls were observed to be comprised of cast-in-place concrete. The cellar slab is believed to be a slab on grade and is primarily dry; without indications of water infiltration.

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(3) Visual inspection of the cellar floor, foundation walls and the exterior facades showed no evidence that would be indicative of uneven foundation movement, moisture seepage or groundwater infiltration. There are no signs of building settlement.

Within NYC Hurricane Evacuation Zone – (Y/N): (http://maps.nyc.gov/hurricane/)	N
FEMA Map Panel (https://msc.fema.gov/portal/search):	3604970088F
Within a FEMA Special Flood Hazard Area (100-year or Base Flood Zone) - (Y/N):	N
Within other FEMA Flood Areas – (Y/N); Specify:	N
Depth of Water Table relative to below grade space:	Unknown

F. LANDSCAPING AND ENCLOSURES

(1) Grass/Landscaping Cover – Type; Location:	There is no landscaping. The rear yard at cellar level is paved with concrete.
(2) Plants – Type; Location:	There are no plants or planting.
(3) Trees – Type; Number; Location:	There are no tree pits or trees within the site or in front of the building.
(4) Fencing – Type; Location:	There is no fencing.
(5) Gates – Type; Location:	There are no gates on the site.
(6) Garden walls – Type; Location:	There are no gardens or garden walls.
(7) Retaining walls – Type; Location:	Not Applicable
(8) Display pools and fountains:	None
Other	There is a bicycle "rack" in front of the building owned and maintained by DOT. The building is required to report any damage or maintenance required.

G. BUILDING SIZE

1.	Total Height:	Approximately 144 feet
2.	Crawl Spaces (floor to ceiling, height):	There are no crawl spaces.
3.	Number of Sub-cellars and cellars:	There are no sub-cellars. Only one (1) cellar
4.	Number of Floors Above Grade and number of units:	12 floors above grade; 24 commercial units
5.	Equipment Rooms	Two (2) Equipment Rooms

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6.	Parapet Height Above Roof:	Parapets vary in height from 42 inches and greater.

H. STRUCTURAL SYSTEM

Foundation System:

- Foundation walls are existing reinforced cast-in place concrete resting upon reinforced cast in place concrete footings.

Underpinning:

- It is unknown if there are underpinning provisions provided beneath the building footings. There are no evidences of cracking or displacement any other conditions along foundation walls or within the building or which would be indicative of any deficiencies in footings/underpinning and/or settlement issues.

- It is unknown if there is a sub-grade drainage system. It is further unknown as to the method of waterproofing at the foundation wall. It is noted that there are no evidences of water intrusion through the foundation walls or within the cellar.

Structural System:

- The Building superstructure is existing. The structural system consists of a conventional steel frame superstructure encased in concrete for fire proofing. The steel frame is comprised of girders, beams and columns. Exterior walls are comprised of fire rated terracotta and brick masonry. The floor system consists of reinforced concrete slab spanning between floor beams.
- Flooring system: Cellar – Poured concrete Slab (Varies in thickness)

  Floor #1: Unknown

  Floor #2-#12: Steel beams/rebar, approx.. 4" poured slab + ash fill + wood sleepers + wood subfloor + finished wood floor.

(1) Exterior of Buildings:

(i)Walls:
The Building's exterior consists of brick, limestone and cast iron. Some of the exteriors have existing coatings that will require maintenance or replacement.

The exterior wall on 36th street (south facade) consists of limestone and cast-iron cladding from the street level to the 4th floor level, between the 4th and 5th floor is limestone only and from the 5th floor to the 12th floor the exterior wall is brick masonry with stone ornamentation. There is a stone band at the 12th floor and stone cornice at the roof and parapet level.

There are window openings on all facades. There are steel lintels supporting the masonry above the openings. The lintels are attached to the interior steel beams. The window sills are made of stone and brick.

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Parapets are provided atop each facade. The parapet facing the street is topped with a metal coping. The sides and rear parapets are topped with clay camel back copings.

There are minor deteriorations within the parapets and exterior walls. All defects are described in the latest Local Law Report prepared by an independent engineering party.

The building does not report any active leaks.

There is a fire scape at the rear of the building.

Local Law 10/11 (FISP):	The New York City Façade Inspection Safety Program, FISP (formerly known as Local Law 11/98) applies to buildings greater than six (6) stories.
Current Local Law 11 (FISP) Status:	SWARMP
New York City/State Energy Conservation Code Compliance:	If the building is renovated it will need to comply with the requirements of the New York City Energy Conservation Code (NYCECC); the exterior walls will need to be upgraded to comply with the NYCECC.

(ii) Windows:

Window – Type; Material:	The building has existing steel and replacement aluminum windows. Most of the existing steel frame, single glass pane windows were replaced with double hung aluminum windows. The replacement windows appeared to be in good condition. Remaining existing steel window will need maintaining or replacing as needed. Majority of windows are manufactured by "CRYSTAL WINDOWS"
Sill – Type; Material:	Brick masonry/ stone/ metal cladding.
Window Guard – Type; Material:	None
Lintel – Type; Material:	Steel lintels
Storm Window – Type; Material:	None
Sash – Type; Material:	Aluminum and Steel frame.
Hardware – Type; Material:	Counterbalances, Sliding Mechanism, Cranks, Hinges, Lifting Rails, Sash Locks with Keepers, Latches, Security Locks and Limiting Stops are part of the existing manufactured windows. The hardware material is steel and aluminum.

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Glazing Type (single, double):	Replacement windows are double pane, original steel windows are single pane.
Caulking - (Y/N):	Y
Lot Line Windows: Indicate any potential future problems:	There are lot line windows located on the east and west exterior walls. Windows are subject to potential closure in the event that future construction occurs at the adjoining properties (See Special Risks). Permanent closure of lot line windows will require filing with DOB.

(iii) Landmark Status:

Landmark Status: (http://gis.nyc.gov/doitt/nycitymap/)	The building is not an individual Landmark or within a Landmarked district.
Consequences:	N/A

(2) Parapets and Copings:

Type of Material:	Parapets are brick masonry; outboard side is exposed masonry and/or stone; inboard side is exposed masonry. Parapets are topped with clay camelback copings and the street parapet is covered with aluminum coping segments with an enamel finish.
Condition of Wall:	Generally, parapets are considered to be in acceptable condition, the wall has undergone various campaigns of repairs. Repointing and sealant replacement were done at various locations. SWARMP conditions were also observed and periodic inspection by a qualified exterior wall inspector will be required as is routine every 5 years for exterior maintenance and repairs.
Condition of Flashing:	Aluminum counter flashings above roof level were provided new during the roof replacement campaign. The metal flashing and reglet joint sealant are in good condition.

(3) Chimneys and Caps:

Number of Chimneys:	1 Chimney with 3 Flues
Material of Chimneys:	Masonry with galvanized steel liner
Purpose of Chimneys: Boiler / Incinerator / Compactor / Fireplace / Other	Chimney is currently not in use. New boiler room on the roof.

Condition of Chimneys:	Fair
Location of Chimneys:	Boiler Room bulkhead at roof level
Fireplaces:	None

(4) Balconies and Terraces:

i.	Deck Finish:	Not Applicable
ii.	Balustrade:	Not Applicable
iii.	Railings:	Not Applicable
iv.	Copings:	Not Applicable
v.	Soffits:	Not Applicable
vi.	Doors to balconies and terraces:	Not Applicable

There are no balconies or terraces.

The roof is a general common element not accessible to the public. Roof access is limited to maintenance staff.

(5) Exterior Entrances:

Description of Exterior Doors / Frames – Type; Material:	The main entrance, which provides access to the offices above the first floor is an existing double leaf glass door with clear glass transom above and stainless-steel frame. The service entrance is comprised of a double leaf hollow aluminum door with vision lite and glass. The west retail unit entrance is a glass door which forms part of the window wall store front system. There is a security roll down corrugated gate attached to the exterior walls. The east retail unit entrance is a glass door which forms part of the window wall store front system. There is a security roll down grill gate attached to the exterior walls.
(i) Exterior Doors / Frames Lock – Type; Material:	Glass and stainless steel. Key lock on the exterior side. Magnetic automatic closer and stick bar handles.
(ii) Vestibule Doors / Frames – Type; Material:	None.

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(iii) Exterior Stair – Type; Material:	None.
(iv) Railings – Type; Material:	None
(v) Mailbox - Type; Location:	There are no mailboxes. The mail is delivered directly to unit owners/tenants.
(vi) Lighting – Type; Location:	There are two (2) exterior wall mounted lights (sconces) outside the main entrance. There is a flood light attached to the exterior wall at the 4th floor level. The light is maintained by the Garment District Alliance.
Drainage Provisions:	The rear yard drains to a floor drain. The sidewalk on the front of the building slopes to the curb and it drains to the road.

(6) Service Entrances:

i. Doors / Frames – Type; Material; Lock:	The service entrance is adjacent to the main lobby entrance. The service entrance is comprised of a double leaf hollow aluminum door with 5" x 20" vision lite and glass. The doors lock after hours via maglocks. Building is accessible via FOB key. Maglocks can be overridden with keyed locks at bottom of doors Stainless steel doors/frames.
ii. Gates – Type; Material:	Each of the ground floor commercial units has a manual/mechanical steel roll down gate.
iii. Exterior Stair Location:	None
iv. Railings – Type; Material:	None

(7) Roof and Roof Structures

i. Type Roofs for all areas: a) Material:	The roof covering on the main roof is relatively new. The roof covering assembly consists of insulation under a granulated SBS roofing membrane. Soprema SBS Built-up System with vapor barrier base sheet, 1/8" asphaltic board over insulation.
b) Insulation Size, Type, R-Value:	Tapered polyiso insulation to meet NYC energy code (R25)
c) Surface Finish:	2-ply granulated cap sheet over asphaltic board

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d) Bond or guarantee:	Manufacturer's warranty will be provided. 20 year warranty. Warranty Expires 01.26.2037
e) Flashing and Counter Flashing Material:	The roof base flashing is integral with the roof covering system. Penetration flashing typically consists of same material as roof membrane. Combination of liquid waterproofing membrane and aluminum reglet flashing.
New York City/State Energy Conservation Code Compliance:	The present roof system appears to be in compliance with the applicable New York City Energy Conservation Code requirements in effect at the time of installation. Upon re-roofing at the eventual end of the current roof's useful lifespan, the new roof will be required to be in compliance with the current New York City Energy Conservation Code.

(ii) Drains:

a) Location(s), material and type:	Main roof has one existing drain next to the elevator machine room bulkhead. Single level roof drain; cast-iron with debris screen.
b) Gutters and Leaders – Type; Material:	There are no gutter or scuppers at the main roof level.
Adequacy of Drainage:	Visually roof drainage appears adequate with roof pitched to drain; no standing water was evident at the time of inspection.

(iii) Skylights:

Location(s) type, material and Size(s):	There are two existing skylights on the main roof to the east and west of the stair bulkhead providing natural light to the 12th floor unit. The skylights have wire-glass panes and are protected with an expanded metal screen. The size of the skylights is approximately 6-feet by 11-feet.

(iv) Bulkheads:

a) Stair Bulkheads:	▪ There is one stair bulkhead for access to the main roof. ▪ The bulkhead's exterior walls consists of fire block terracotta and the outside is cladded with metal corrugated panels.

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	▪ There is a window on the west wall for light. ▪ The roof is flat and is covered with rubber membrane sloped to drain. Insulation is unknown. ▪ There is a gutter around the bulkhead to collect storm water with a leader discharging on the main roof.
b) Elevator Machine Room Bulkhead.	▪ There is an Elevator Machine Room (EMR) Bulkhead to the south of the main roof. The bulkhead was renovated and is partially raised from the main roof approximately 2 feet to allow water to travel under the structure. The bulkhead is supported on steel dunnage. ▪ The exterior wall assembly consists of reinforced CMU walls and exterior EIFS. ▪ The roof structure is corrugated metal deck over steel C-joists and steel beams. ▪ The roof covering system consists of Insulation under a rubber unsurfaced membrane. The roof slopes to the main roof for drainage. There is minor ponding on the roof. ▪ Access to the elevator machine room is via a metal grating stair with 42-inch railings. Minor rusting is present, and painting will be required. ▪ There is an unpainted metal hollow door at the top of the stairs providing access to the EMR. The door and hardware are in working order.
c) Other; Boiler Room Bulkhead.	▪ There is a bulkhead housing a boiler room on the main roof. The bulkhead is raised from the main roof approximately 2 feet to allow water to travel under the structure. The bulkhead is supported on steel dunnage.

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- The exterior wall assembly consists of reinforced CMU walls and exterior EIFS.
- The roof structure is unknown.
- The roof covering system consists of insulation under a rubber unsurfaced membrane. The roof slopes to the main roof for drainage. The roof is in fair condition.
- Access to the boiler room is via a metal grating stair with 42-inch railings. Minor rusting is present, and painting will be required.
- There is an unpainted metal hollow door at the top of the stairs providing access to the EMR. The door and hardware are in good working order.

(v) Metal work at roof levels:	
a) Exterior, metal stairs:	Metal stairs providing access to raised bulkheads (EMR and Boiler Room). Metal grating steps and landings supported by steel stringers. The stairs are painted black.
b) Vertical Ladders, including gooseneck:	Not Applicable
c) Railing:	There are metal railings at the exterior perimeters of the metal stairs for fall protection.
d) Hatches to Roof – Type; Material:	There are no hatches or scuttles.
e) Other:	Metal crossover bridge facilitates access between various sections of roof.

(vi) Rooftop Facilities

There are two water tanks above the roof. Each wooden water tank is supported independently by a built-up steel tower. The supports are painted angles and dunnage steel beams. The steel protective paint is old and is flaking and will need repairing.

(8) Fire Escapes

There is a fire escape located at the rear of the building. The fire escape is accessible from the roof and each floor for egress. All the units on the east and west side have egress doors to the fire escape. The fire escape leads to the ground floor passageway for direct discharge to the street. The fire scape is attached to the building wall and supported with steel angles from roof to cellar level. The fire escape will need repairs according to Local Law Report.

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(i) Location:	The fire scape is attached to the building wall and supported with steel angles from roof to cellar level.
(ii) Floors Covered:	All the units on the east and west side have egress doors to the fire escape.
(iii) Drop Ladder:	Not Applicable
(iv) Type:	"Balcony" type
(v) Material:	Cast iron & Steel

(9) Yards and Courts

There is a small yard on the back of the building for access to the fire scape only not for recreational use or public access. There are no side yards on the property. There are no courts on the property.

(i) Paving – Type; Material:	Rear yard is concrete paved.
(ii) Drainage – Type; Material:	There is an area drain at the rear yard.
(iii) Railings – Type; Material:	Not Applicable
(iv) Stairs – Type; Material:	Not Applicable
(v) Fencing – Type; Material:	Not Applicable
(vi) Wall – Type; Material:	Not Applicable

(10) Interior Stairs

(i) Number of Stairs of Each Type:	There is only one central enclosed stairway (fire stair) serving as means of egress to all the floors. The stairway extends above the main roof for roof access.
(ii) Enclosure (Construction and Interior Finishes):	Stairs are enclosed on 4 sides by fire rated terracotta blocks, gypsum plaster interior and paint finish.
(iii) Stair Construction:	Concrete and steel pan construction
(iv) Stringer Material:	Steel.
(v) Tread Material:	Concrete topping
(vi) Riser Material:	Steel
(vii) Hand Rails Material:	Painted Steel.
(viii) Balustrade Material:	Painted steel pickets.

(11) Interior doors and frames:

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Existing ingress and egress doors are believed to meet fire code requirements where required; upon inspection tags were typically not visible and the fire ratings could not be confirmed.

(i) Unit entrances:	There are no public corridors or elevator lobbies above the first floor. The elevators discharge owners/tenants directly into their respective units with the use of a key. There is a stair lobby connecting the east and west units with steel doors for ingress and egress at each level.
(ii) Corridor Doors and Frames:	Hollow metal doors and frames.
(iii) Fire Stair Ingress and Egress Doors:	Hollow metal doors and frames.
(iv) Roof Doors and Frames:	Hollow metal doors and frames.
(v) Cellar Doors and Frames:	Hollow metal doors and frames.

(12) Elevators

(i) Numbers of Passengers and Service Elevators :	There are two (2) existing elevator cabs serving the building, one passenger and one combination passenger and freight. The machine room for the two (2) central elevators is located at the roof level within a bulkhead with additional equipment room at cellar level.
(ii) Manufacturer, age of each and capacity:	Unknown
(iii) Type of operation for each elevator by elevator number or location in the building:	Unknown
(iv) Automatic:	Unknown
(v) Floors Served:	Unknown
(vi) Type:	Unknown
(vii) Doors:	Unknown
(viii) Location of Machine Rooms:	Unknown
(ix) DC Motor:	Unknown
(x) Ac motor-generator set:	Unknown
(xi) Other:	Unknown

(13) Elevator Cabs

(i) Kind (manufacturer):	Unknown

(ii) Floor:	Vinyl tile
(iii) Walls:	Metal, laminate or mirror finish
(iv) Ceiling:	Metal Panels
(v) Lighting:	Lighting at the ceiling of the cabs is comprised of recessed lighting fixtures.
(vi) Alarm, safety system:	Each elevator cab is provided with two control panels (one on each side of the elevators) containing the following buttons: alarm, emergency call, emergency stop, door open X, door open Y, door close X, door close Y, 2E, 2W, 3E, 3W, 4E, 4W, 5E, 5W, 6E, 6W, 7E, 7W, 8E, 8W, 9E, 9W, 10W, 11E, 11W, 12E, 12W, service button and Fireman Service Mode which is activated by a key.

I. AUXILIARY FACILITIES

1) Laundry Rooms

(i) Laundry Rooms – Location; Number:	None
(ii) Clothes Washers – Number; Type: (iii) (heavy duty; coin operated; electric)	None
(iv) Clothes Dryers – Number; Type: (v) (heavy duty; coin operated; electric; gas)	None
(vi) Room Ventilation – Method; Final Exhaust:	None
(vii) Dryer Ventilation – Method; Final Exhaust:	None

2) Refuse Disposal

(i) Incinerator – Number; Location:	Not Applicable
(ii) Compactors – Capacity; Manufacturer:	Not Applicable
(iii) Approvals by Authority having Jurisdiction (date):	Not Applicable
(iv) Initial Storage Location (ultimate storage location):	Tenant spaces and Cellar level garbage area. There is no trash chute. Outside of building on 36th Street is the ultimate storage location
(v) Pick-up Schedule, and whether public or private provider:	Every night trash and recycling are picked up. Trash pick-up is provided by IESI Waste Management

J. PLUMBING AND DRAINAGE

(1) Water Supply

There is a 3" domestic water main entering through the cellar level from 36th Street. There is a 4" Reduced Pressure Zone (RPZ) backflow preventer connected to the supply piping. Hot water is supplied via electric water heaters provided and installed by each commercial tenant. The domestic

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cold water is supplied by a combination of street pressure and a roof house tank. There are two water pumps in the cellar that feed the roof tanks.

There is existing sanitary, sewer, and storm drainage that serves the building.

(2) Fire Protection System

(i) Standpipes – Material; Size; Location:	There is an existing standpipe riser in the egress stairwell.
(ii) Hose Racks and Nozzle Locations:	There are existing hose racks at each floor level and in the stair lobby. No hose rack cabinets were observed in the Building.
(iii) Sprinkler Heads – Type; Location:	The building has existing sprinkler coverage.
(iv) Siamese Connection – Type; Location:	There is an existing Siamese (for standpipe and sprinkler systems) connections on 36th Street (in front of the building).

(2) Water Storage Tank and Enclosures

(i) Water Storage Tank – Number; Type; Location:	There are two (2) existing water towers on the roof for main domestic water/standpipe use.
(ii) Water Storage Tank Materials (Int / Ext / Roof):	Wood
(iii) Access to Tank:	Roof
(iv) Tank Capacity:	5,000 gallons each.
(v) Capacity Fire Reserve:	N/A

(4) Water Pressure and how maintained:

(i) Booster Pump - (Y/N):	Y
(ii) City / Water Main Pressure - (Y/N):	Y
(iii) Other:	Not Applicable

(5) Sanitary Sewage System

(i) Sanitary Piping Materials:	The stacks and main piping for the sanitary system are cast iron no-hub piping. The sewer main is 6". Leaks have not been reported or observed. The branch waste and vent piping at fixtures are in fair condition.
(ii) Sewage Pump (if any):	None
(iii) Sewage Disposal: (public, private, treatment, drain-field, sewer)	The combined house sewer connects to the combined street sewer. The sanitary drainage and vent system is conventional gravity

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	drainage system which flows from the vertical stacks to house sewer at cellar level which is piped to the City sewer after being combined with the Building storm drains. The one (1) sewer exits the building along 36th Street.
(iv) Permit(s) Required	None

(6) Sanitary Sewage System

No permits required for the plumbing system

(7) Storm Drainage System

(i) Catch Basin Locations:	N/A
(ii) Yard and Roof Drain Locations:	All drainage is internal.
(iii) Piping Materials:	Cast iron no-hub piping. Storm main is estimated at 6".
(iv) Eject or Sump Pumps: (v) (Describe in detail and describe condition requiring pumps)	N/A.

K. HEATING

There are three (3) existing natural gas fired LAARS 750 MMBTU boilers located within the rooftop mechanical room.

All commercial units have a mix of air conditioning units with hot water heating coils.

The building lobby has an air conditioning unit with an electric heating coil.

Various ceiling mounted hydronic heaters in the Cellar.

(i) Number of Boilers and Description:	Three (3) LAARS Gas Fired Hot Water Boilers
(ii) Boiler – Manufacturer; Model:	LAARS Low Pressure Hot Water Boiler, Model # PNCH0750NACK2CJN
(iii) Boiler Capacity:	750,000 Btu/hr each
(iv) Age of Boiler:	Manufactured in 2009
(v) Approx. Remaining Useful Lifespan of Boiler:	15 Years
(vi) Burner – Manufacturer; Model:	Integrated within
(vii) Burner Type:	Natural gas
(viii) Age of Burner:	Manufactured in 2009

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(ix) Approx. Remaining Useful Lifespan of Burner:	15 Years
(x) Type of Controls:	Honeywell Controller (DDC Building Management System)
(xi) Radiators:	Radiators in existing locations throughout the building.
(xii) Piping:	Existing
(xiii) Insulation:	Insulation appeared to be in fair condition
(xiv) Valves:	Supply and return two position isolation ball valves with automated actuator. There are valves that are controlled via leak detection. All valves are in satisfactory condition.
(xv) Pumps:	Two (2) Existing Hot Water Pumps

L. GAS SUPPLY

There is existing natural gas service supplied from Consolidated Edison via a 2" gas main. Gas piping for the boilers and commercial units including the ground floor cafe are 2" and 2" respectively. There are two (2) gas meters; one for the building and one for the restaurant commercial unit on the ground floor.

(i) Type:	N/A
(ii) Meters:	There are two (2) gas meters; one for the building and one for the restaurant commercial unit on the ground floor.
(iii) Piping:	Cast iron no-hub piping. Storm main is estimated at 6".

M. AIR CONDITIONING

There is no central cooling system. The building lobby is served by a five (5) ton air-cooled ceiling mounted package unit that is located in the entrance vestibule. The commercial spaces have a mix of air-cooled package units and split system units that are controlled via thermostats.

(i) Type of AC System:	Air Cooled Condensing Units
(ii) Central System – Manufacturer; Model; Capacity:	Mix of Carrier and Trane Air Cooled Condensers; Capacity Unknown
(iii) Cooling Towers; Condensers:	No cooling towers on site
(iv) Individual Units Covered by the Offer - Window or Sleeve; Amperage; Efficiency:	Unknown

N. VENTILATION

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Vent System in Kitchen:	There are no kitchens and ventilation in the commercial units. The retail spaces on the ground floor are responsible for their own ventilation.
Vent System in Fireplaces:	There are no fireplaces present within the building.
Vent System in Windowless Areas; Corridors:	There are no building corridors. The elevators exit onto the unit space.
Vent System in Windowless Areas; Garages:	There is no garage.
Vent System in Windowless Areas; Laundries:	There are no laundry rooms.
Vent System in Windowless Areas; Baths:	There is existing mechanical ventilation via common exhaust shafts and exhaust fans. Condition unknown
Vent System in Windowless Areas; Boiler Room:	Ventilation is provided via existing louvered openings in the bulkhead.
Vent System in Windowless Areas; Mechanical Room:	There is no existing ventilation.
Vent System in Windowless Areas; Superintendent Office	There is no existing ventilation.
Vent System in Windowless Areas; Electrical room:	There is no existing ventilation.

O. ELECTRICAL SYSTEM

1) Service from Main Service Switchgear; Amps; Voltage; Phases; Wire; Protective Equipment:	There is existing electrical service by Con Edison. Electrical service enters at the cellar level and terminates at the service end box. The point of entry box and main service switchgear was replaced in 2018. The existing electrical service is rated at 4000A, 208Y/120V, 3-phase, 4-wire and terminates within a service end box located in the electrical room. This is a master metered system with submetering for all units. The electrical system has a 4000A main switch after the current transformers (CT's). The existing switchboard consists of the following switches (SW): SW #1 is a bus tapped switch rated 600A at 208Y/120V, 3-phase, 4-wire. This switch feeds 2nd to 7th floors. SW #2 is a bus tapped switch rated 400A at 208Y/120V, 3-phase, 4-wire. This switch is labeled PLP.

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	SW #3 is a bus tapped switch rated 200A at 208Y/120V, 3-phase, 4-wire. This switch feeds the Elevator. SW #4 is a bus tapped switch rated 600A at 208Y/120V, 3-phase, 4-wire. This switch feeds 8th to 12th floors. SW #5 is a bus tapped switch rated 400A at 208Y/120V, 3-phase, 4-wire. This switch feeds East and West 9th and 10th floors. SW #6 is a bus tapped switch rated 200A at 208Y/120V, 3-phase, 4-wire. This switch feeds 9th Floor East. SW #7 is a bus tapped switch rated 600A at 208Y/120V, 3-phase, 4-wire. This switch feeds 2nd to 4th floors. SW #8 is a bus tapped switch rated 400A at 208Y/120V, 3-phase, 4-wire. This switch feeds 3rd, 5th, 6th, and 7th Floors East. SW #9 is a spare switch rated at 400A 208Y/120V, 3 phase, 4-wire. SW #10 is a spare switch rated at 600A 208Y/120V, 3 phase, 4-wire. SW #11 is a spare switch rated at 600A 208Y/120V, 3 phase, 4-wire. SW #12 is a spare switch rated at 400A 208Y/120V, 3 phase, 4-wire. Each protective device is provided with fuses or circuit breakers according to connected load.
2) Service to Individual Units (risers, etc.):	Each unit is fed from the basement installed in conduit; the size of the feeder could not be observed at the time of HLZA's visit. Each feeder appears to be connected to the appropriate dedicated Con-Ed meter for each unit.
3) Compartment Switch Gear (location and floor of sectional meter boards and transformers supplying power to the meter boards):	All service switches feed their respective electrical meter & distribution banks.
4) Unit Service (ratings of fuses and circuit breakers); Unit Service (adequacy of electrical system to handle modern usage and appliances such as AC, dishwashers, and dyers):	Units are protected by individual riser protection breakers. Most of the feeder circuit breakers for each Unit are sized at 200 Amps (208 Volts). All circuit breakers could not be confirmed as the markings were not visible having been covered

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	by paint. The existing electrical service capacity appears to be adequate.
5) Adequacy:	
(i) Service - Average number of circuits per apartment and capacity to handle modern appliances – specifically air conditioners, dishwashers and electric dryers:	Not Applicable
(ii) Lighting and Fixtures:	Combination of existing CFL and LED fixtures. The internal stairwell lighting is bi-level LED fixtures with integrated occupancy sensors.
(iii) Convenience Outlets; Appliance Outlets:	Existing convenience outlets are provided throughout the unit. Bathroom outlets are GFCI protected.

P. INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS, SECURITY CLOSED CIRCUIT TV

Mode of Operation and Condition:	There is an existing intercom communication system for access to the building.
Television Reception Facilities: (Master Antennae, Cable, Tenant Antennae)	None
Security Cameras	There are existing security cameras in the lobby of the building.

Q. PUBLIC AREA LIGHTING

The lobby is provided with existing pendant fixtures as well as wall recessed lighting. Cellar common spaces are typically provided with surface mounted strip fluorescent or LED lights. All lighting appears to be adequate. Emergency lighting is provided throughout the lobby and stairs; and typically consists of ceiling lighting fixtures equipped with emergency power supply ballast.

R. GARAGE AND PARKING AREAS

There are no garages or parking areas on the premises.

S. SWIMMING POOLS

There are no swimming pools.

T. TENNIS COURTS, PLAYGROUNDS AND RECREATION FACILITIES

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Tennis Courts:	Not Applicable
Playgrounds:	Not Applicable
Other recreational facilities:	Not Applicable

U. PERMITS AND CERTIFICATES

Permits	Date Issued	Issuing Authority	Duration of approval
Boiler Registration - Certificate to Operate	N/A	New York City Department of Environmental Protection	Expires: N/A
Certificate of Occupancy #	None available	New York City Department of Buildings	
Elevator Certificate- Elevator # 1P6077	Last inspection Date- 09/06/2018	New York City Department of Buildings	
Elevator Certificate- Elevator # 1P6076	Last inspection Date- 09/06/2018	New York City Department of Buildings	

V. VIOLATIONS

Not Applicable

W. UNIT INFORMATION

Number of Units:
22 Commercial and 2 Retails Units.
Units Inspected:
2 ground floor retail units.
Retail Unit East, Retail Unit West
2W, 2E, 3W, 3E, 4E, 4W, 5E, 5W, 6E, 6W, 7E, 7W, 8E, 8W, 9E, 9W, 10E, 10W, 11E, 11W, 12E, 12W

Number of vacant units (as of date of report):
See Part 1 of Offering Plan
Number of toilets:
Each commercial unit is provided with one toilet area.

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The sponsor will not be providing remodeled units.

Each commercial unit is framed out and finished differently by current tenant/renter.

Future unit owners will need to file plans with the Department of Buildings for any future alteration to their respective units.

Toilet areas are provided with water supply and waste lines for connecting of water closets and toilets. Existing bathrooms will not be renovated by Sponsor.

Non-commercial kitchenet installations will be at the discretion of each commercial unit owner for incidental use only.

Sponsor is selling Units to Purchasers "as is" and in their current condition, subject only to Sponsor's obligation to maintain the building until the First Closing.

1) Type and grade of finish material used in each type of unit and the number of covering given. Include paint, wall and floor coverings, as well as specifying the type of flooring walls and ceiling used:	Not Applicable. See description above.
2) Describe presence, type and condition of all bathroom fixtures:	Not Applicable. See description above.
3) Describe presence, type and condition of kitchen and laundry equipment:	Not Applicable. See description above.
4) Number of toilets:	Each commercial unit is provided with one toilet area.

X. FINISH SCHEDULE OF COMMERCIAL UNITS AND COMMON SPACES

Floor Level	Room	Finishes	Walls	Ceiling	Condition
Cellar	Mechanical and Storage Spaces	Existing Painted Concrete	Existing Painted or exposed Terracotta, Brick Masonry, Gypsum Board and CMU block	Existing Painted or exposed Gypsum Plaster, Cementitious Plaster or Gypsum Board	Fair
1st Floor	Lobby and Hallways. Existing as is.	Existing Tile	Existing Painted or exposed Tile, Gypsum Plaster, or Gypsum Board	Existing Painted Gypsum Board	Acceptable

2nd Floor – 12th Floor	Stair Lobby	Existing Painted Concrete or wood flooring	Existing Painted or exposed Terracotta Block, Brick Masonry and Gypsum Board	Existing Painted or exposed Gypsum Plaster, Cementitious Plaster or Gypsum Board	Acceptable

Y. SAFETY AND WARNING DEVICES

New smoke/ carbon monoxide (CO) detectors are required by new regulations in every Unit. Battery smoke/CO detectors were generally observed. Smoke/CO line voltage powered in common areas.

Z. ADDITIONAL INFORMATION REQUIRED

1)	Site Plan:	See Part II of the Offering Plan
2)	Floor Plans:	See Part II of the Offering Plan
3)	Master Floor Plans:	See Part II of the Offering Plan
4)	Floor to Ceiling Height of Units; on First Floor:	15'-0" Approx.
5)	Floor to Ceiling Height of Units; from 2nd to 12th Floor(s):	11'-6" Approx.

Commercial Units:

Unit	Approximate Total Area (SF)	Unit	Approximate Total Area (SF)
Retail West (Cellar)	1,402	Retail East (Cellar)	1,681
Retail West (Ground Floor)	2,264	Retail East (Ground Floor)	1,915
Mezzanine	0		
2W	2,044	2E	2,462
3W	2,173	3E	2,333
4W	2,196	4E	2,310
5W	1,662	5E	2,832
6W	2,096	6E	2,333
7W	2,096	7E	2,333
8W	2,183	8E	2,334

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9W	2,096	9E	2,333
10W	2,195	10E	2,333
11W	2,209	11E	2,298
12W	2,186	12E	2,334

Approximate total gross areas of each commercial unit:

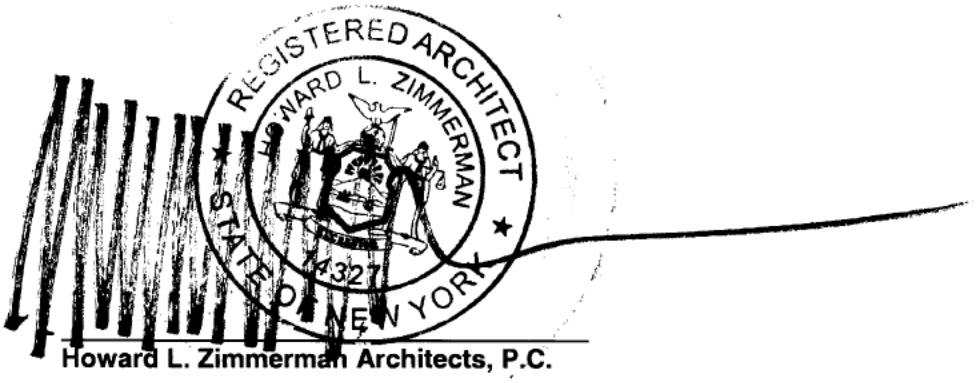
Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways, and conduits are **not** deducted from the measurement of each Unit) to the centerline of the demising partitions separating one Unit from another Unit; stairwell, corridors and elevator shaft walls, or to the centerline of mechanical shafts, or to the unit side face of the concrete shear walls of the elevators or stairs which adjoin the Unit. Each Unit is measured vertically from the top of the concrete floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling; provided that where a Unit consists of two or more contiguous floors, the Unit is measured from the top of the concrete floor of the lowest floor to the underside of the concrete ceiling of the highest floor.

AA. FURTHER DEVELOPMENT

This office has not been advised that any further development is anticipated or planned.

BB. ASBESTOS, LEAD-BASED PAINT AND SPECIAL RISKS

Purchasers are advised that, in view of the current energy situation and the fact that energy costs can fluctuate greatly, utility costs may increase dramatically during certain periods impacting their expenses operating the commercial unit(s) in the Building.
Any and all equipment or devices that are being purchased with the commercial unit(s) is in an "as-is" condition and the Sponsor makes no warrant or guaranty of its condition.
The building was built prior to 1975 and as a result, the building may present exposure to asbestos.
The building was built prior to 1978 and as a result, the building may present exposure to lead from lead-based pain



Howard L. Zimmerman Architects, P.C.

By: Howard L. Zimmerman

ACP-5

Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS ASSESSMENT REPORT

RECEIVED
7/7/2017
DEP
ASBESTOS CONTROL
PROGRAM
FEE PAID

1. NYC DOB Job # (if applicable) _____ **Control Number: 1329326**

2. Premise No. 35 Street Name West 36th Street Borough Manhattan Zip 10018

3. AKA _____ Type of Facility _____ BIN 1015925 Block 00838 Lot 0021

4. Building Owner 3536 Associates, LLC c/o HIDROC Address 40 Wall Street, 45th floor

5. City New York State NY Zip 10005 Contact Person Robert Kaplan

6. Tel. # (212) 563-9200 Fax # _____ Email _____

7. Description of the Entire Scope of Work

Vault waterproofing as per plans filed herewith. No change to use, egress or occupancy.

8. I, STEN EVENHOUSE , have conducted an asbestos investigation on
Name of Certified Asbestos Investigator

06/22/2017 12:00PM-2:00PM 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
Basement	Vault east	Plaster	3	No	
Basement	Vault east & center	Brick mortar	3	No	
Basement	Vault east & west	Drywall joint compound	3	No	
Basement	Vault west & center	Drywall	3	No	

I hereby declare the information provided herein is true and complete

STEN EVENHOUSE 7/7/2017 120891 5/5/2019
DEP Certified Asbestos Investigator's Signature *Date* *Certificate Number* *Expiration Date*

Tel. # (718) 752-2090 Fax # _____

Email stene3@yahoo.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

25345693

Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS ASSESSMENT REPORT

RECEIVED
7/7/2017
DEP
ASBESTOS CONTROL
PROGRAM
FEE PAID

10. ANALYTICAL LABORATORY:

NAME	ELAP # (NYS DOH CERTIFICATION)	DATE(S) SAMPLES ANALYZED
Metro Analytical Laboratories	12003	6/22/2017

11. NYS DOL Asbestos Handling license # 51011 Company Name Testor Technology Environmental Services Inc.

I hereby declare the information provided herein is true and complete

STEN EVENHOUSE	7/7/2017	120891	5/5/2019
DEP Certified Asbestos Investigator's Signature	*Date*	*Certificate Number*	*Expiration Date*

Tel. # (718) 752-2090 Fax #

Email sten63@yahoo.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.

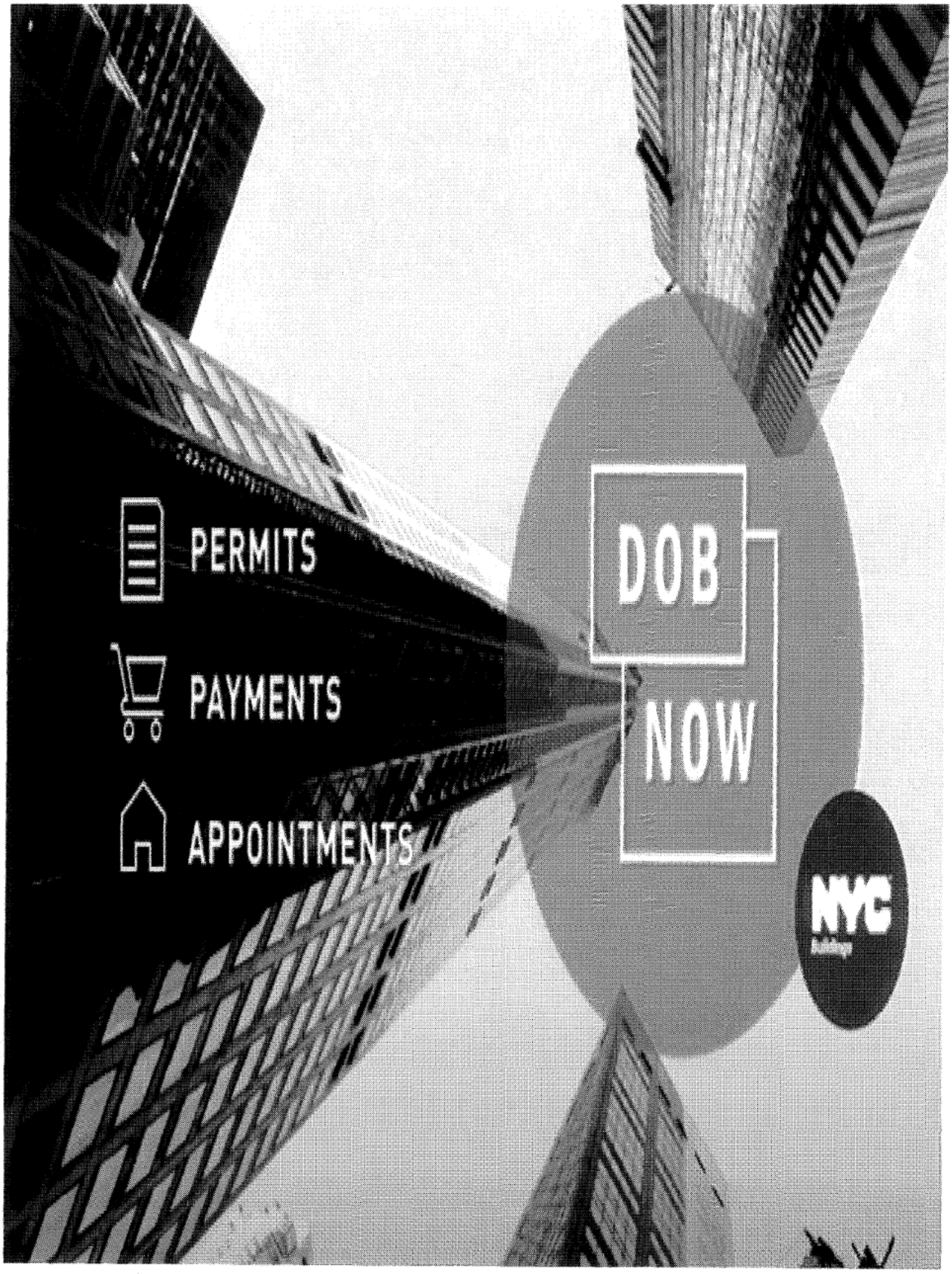


SEAL OF THE NYC DEP CERTIFIED ASBESTOS INVESTIGATOR

Is it a Build-It-Back project? ☐ Yes, App ID # ☒ No

25345693

LOCAL LAW 11 REPORT


PERMITS
PAYMENTS
APPOINTMENTS
DOB
NOW
NYC

Accepted

Technical Report(TR6)

Compliance Filing # TR6-802199-8B-I1

2. Location

House Number	35	Street Name	WEST 36 STREET
Borough	Manhattan	Block	838
BIN	1015925	Lot	21
Zip Code	10018	C.B No.	105
Control Number	802199		

3. Filing Information

Filing Type	Initial	Report Cycle	8
Report Sub Cycle	8B	Last Cycle Filing Date	08/21/2012
Filing Date	02/19/2018	Accepted Date	07/09/2018

4. Inspection Report Status Information

Current Cycle: Last QEWI Inspection Date	02/19/2018	Current Cycle Filing Status	SWARMP
SWARMP Recommended Date	2023-02-21	Prior Filing Cycle	7
Prior Filing Sub Cycle	7B	Prior Filing Status	SAFE

5. Building Description

Landmark Building		Landmark District	No
Number of stories	012	Number of Balconies	0
Wall(s) Subject to Inspection	All	Partial Description	

Exterior wall type	BRICK MASONRY
	STONE MARBLE

6. Applicant Information

E-Mail	RAFI@ROENGINEERS.COM	License Type	Professional Engineer
NYS License Number	061376	Last Name	OUNDJIAN
First Name	GEORGE	MI	
Mobile Phone	[redacted]	Business Name	RAMAN & OUNDJIAN ENGINEERS & ARCH P
Business Address	237 WEST 37TH STREET	City	NEW YORK
State	NY	Zip Code	10018
Business Telephone	2123545075	Business Fax	

Accepted

6a. Applicant's Statement

I hereby state that the Owner/ Owner's Representative has authorized me to submit this report. Furthermore, I hereby state that all statements are correct and complete to the best of my knowledge. A copy of this report has been given to the owner.

§28-211.1 False statements in certificates, forms, written statements, applications, reports, or certificates of correction. It shall be unlawful for any person to knowingly or negligently make or allow to be made a material false statement in any certificate, professional certification, form, signed statement, application, report or certification of the correction of a violation that is either submitted directly to the department or that is generated with the intent that the department rely on its assertions.

☑ I have personally reviewed all information in this submission. I understand and agree that by personally clicking on the box at left I am electronically signing this submission and expressing my agreement with the Statement terms herein. I understand that this electronic signature shall have the same validity and effect as a signature affixed by hand, and I further agree that, by uploading an electronic image of my signature and professional seal as part of this submission, I am applying such signature and seal to this signed statement as if I had personally signed and sealed this statement by hand.

Name	GEORGE OUNDJIAN	Date :	2018-02-17

7. Owner Information

E-Mail	ehidary@hidrock.com	Owner Type	Private
Last Name	HIDARY	First Name	EDWARD
MI		Mobile Phone	[redacted]
Telephone	[redacted]	Business Name	3536 ASSOCIATES LLC
Business Address	40 WALL STREET, 45TH	City	NEW YORK
State	NY	Zip Code	10005
Business Phone	2125639200	Business Fax	

8. Owner Representative

E-Mail	RKAPLAN@HIDROCK.COM	Relationship to Owner	Managing Director, Operations
First Name	ROBERT	Last Name	KAPLAN
Phone	[redacted]		

Accepted

9. Owner's Statement

(A)I hereby state that I am the owner/owner's representative of the premises referenced in the report associated with this filing. Furthermore, I have received and read a copy of the request associated with this filing and I am aware of the required repairs and/or maintenance, if any and the recommended time frame for same.

(B) I certify that all items noted as SWARMP conditions in the previous cycle's report have been corrected/repaired unless I have indicated above that the current inspection report status is UNSAFE as per administrative code article 302, if applicable.

§28-211.1 False statements in certificates, forms, written statements, applications, reports, or certificates of correction. It shall be unlawful for any person to knowingly or negligently make or allow to be made a material false statement in any certificate, professional certification, form, signed statement, application, report or certification of the correction of a violation that is either submitted directly to the department or that is generated with the intent that the department rely on its assertions.

☑ I have personally reviewed all information in this submission. I understand and agree that by personally clicking on the box at left I am electronically signing this submission and expressing my agreement with the Statement terms herein. I understand that this electronic signature shall have the same validity and effect as a signature affixed by hand.

Name ROBERT KAPLAN Date : 02/18/2018

QEWI Information

QEWI First Name	GEORGE	QEWI Last Name	OUNDJIAN
QEWI Address	237 WEST 37TH STREET	Block	838
Lot	21	Cycle	8
BIN	1015925		

1. Executive Summary

General Description

Dates of Close-up and Critical Examinations started January 13, 2017 and ended onFebruary 19, 2018. Eddie Setton, P.E., performed the Eighth Cycle Local Law 11/98 critical examinations under thesupervision George Oundjian, P.E on November 8, 2017 and February 19, 2018.Mr. Setton performed the close upinspections on January 13, 2017 and August 22, 2017.Review of Cycle 7 report. Cycle 7 report was filed as SAFE on 8/21/12 by WLA Engineering.Critical examination of street facade and appurtenances were performed at all elevations from the ground floor using binoculars and the bulkhead facades from the main roof level using high-powered Nikon 8x40 binoculars.Close-up examination of January 2017 was performed via a scaffold drop. On August 22, 2017 a close-up examination was performedvia fire escape walk downRigger's License was required and the information is listed in the Riggers Section below

Scope of Inspection

Dates of Close-up and Critical Examinations started January 13, 2017 and ended onFebruary 19, 2018. Eddie Setton performed the Eighth Cycle Local Law 11/98 critical examinations under thesupervision George Oundjian, P.E on November 8, 2017 and on February 19, 2018.Mr. Setton performed the close upinspection on Janaury 13, 2017 and August 22, 2017.Review of Cycle 7 report.Critical examination of street facade and appurtenances were performed at all elevations from the ground floor using binoculars and the bulkhead facades from the main roof level using high-powered Nikon 8x40 binoculars.Close-up examination was conducted at the front elevation via scaffold drop and at the rear facade along the fire escapeRigger's License is require and details are provided in the riggers section below

Summary of Findings

Eddie Setton, P.E.,performed the Eigth Cycle Local Law 11/98 critical and close-up examinations onJanuary 13, 2017, August 22, 2017, November 8, 2017 and February 19, 2018Having examined the building envelope, defects such as cracked stone and spalled brick were observed at the building's exterior surfaces. Parapet walls were found to be structurally sound and code compliant. At thetime of the inspection, the building was found to be SWARMP, appears to bewatertight and showed no signs of movement.With regard to building appurtenances see the attached A/C letter from management, an attachment to this report.

Conclusions and Recommendations

CONCLUSIONS:The SWARMP conditions cited in the Detailed photographs attachment appear to be a result of weathering and water infiltration.RECOMMENDATIONS:Replace spalled/cracked brickPatch spalled concrete, stucco, and stoneReplace cracked/spalled stonePoint mortar joints at brickPoint mortar joints at stoneReplace/repair broken window frameCaulk windows and jointsRepair bent aluminumScrape Prime and Paint AluminumRepair cracked stuccoReplace deflected lintelAll windows and water tables should be recaulked.All aluminum panels should be scraped, primed, and painted (south facade, 2-3rd floors).Refer to the Detailed Photograph Report, attached, for details on referenced SWARMP conditions

A. Building Information

Address	35 WEST 36 STREET	AKA Address	
Block	838	Lot	21
BIN	1015925	Landmark Building	
Landmark District	No	Cross Streets	

B. Owner Information

Owner Type	Private	Owner	EDWARD HIDARY

C. Building Description

Height		Stories	012
Lot & Building Dimensions	55' x 100'	Cert of Occupancy	N/A
Building Use	Commercial	Approx. Year Built	1911

Exterior wall type	BRICK MASONRY
	STONE MARBLE

D. A detailed description of any settlements, repairs, or revisions to exterior enclosures since the previous report

Building appears to be in sound condition with no visual signs of building settlementsNo repairs were performed on the building since prior to the previous report --Cycle 7 Initial Report Classification: SAFE.

E. Procedures Used in Making the Critical Examination

Review of Cycle 7 Report filing prior to making Cycle 8 inspections.Visual examination ofapplicable exterior walls and appurtenances of the subject premises were made.A visual overview of the façade was obtained from vantage points atstreet level, and the building roof with binocular and telephoto lenses.A close up physical examination wasmade from public terraces. The examination included a representative sample of the exterior wall as indicated on the Location Plan, including a path from grade to the top of the exterior wall.

F. Rigger Information

QEWI First Name	GEORGE	QEWI Last Name	OUNDJIAN
Number of person(s) who conducted inspection and his/her relation to QEWI 1			
Person 1	Eddie Setton	Relationship to QEWI	Employee
Person 2		Relationship to QEWI	
Person 3		Relationship to QEWI	
Person 4		Relationship to QEWI	
Person 5		Relationship to QEWI	

Rigger/Operator Info

First Name	Chris	Middle Initial	
Last Name	Pepe	Business Name	
Business Address	420 Madison Avenue, Fl 11	City	New York
State	NY	Zip Code	10017
Business Telephone	2124811880	Business Fax	
Mobile Phone		Email	
Rigger License#	6527		

Location(s) of close-up inspection & Plot Details

Close-up examination was performed byEddie Setton, P.E.,via fire escape walkdown at rear Elevation, see attached plot plan.Close-up examination was performed byEddie Setton, P.E.,via scaffold drop at front Elevation, see attached plot plan.Rigger's License InformationChristopher Pepe # 6527DPC New York Inc.420 Madison Ave 11th FlNew York, NY 10017212-481-1880212-481-1990

Dates of inspection(s) Comments

2017-01-13	Close-Up Examination
2017-11-08	Critical Examination
2017-08-22	Close-Up Examination
2018-02-19	Critical Examination

G. Description, location(s) and Classification of Conditions Observed

UNDERNEATH COPING, ROOF LEVELSpalled/cracked coping Stones - south facadeROOF LEVELOpen Stone Joints - south facadedeteriorated stone mortar joints - south facadedeteriorated brickmortar joints - west facadeFACADEOpen Caulking Joints - south facade,at water tableOpen Joints in Brickwork - south facade, various locationsDeteriorated brick Mortar Joints - south facade, 9-12th floorsDeteriorated brick mortar joints - west facade, various floorsdeteriorated stone mortar joints - south facade, 10-12th floorsCracked Stone - south facade, various locationsCracked Stucco - north elevation, along fire escapeSpalled Brick - south and north elevations, various locationsSpalled Stone - south elevation, various locationsOpen Window Caulking - all facades, all windowsBroken Window Frame - south facade, 6th floorBent Aluminum Finish - south facade, 2-3rd floorsPeeling Paint - south facade, 2-3rd floorsDeflected Lintel - norhtRefer to the Detailed Photograph Report, at the Supporting Documents Tab, for details on referenced SWARMP conditionsAll windows and water tables should be recaulked.All aluminum panels should be scraped, primed, and painted (south facade, 2-3rd floors).

Ga. Appurtenances

The inspection included examination of any appurtenances. Parapets, flags, etc. were found to be in safe condition.All air conditioners and appurtenances on this building were observed from the ground, and the information provided is only for location of units at the specific time of inspection.Building Management implemented an AC maintenance program to properly support all window Air Conditions.The building owner has certified that all air conditioners are properly supported, either from the outside or from the inside. See attached letter from building owner.

Gb. Balcony, guardrail, handrail and parapet statement

At thetime of the inspection, the building appears to bewatertight and showed no signs of movement. Parapet walls were found to be structurally sound and code compliant at the time of theinspection.

H. Causes of Conditions Observed

The SWARMP conditions cited in the Detailed Photographs Reports appears to be a result of weathering and water infiltration over a period of time.

I. Status Report of Exterior Maintenance

The building was found to have SWARMP conditions cited within the report.

Ja. Comparison Chart of Conditions Reported for current and previous cycle

Prior Filing Cycle	7	Current Filing Cycle	8
Prior Filing Status	SAFE	Current Filing Status	SWARMP

Previous Building Status of the LL11 Cycle 7 Report was prepared by WLA Engineering and found SAFE.

Jb. Work permit numbers, status & sign off dates

According to the NYC BIS system, there are no open permits pertaining to Local Law 11

Jc. ECB Violation numbers and the status of the repairs of the conditions cited in the ECB violations

The building was found to have SWARMP conditions cited within the report.

K. Recommendations for Repairs or Maintenance

RECOMMENDATIONS:Replace spalled/cracked brickPatch spalled concrete, stucco, and stoneReplace cracked/spalled stonePoint mortar joints at brickPoint mortar joints at stoneReplace/repair broken window frameCaulk windows and jointsRepair bent aluminumScrape Prime and Paint AluminumRepair cracked stuccoReplace deflected lintelAll windows and water tables should be recaulked.All aluminum panels should be scraped, primed, and painted (south facade, 2-3rd floors).Refer to the Detailed Photograph Report, attached, for details on referenced SWARMP conditions.

SWARMP Recommended Date 2023-02-21

L. Required Work Permits

Permits are required from Department of Buildings for the required work.

M. Current Report Classification

SWARMP

RAMAN & OUNDJIAN
Engineers & Architects, PC

Elevation Pictures

For

35 West 36th Street, New York, NY

Dated

February 16, 2018

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



P1. Front Entrance of Building

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



P2. South elevation of the Building (lower portion)

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



P3. South elevation of the Building (upper portion)

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



P4. West elevation of the Building

RAMAN & OUNDJIAN
Engineers & Architects, PC

Detailed Pictures

For

35 West 36th Street, New York, NY

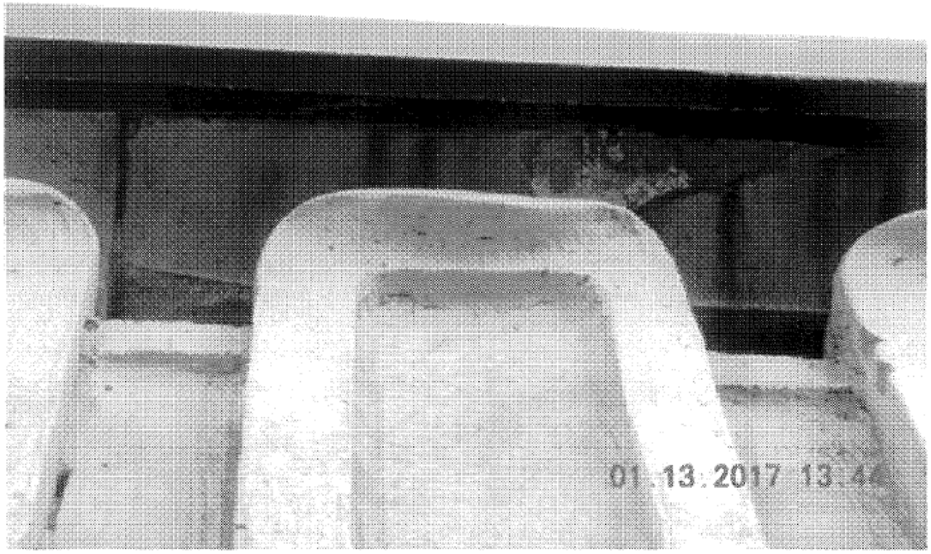
Dated

February 16, 2018

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



1. Spalled stones underneath coping, roof level, south facade

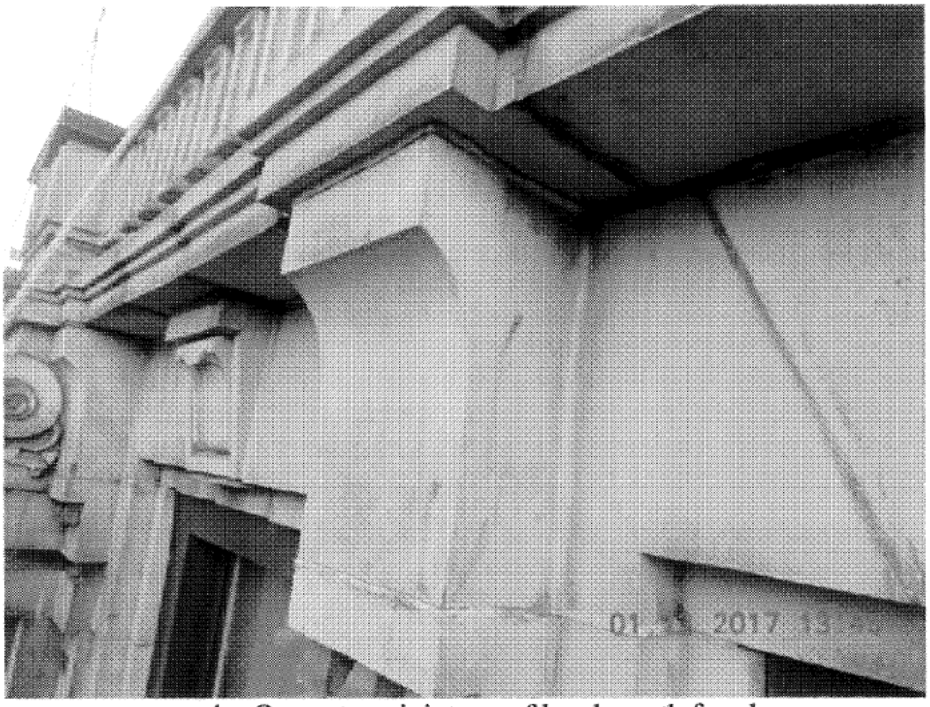


2. Spalled stones underneath coping, roof level, south facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



3. Spalled stones underneath coping, roof level, south facade

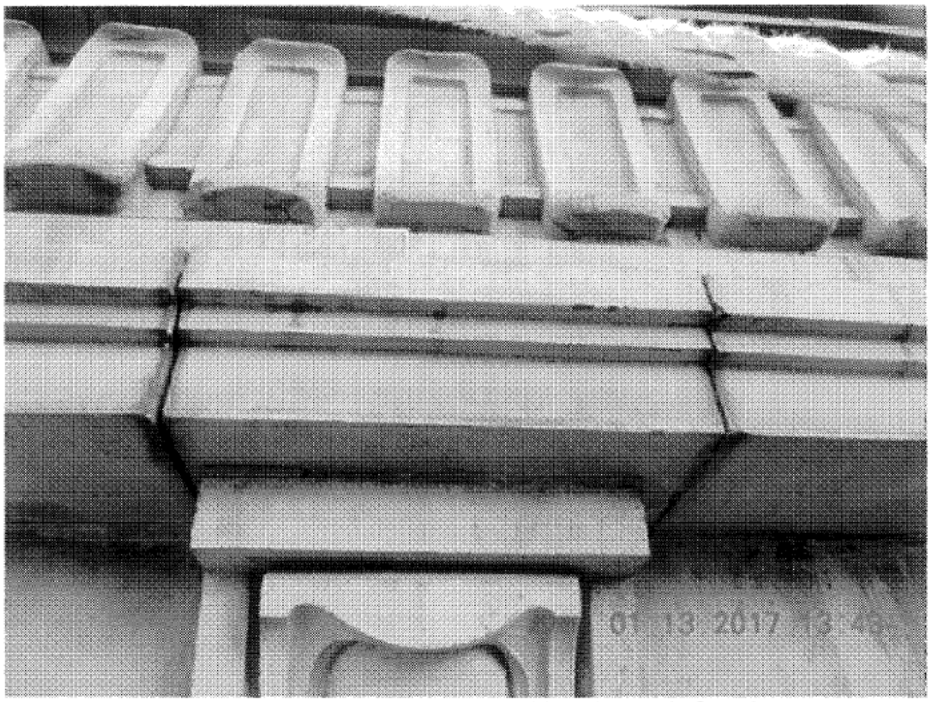


4. Open stone joints, roof level, south facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018

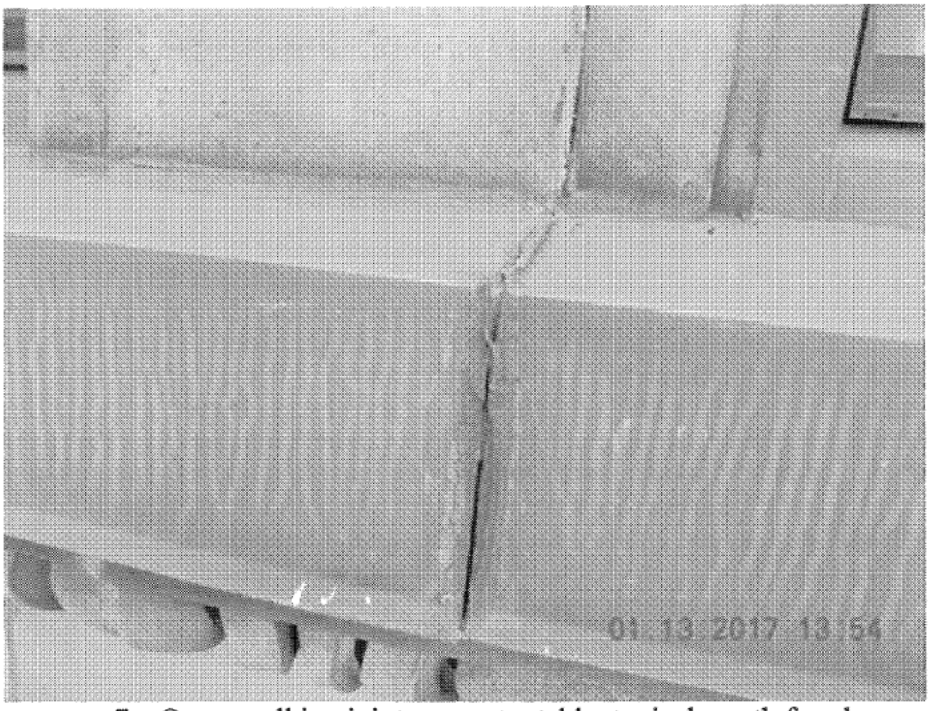


5. Open stone joints, roof level, south facade



6. Open stone joints, roof level, south facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



7. Open caulking joints on water table, typical, south facade



8. Open window caulking, 11th floor, typical, south facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



9. Deteriorated mortar joints, 9-11th floor, typical, south facade

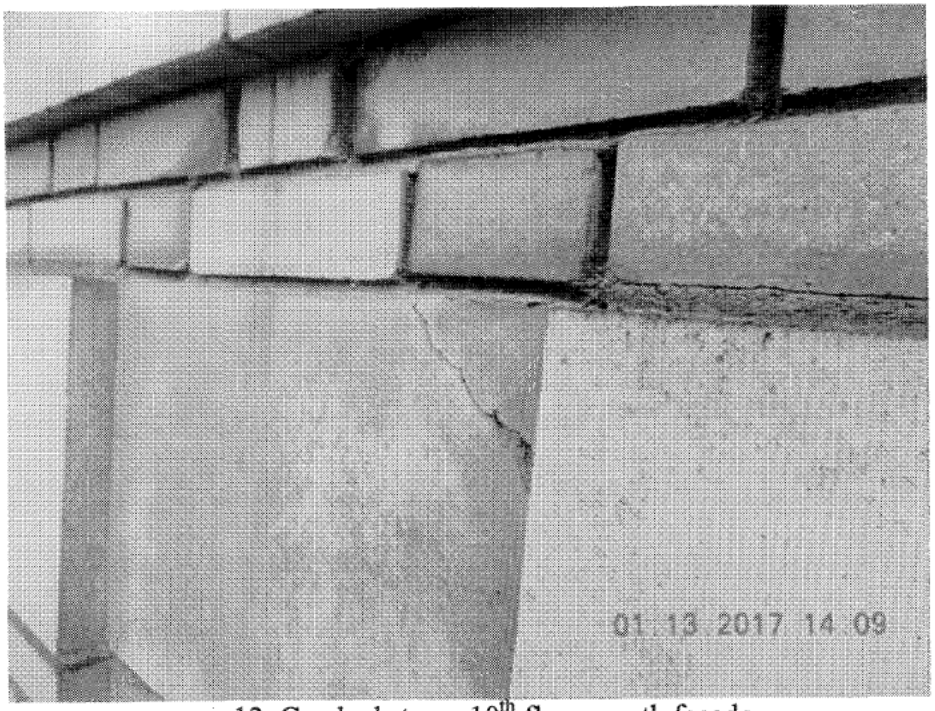


10. Cracked stone, 11th floor, south facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



11. Open window caulking, 10th floor, typical, south facade

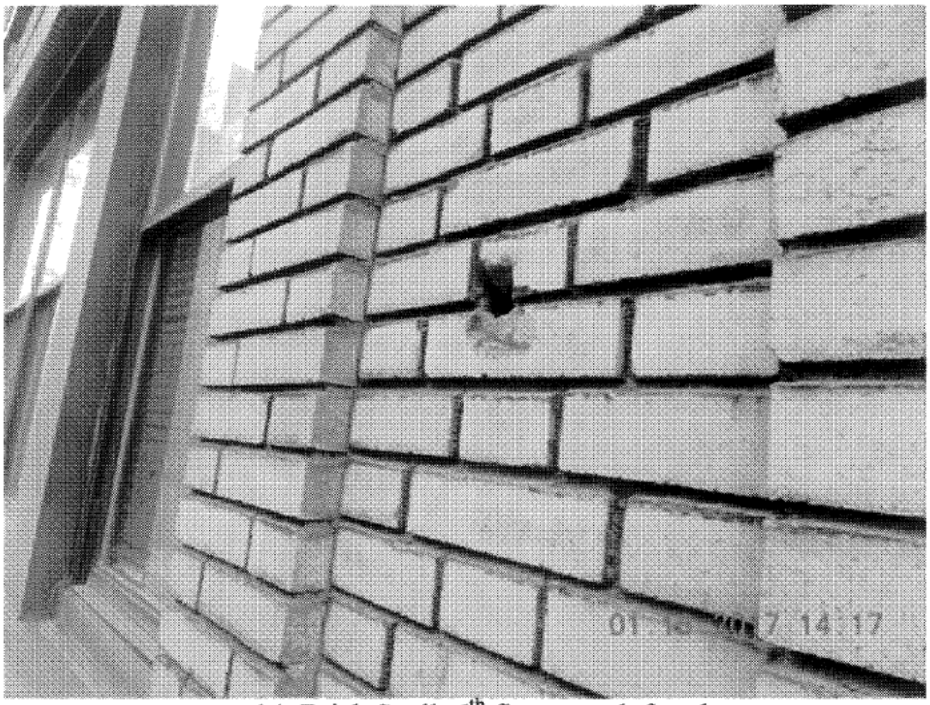


12. Cracked stone, 10th floor, south facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



13. Broken window frame, 6th floor, south facade



14. Brick Spall, 6th floor, south facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



15. Stone spall, 5th floor, south facade



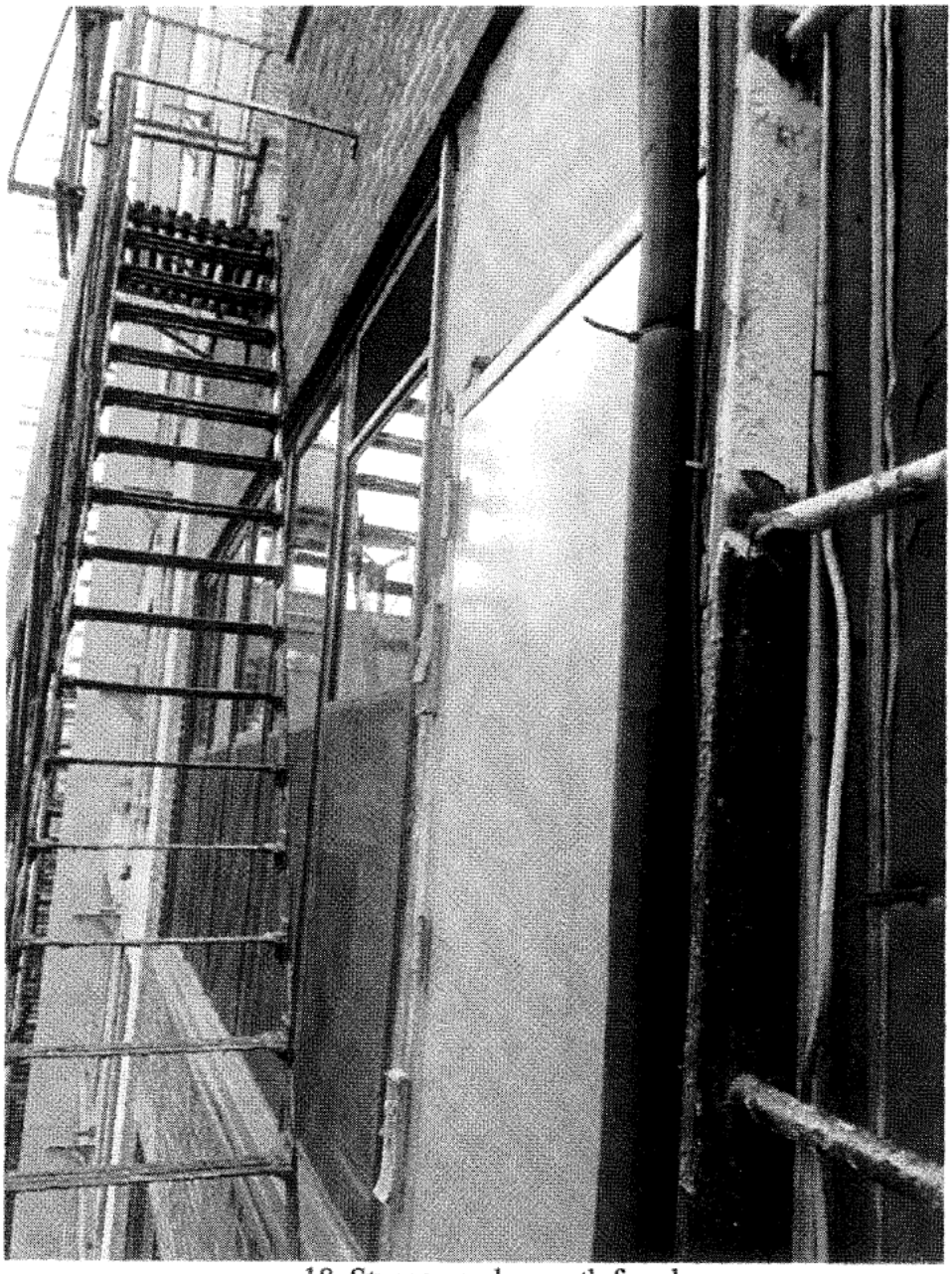
16. Bent aluminum finish and peeling paint, 2nd and 3rd floors, south facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



17. Bent aluminum finish and peeling paint, 2nd and 3rd floors, south facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



18. Stucco cracks, north facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



19. Open joints in brickwork, north facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



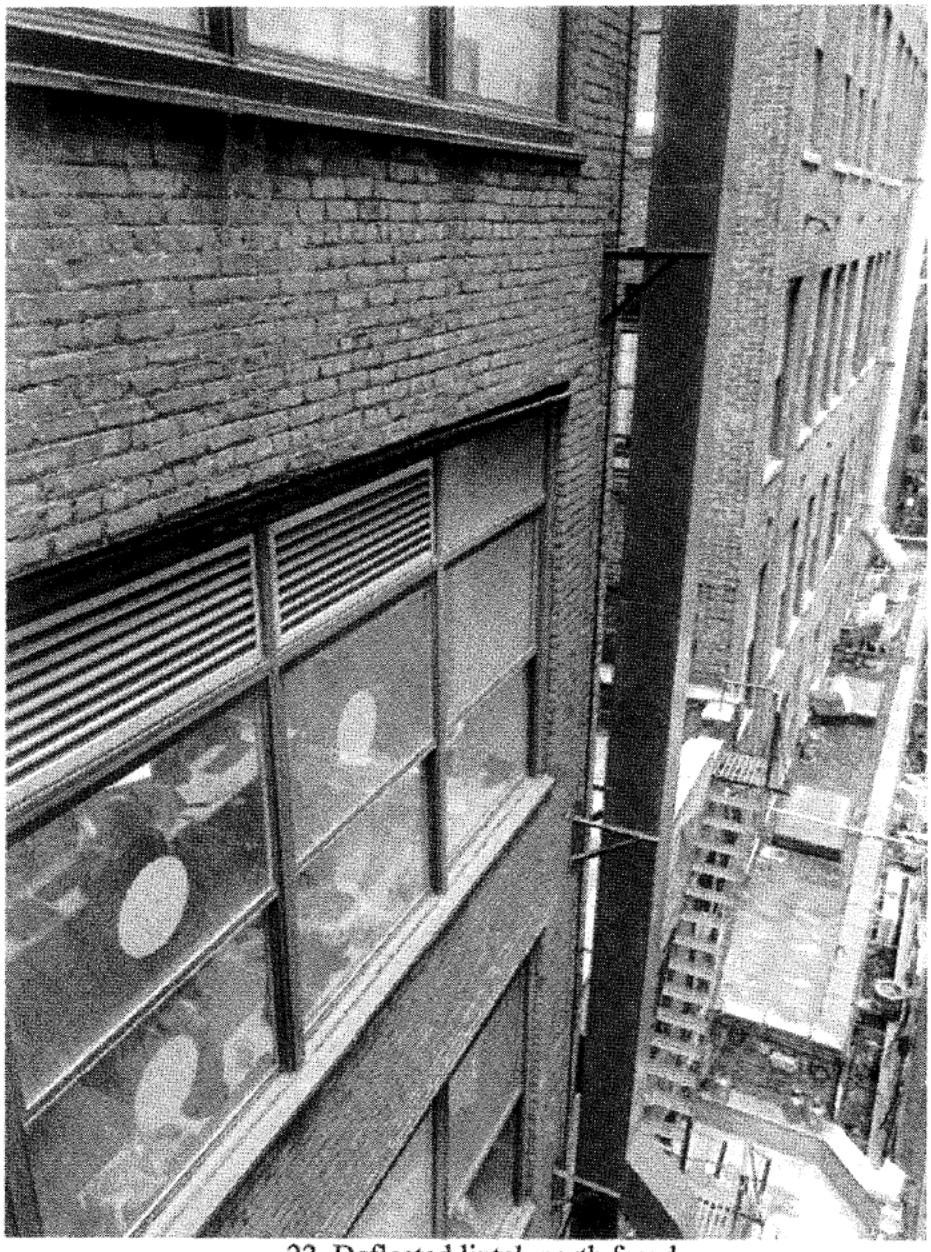
20. Open joints in brickwork, north facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



21. Spalled brick, north facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



22. Deflected lintel, north facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



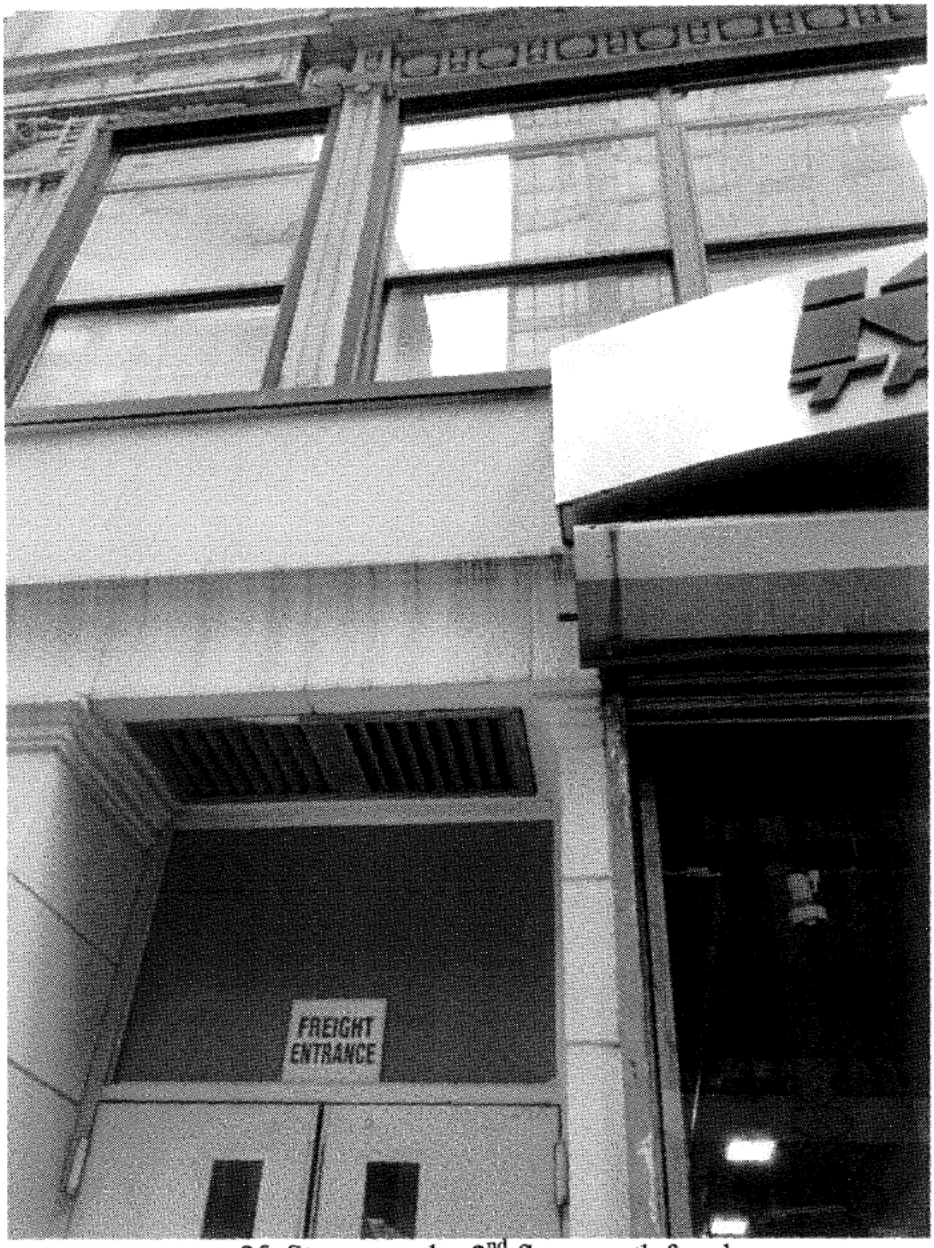
23. Spalled brick, north facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018



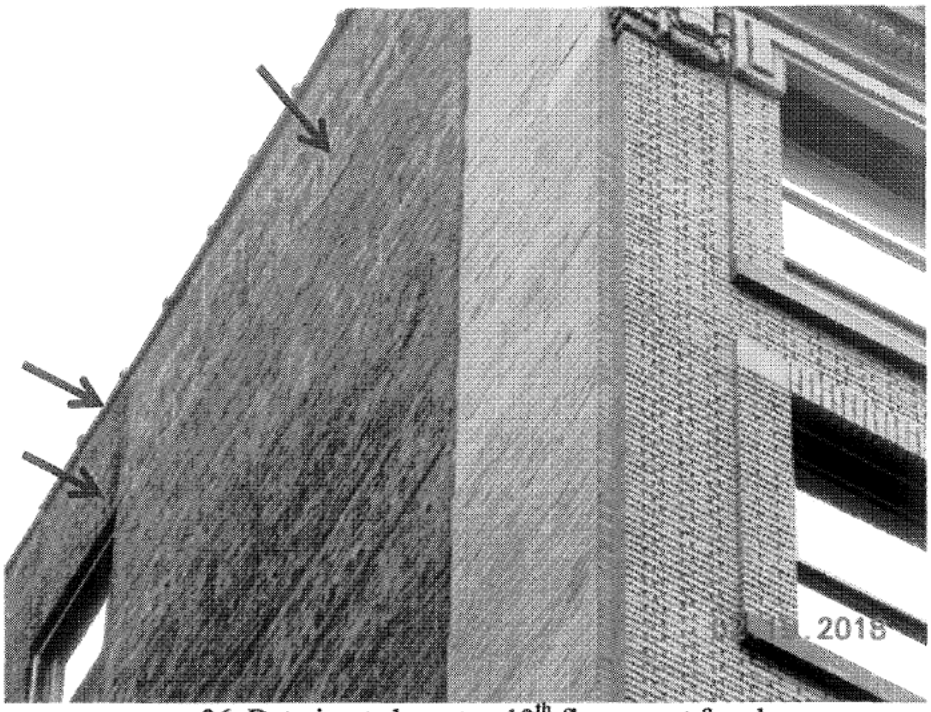
24. Concrete cracks, ground floor, south facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018

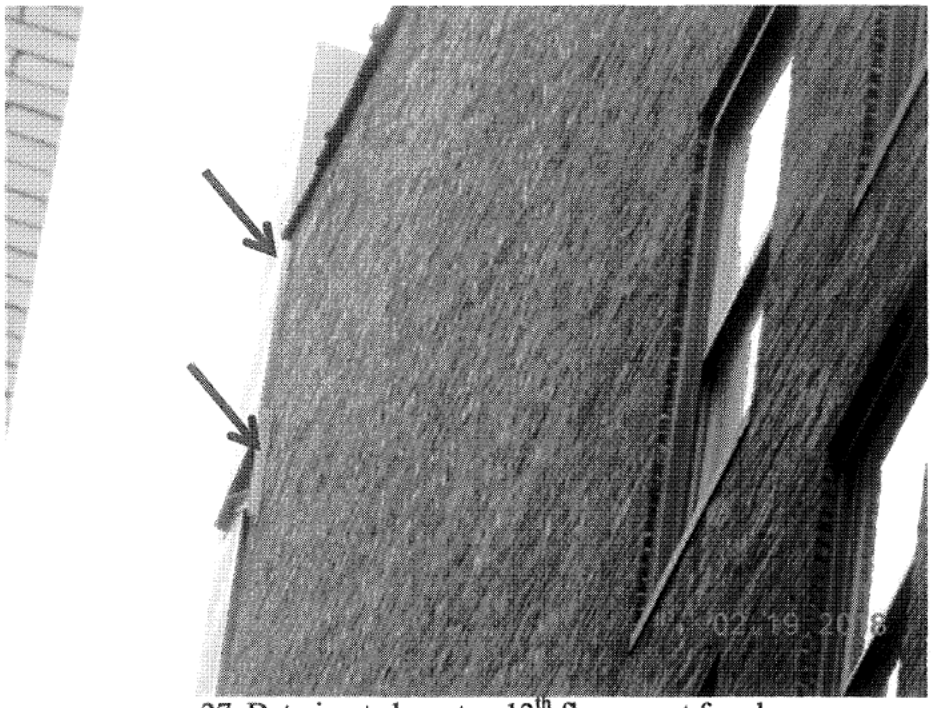


25. Stucco cracks, 2nd floor, south facade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018

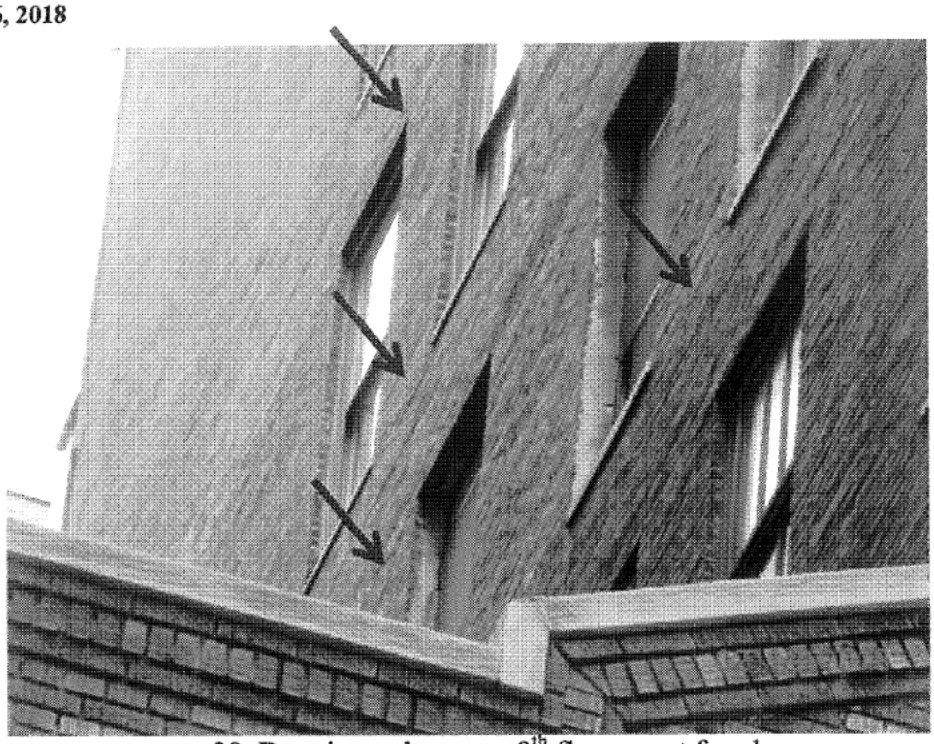


26. Deteriorated mortar, 12th floor, west façade

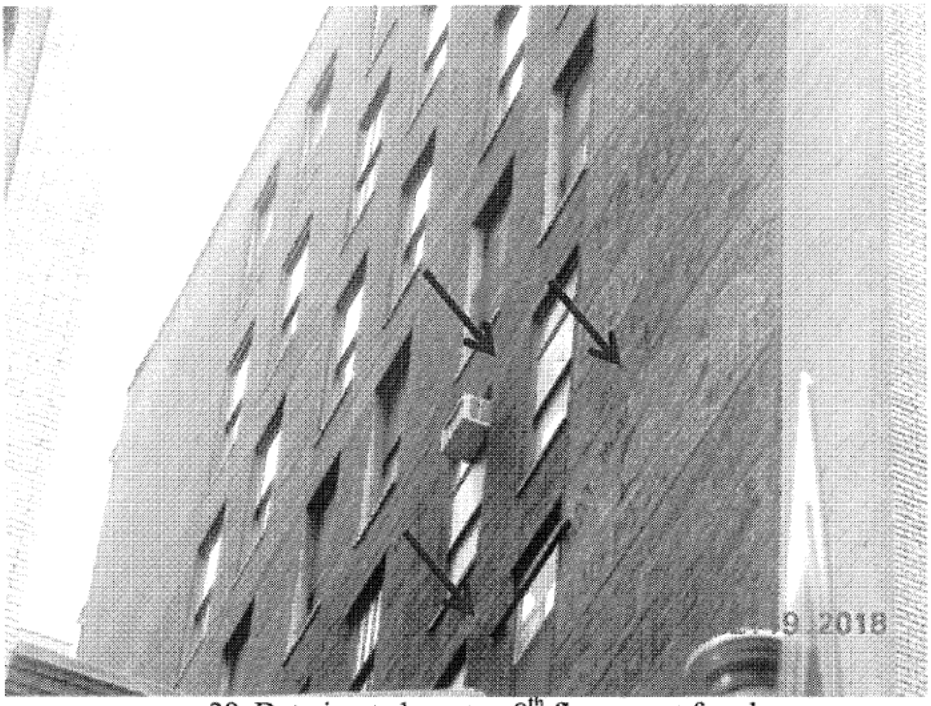


27. Deteriorated mortar, 12th floor, west façade

35 West 36th Street, New York, NY
Bin # 1015925, Control # 802199
Block # 838, Lot # 21
February 16, 2018

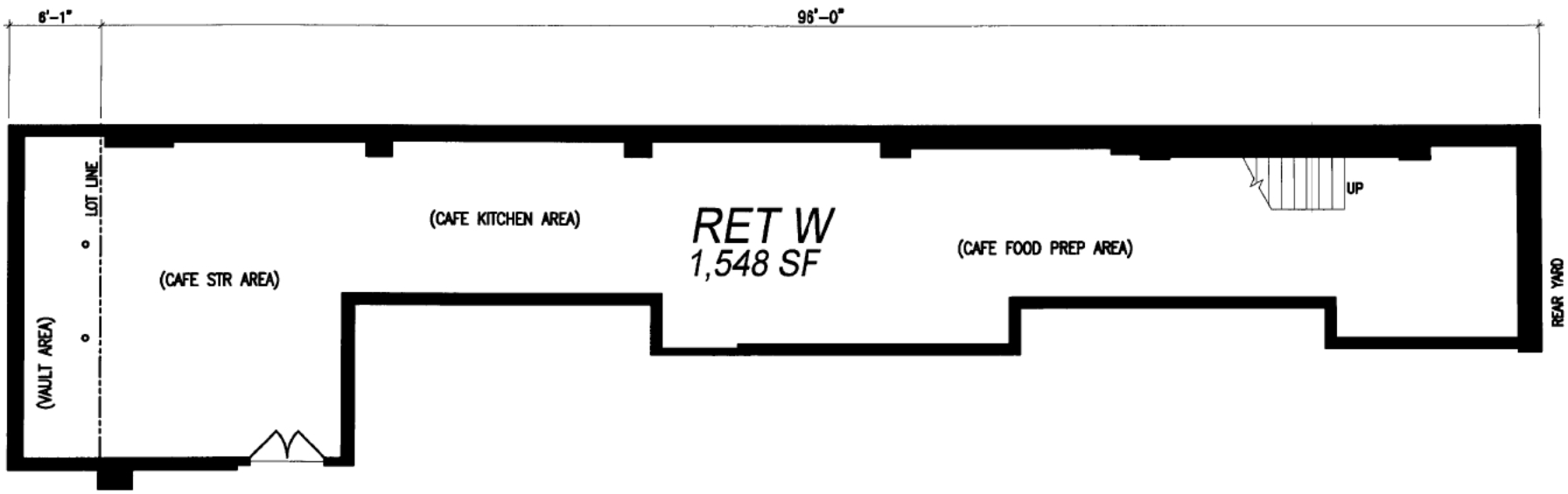


28. Deteriorated mortar, 9th floor, west façade



29. Deteriorated mortar, 8th floor, west façade

FLOOR PLANS

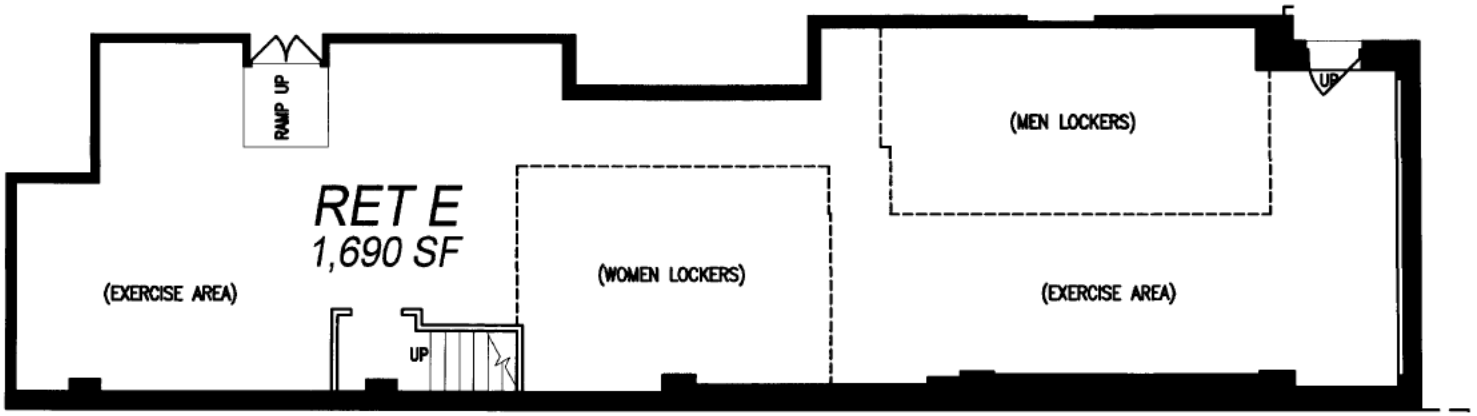


0' 15'

35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT RET W - PART. CELLAR PLAN

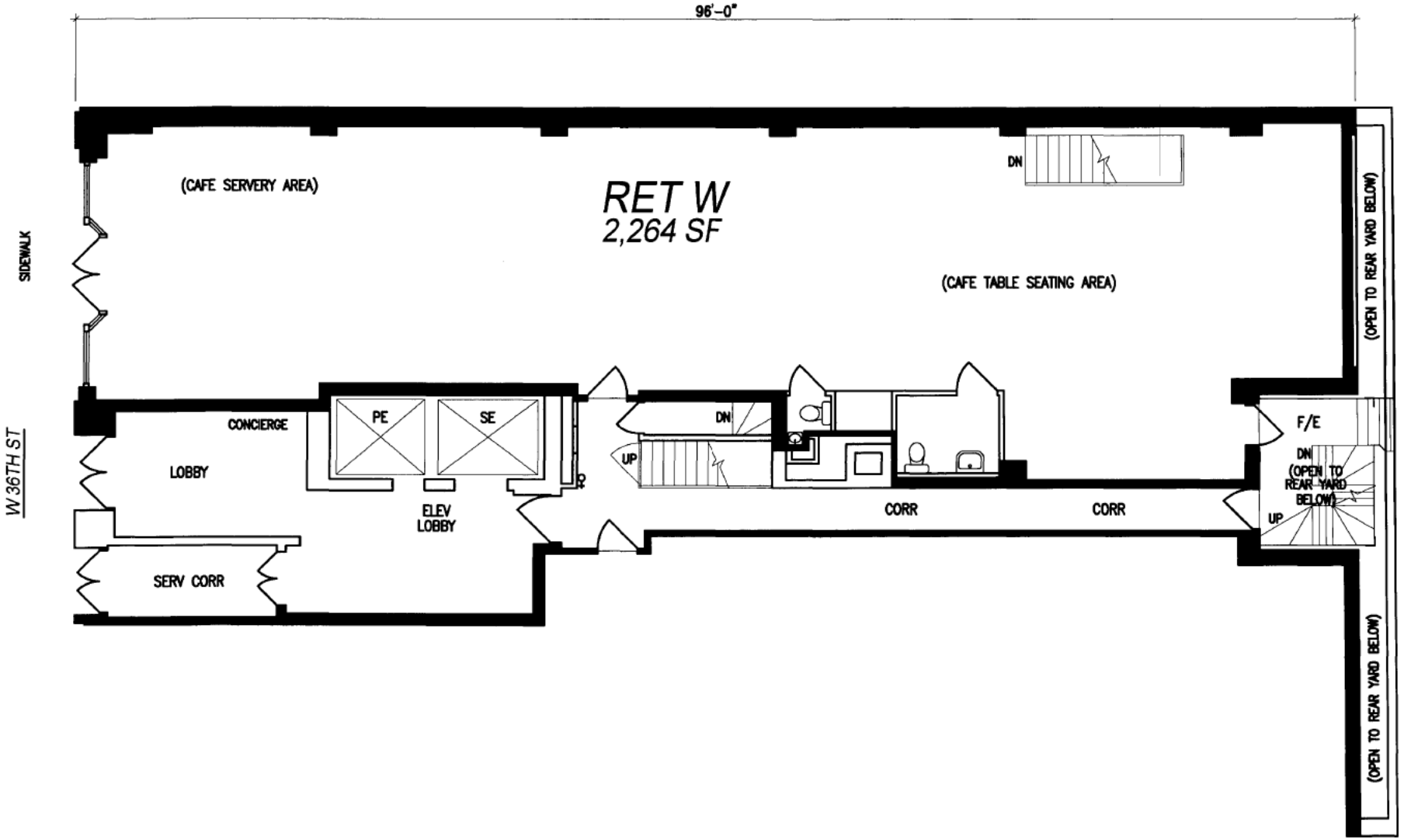


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35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT RET E - PART. CELLAR PLAN

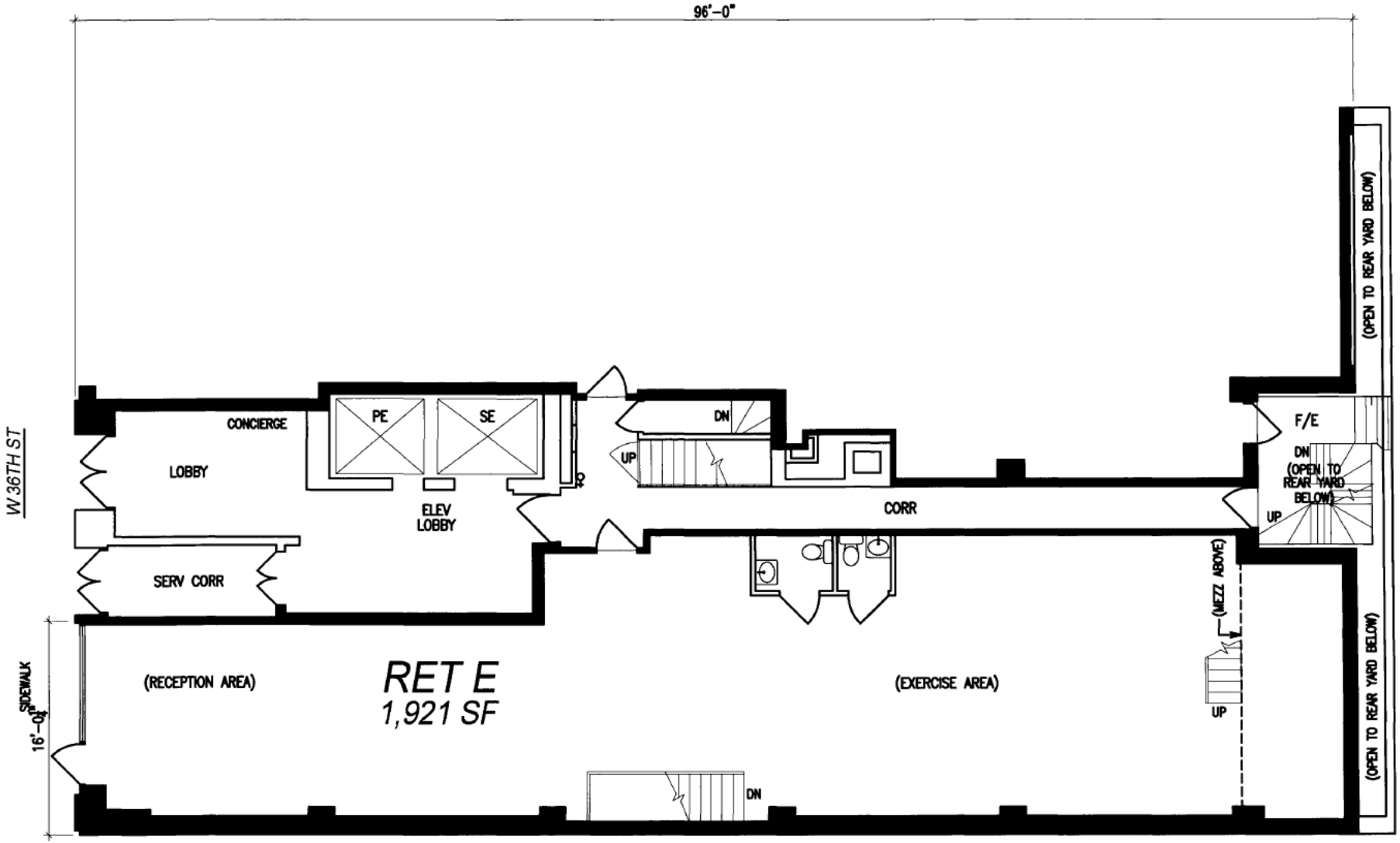


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35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

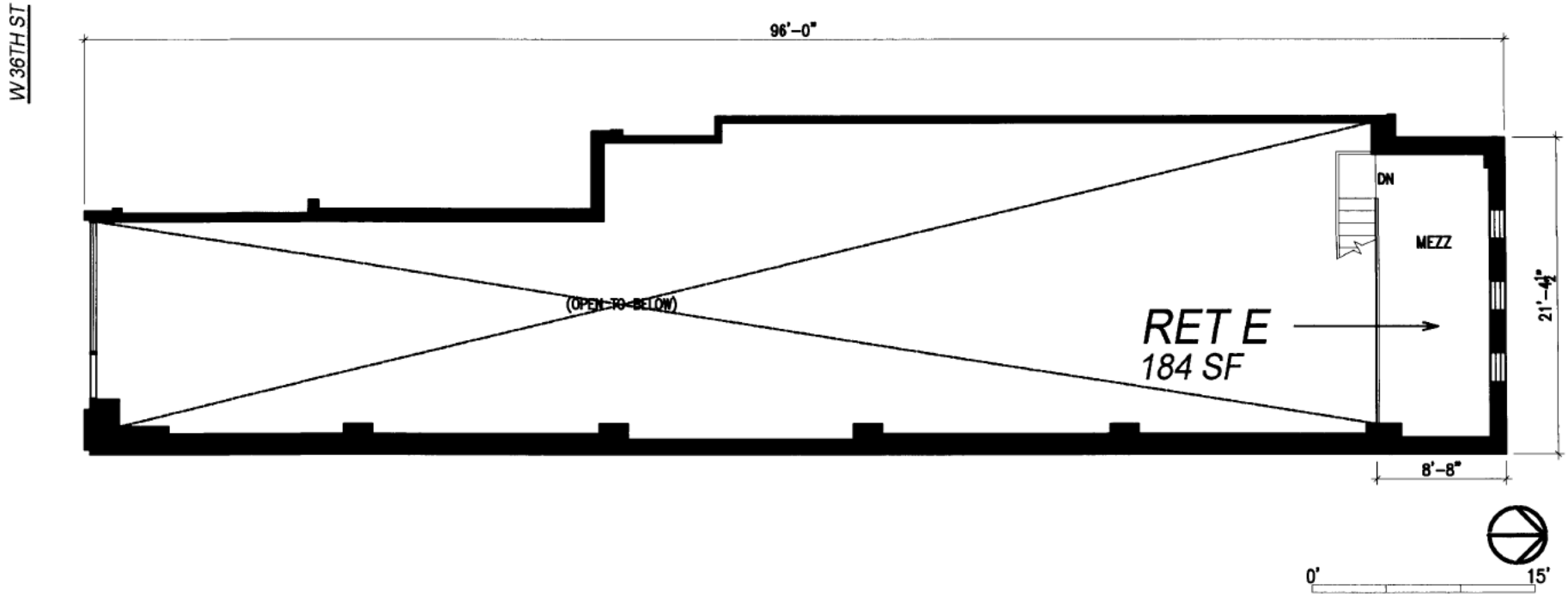
UNIT RET W - PART. 1ST FL PLAN



35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

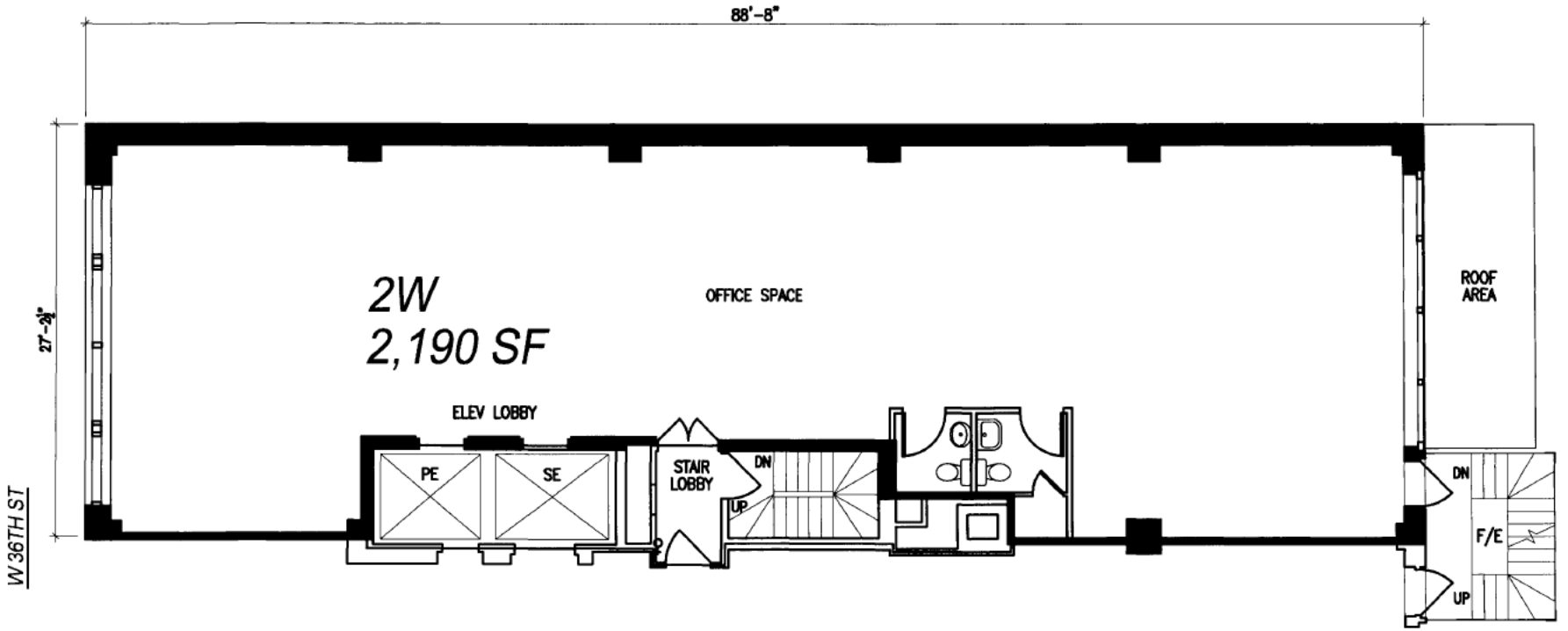
UNIT RET E - PART. 1ST FL PLAN



35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT RET E - MEZZ PLAN

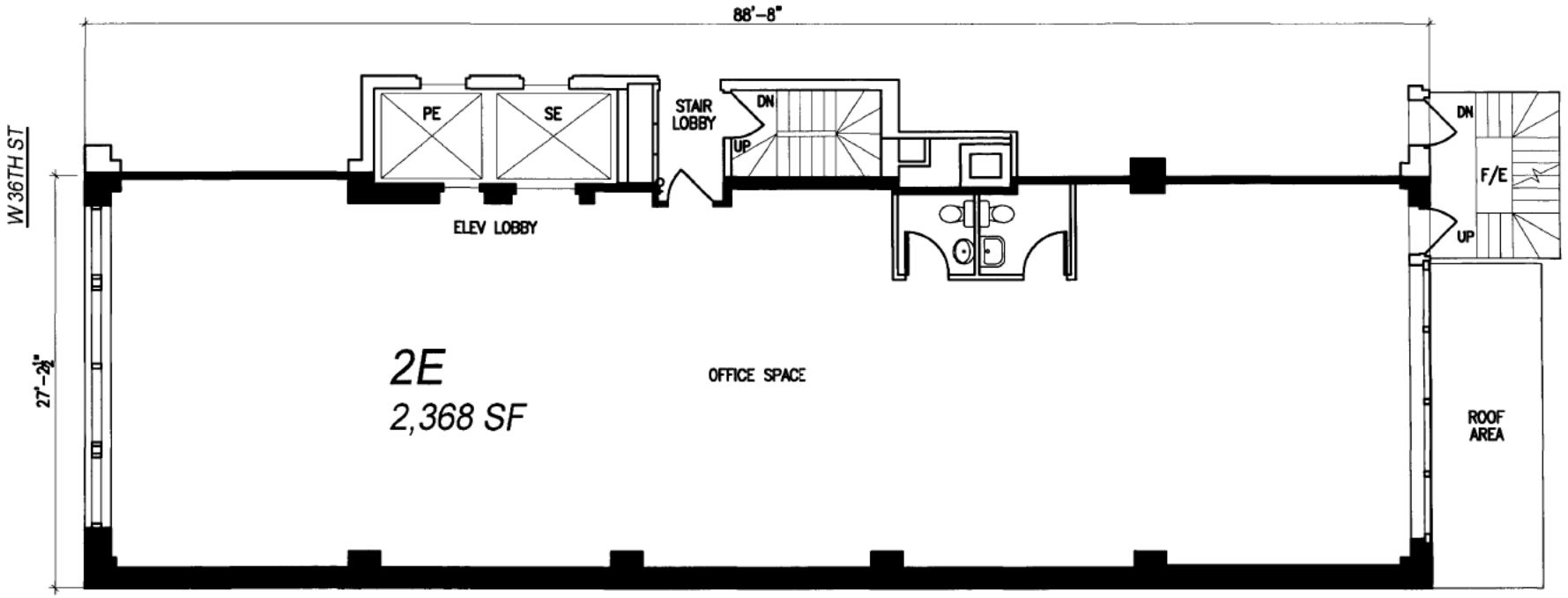


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35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

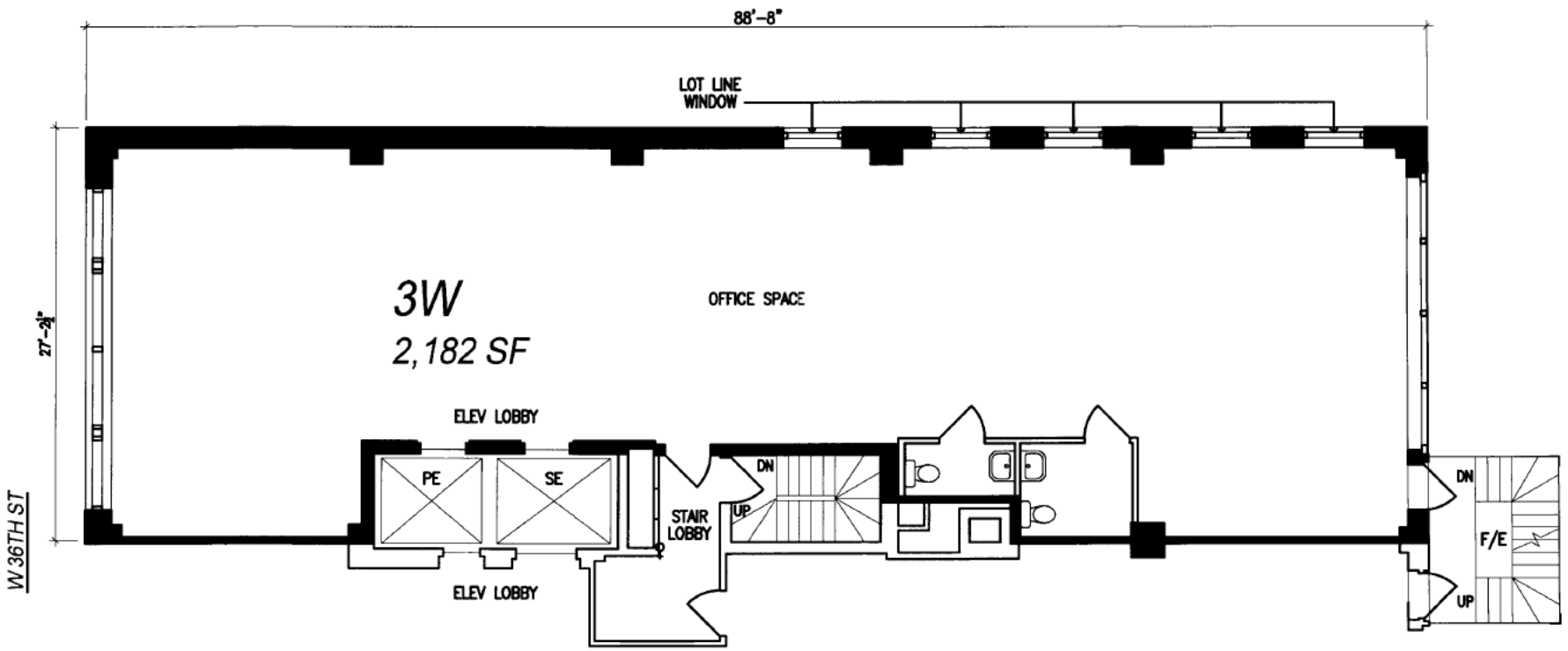
UNIT 2W- PART. 2ND FL PLAN



35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 2E - PART. 2ND FL PLAN



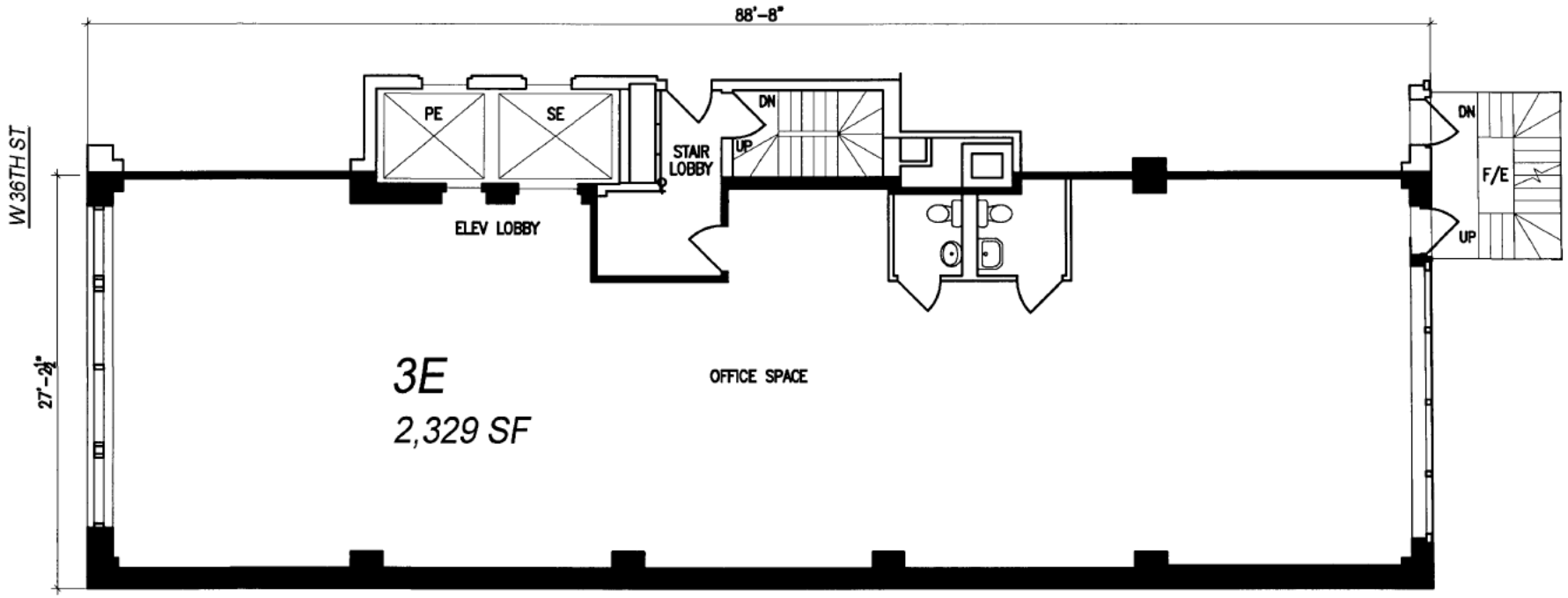
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0' 15'

35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 3W - PART. 3RD FL PLAN

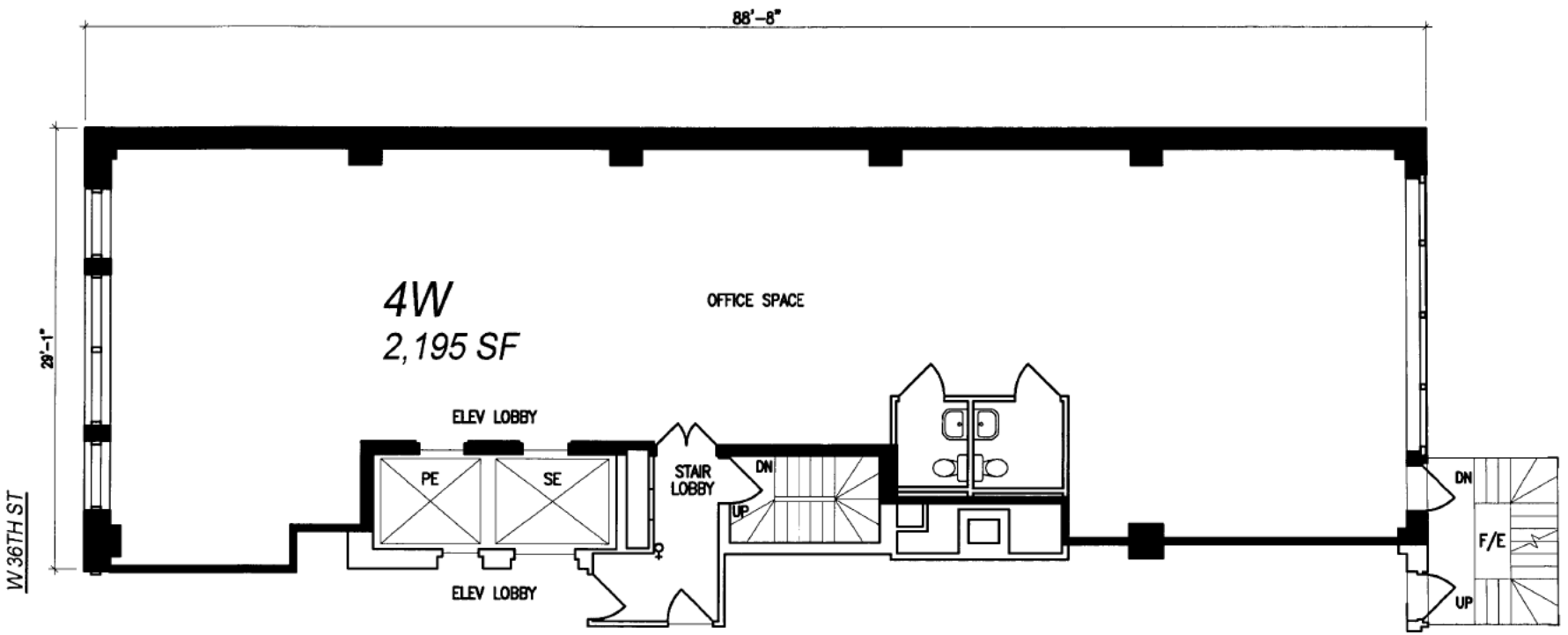


0' 15'

35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 3E - PART. 3RD FL PLAN

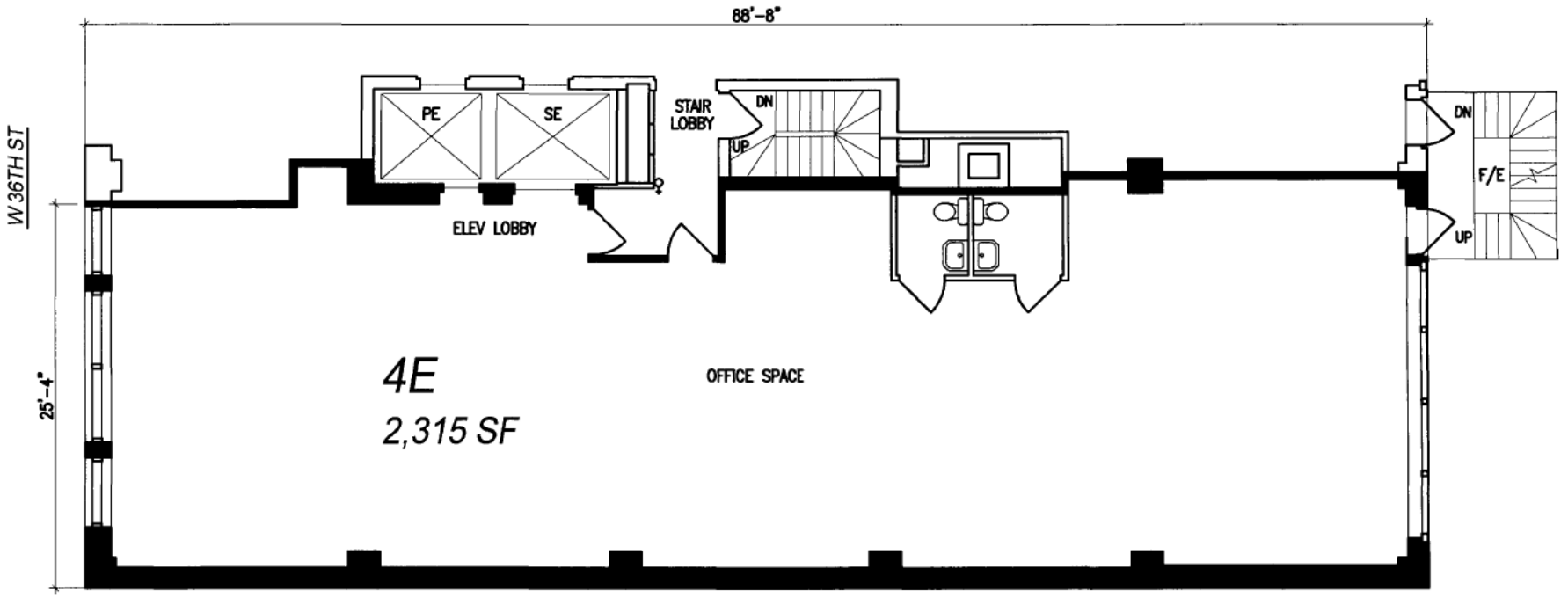


35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

0' 15'

UNIT 4W - PART. 4TH FL PLAN

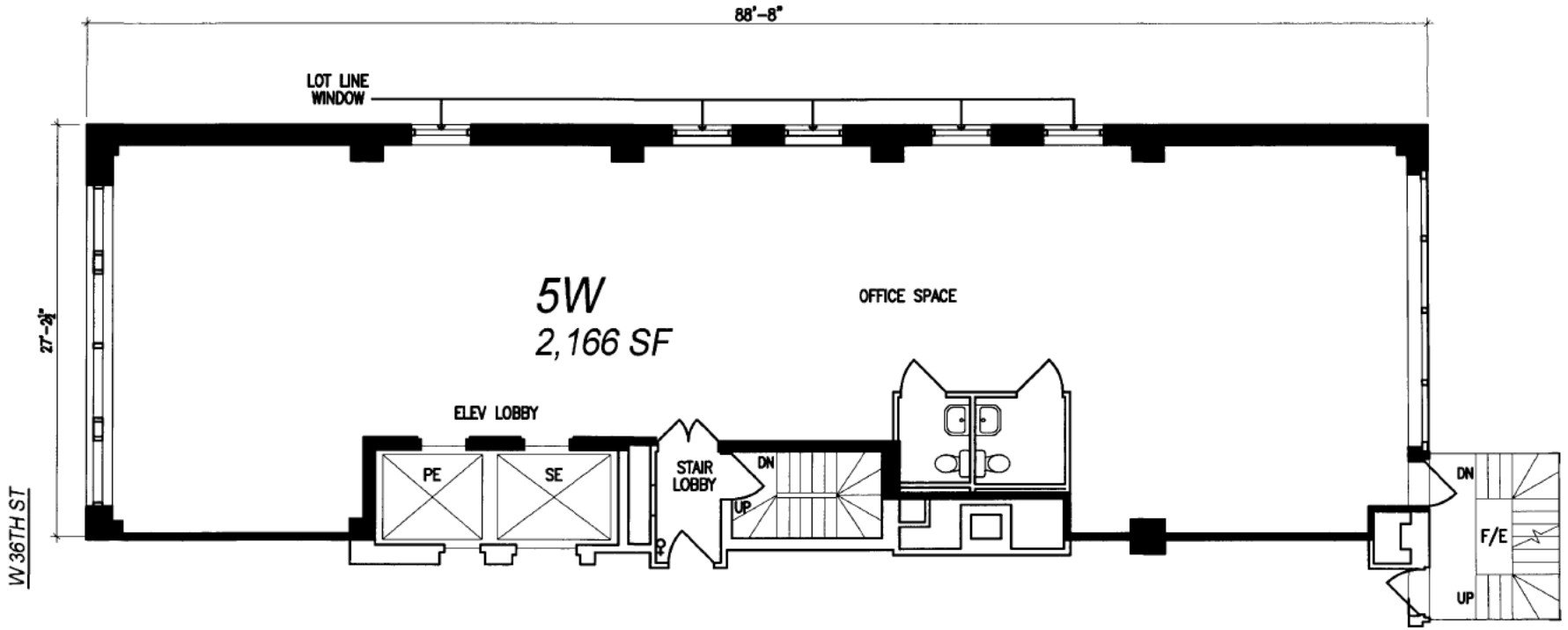


0' 15'

35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 4E - PART. 4TH FL PLAN

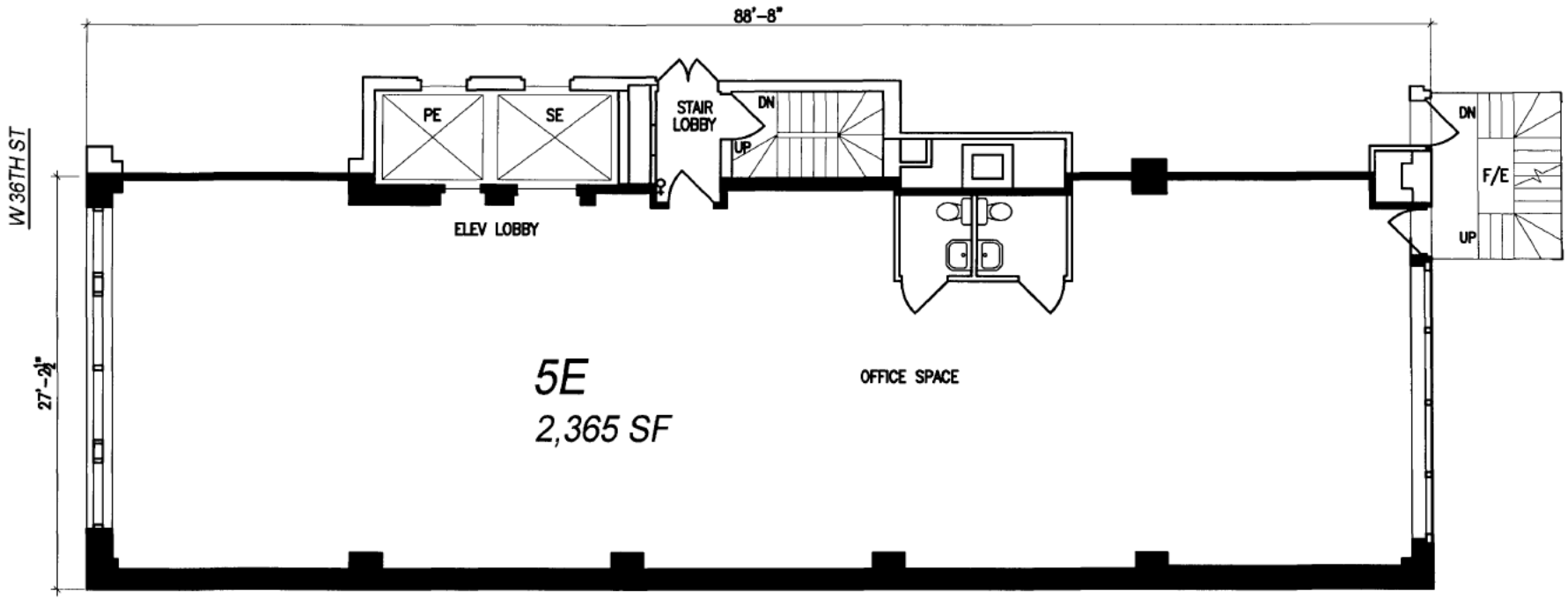


35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

0' 15'

UNIT 5W - PART. 5TH FL PLAN

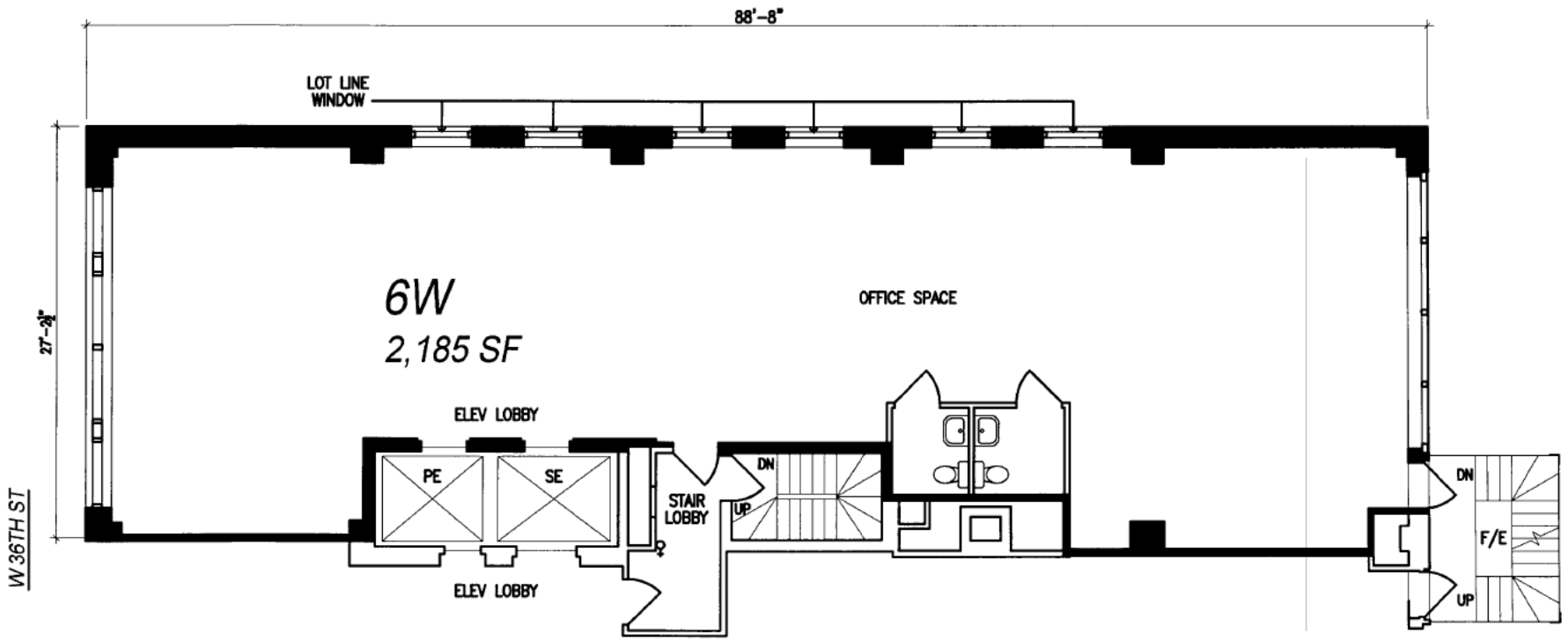


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35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 5E - PART. 5TH FL PLAN

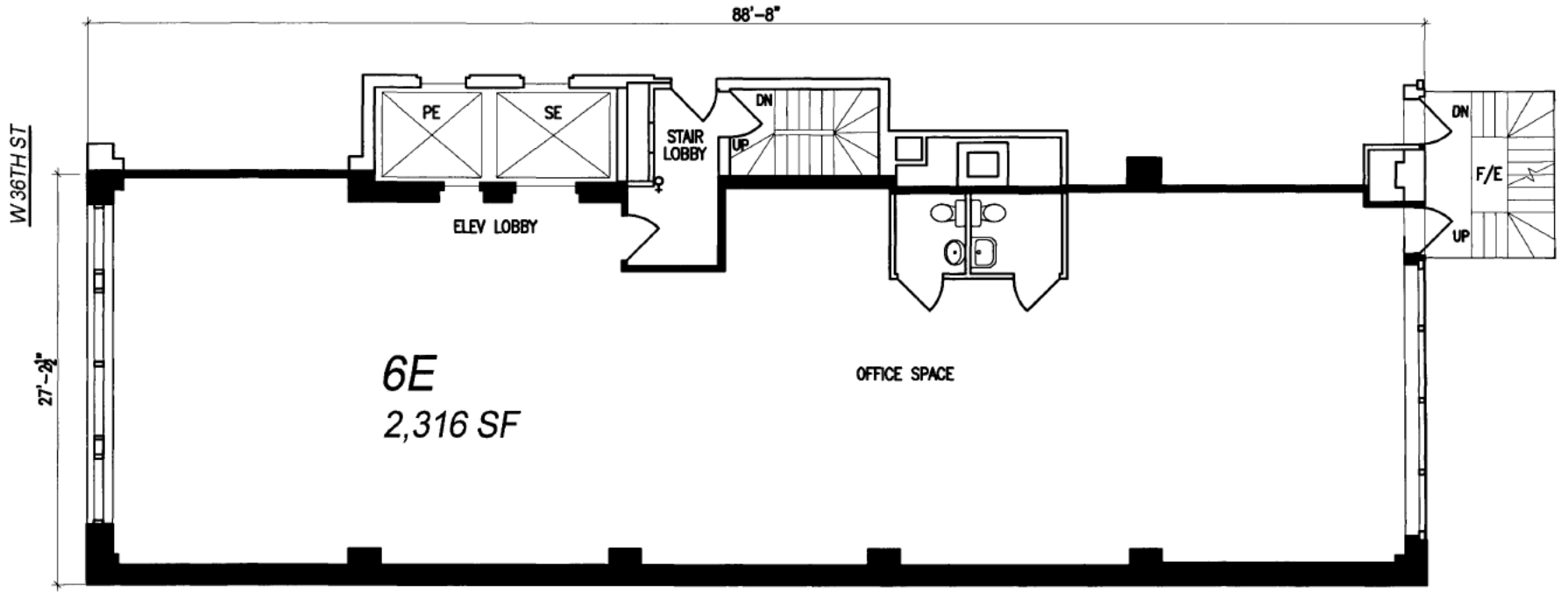


35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

0' 15'

UNIT 6W - PART. 6TH FL PLAN

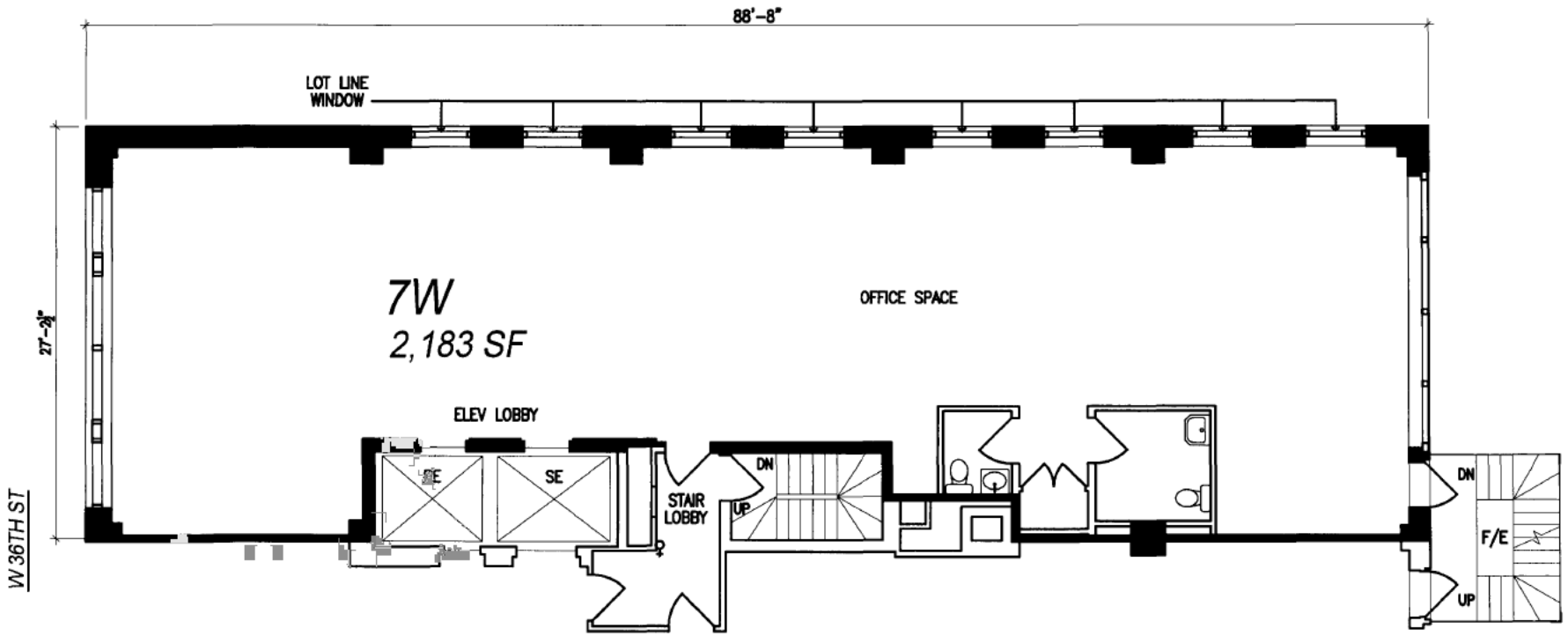


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35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 6E - PART. 6TH FL PLAN

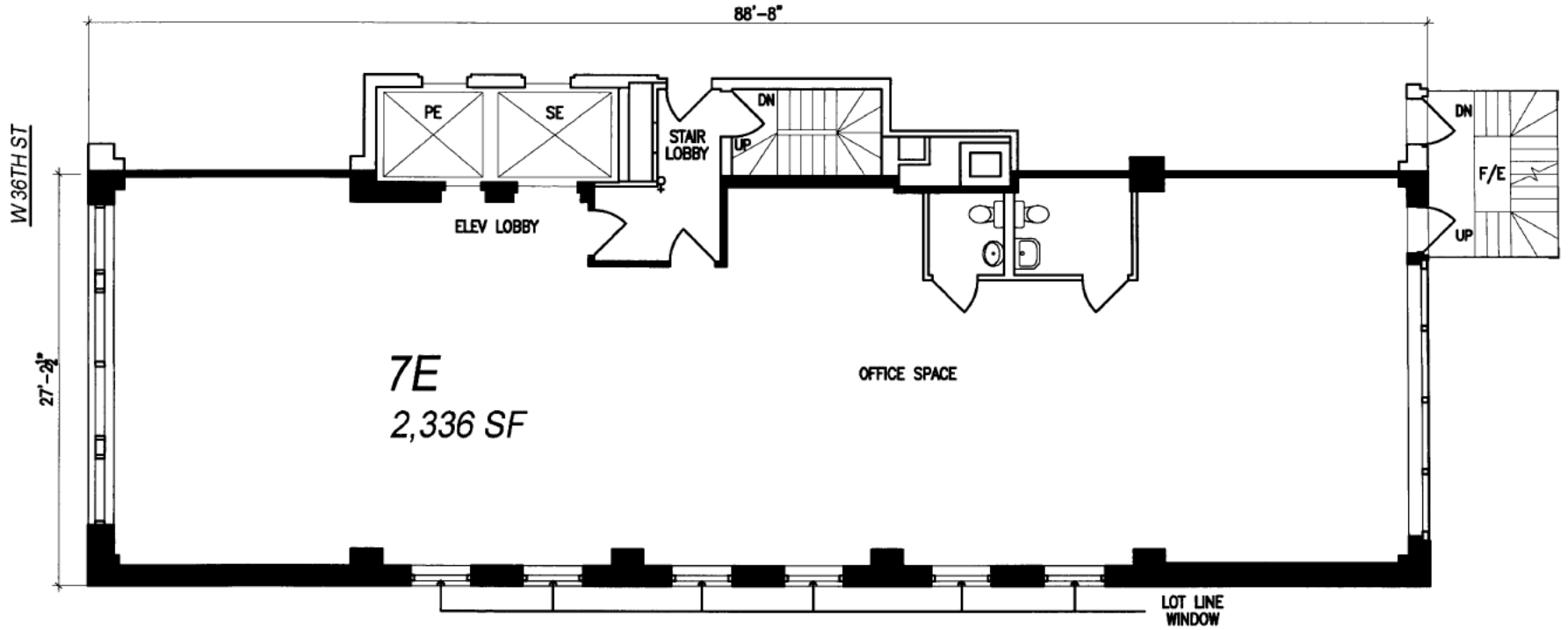


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35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

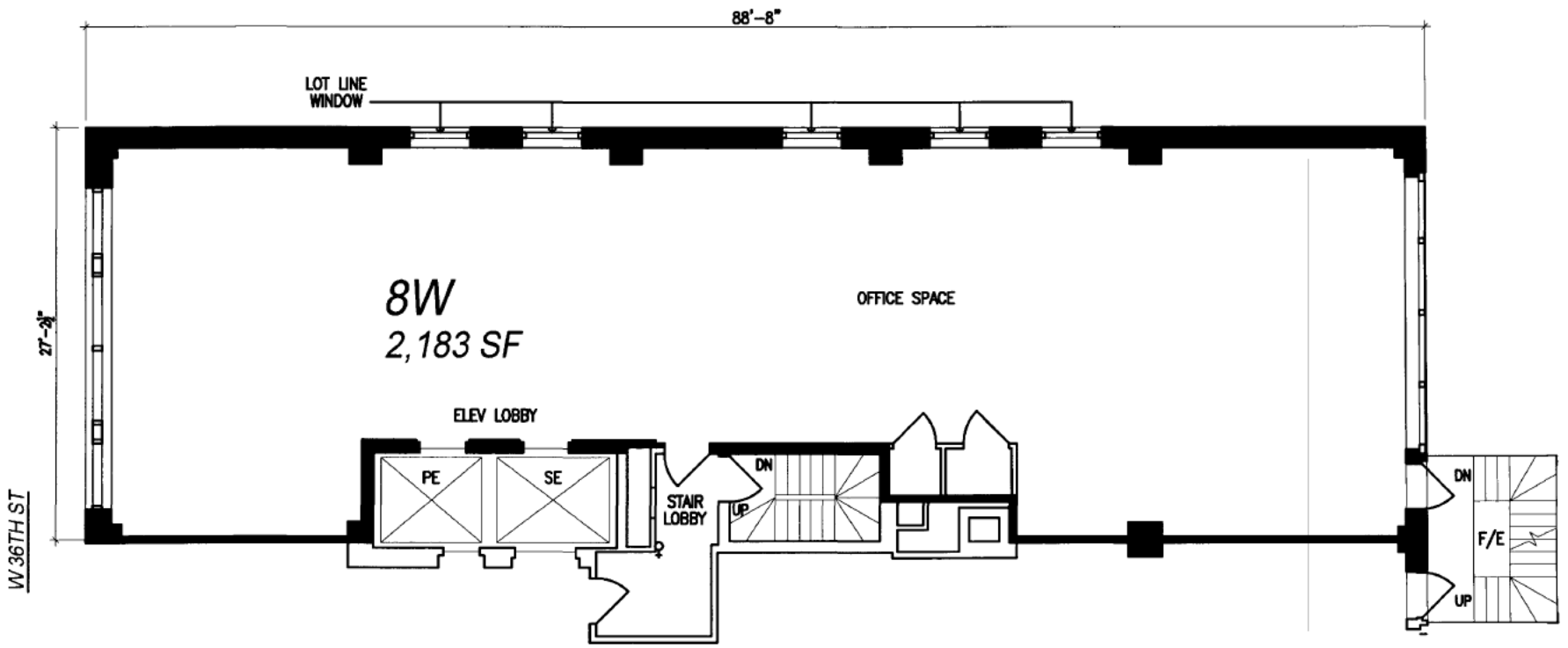
UNIT 7W - PART. 7TH FL PLAN



35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 7E - PART. 7TH FL PLAN



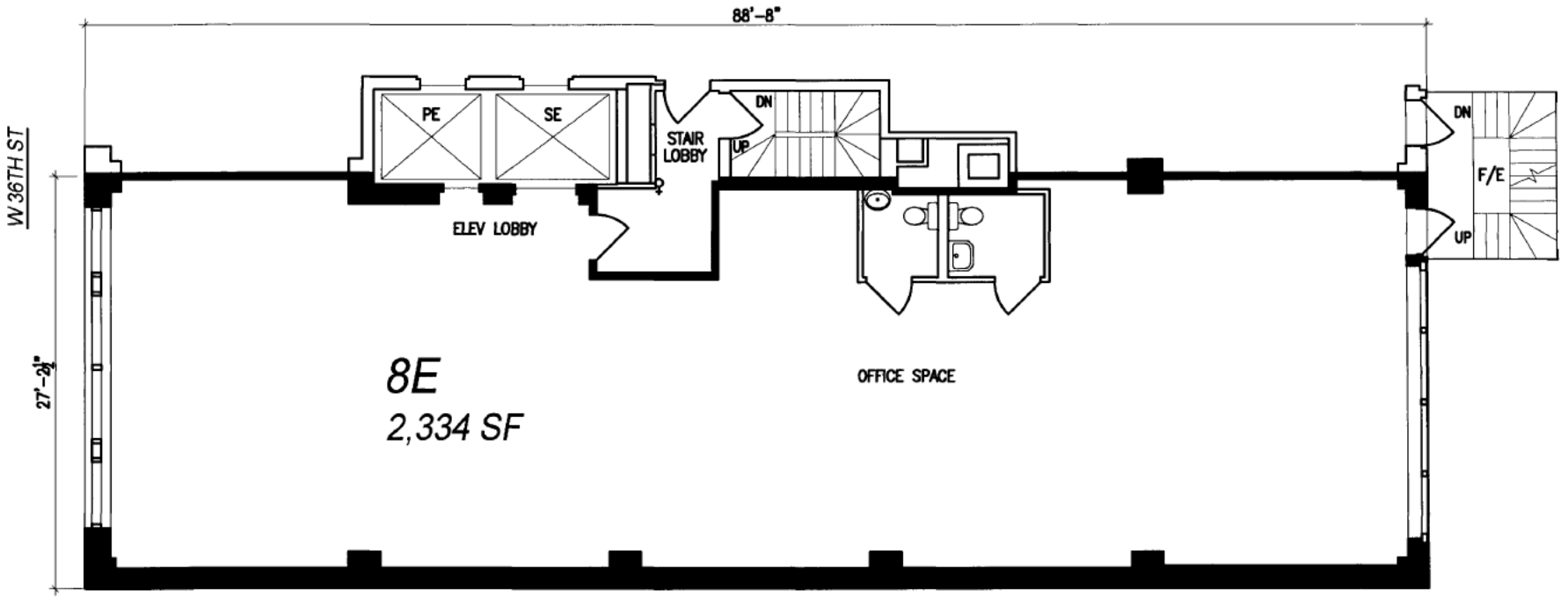
250

0' 15'

35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 8W - PART. 8TH FL PLAN

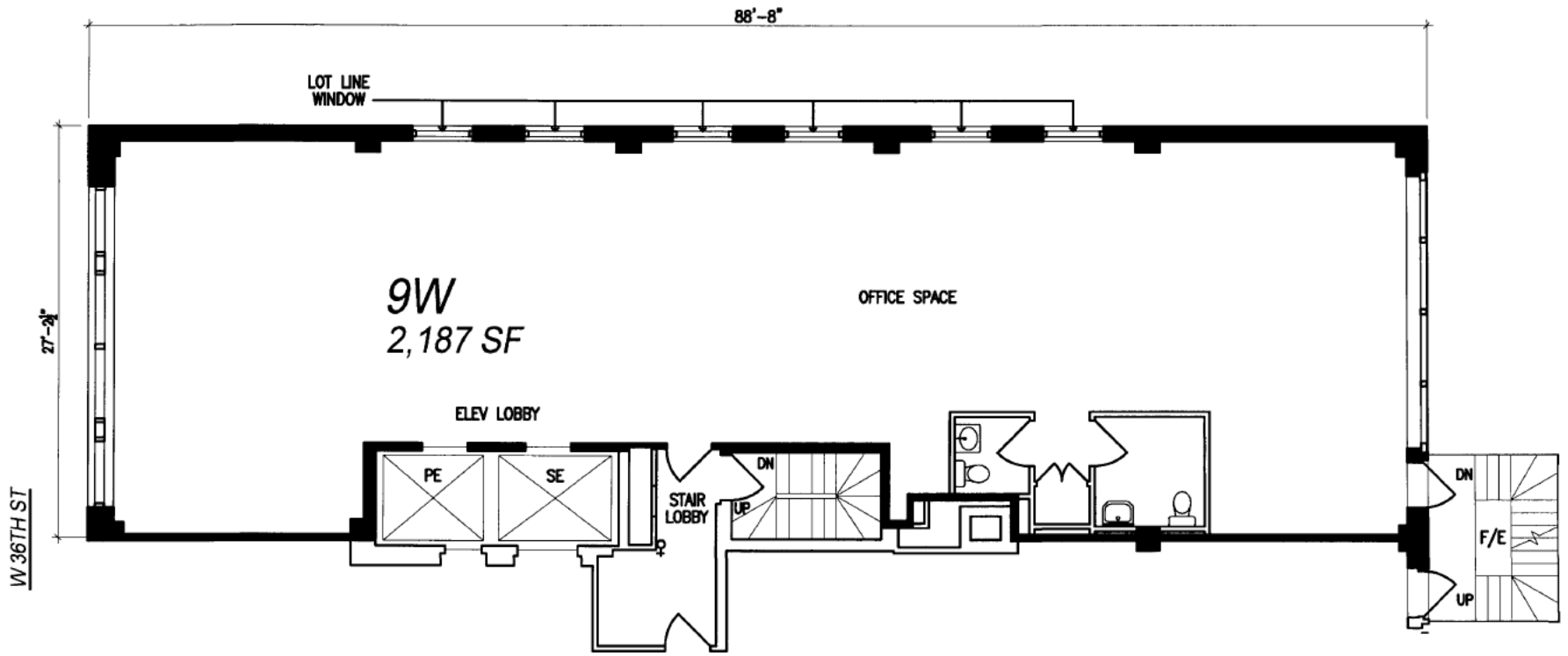


0' 15'

35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 8E - PART. 8TH FL PLAN

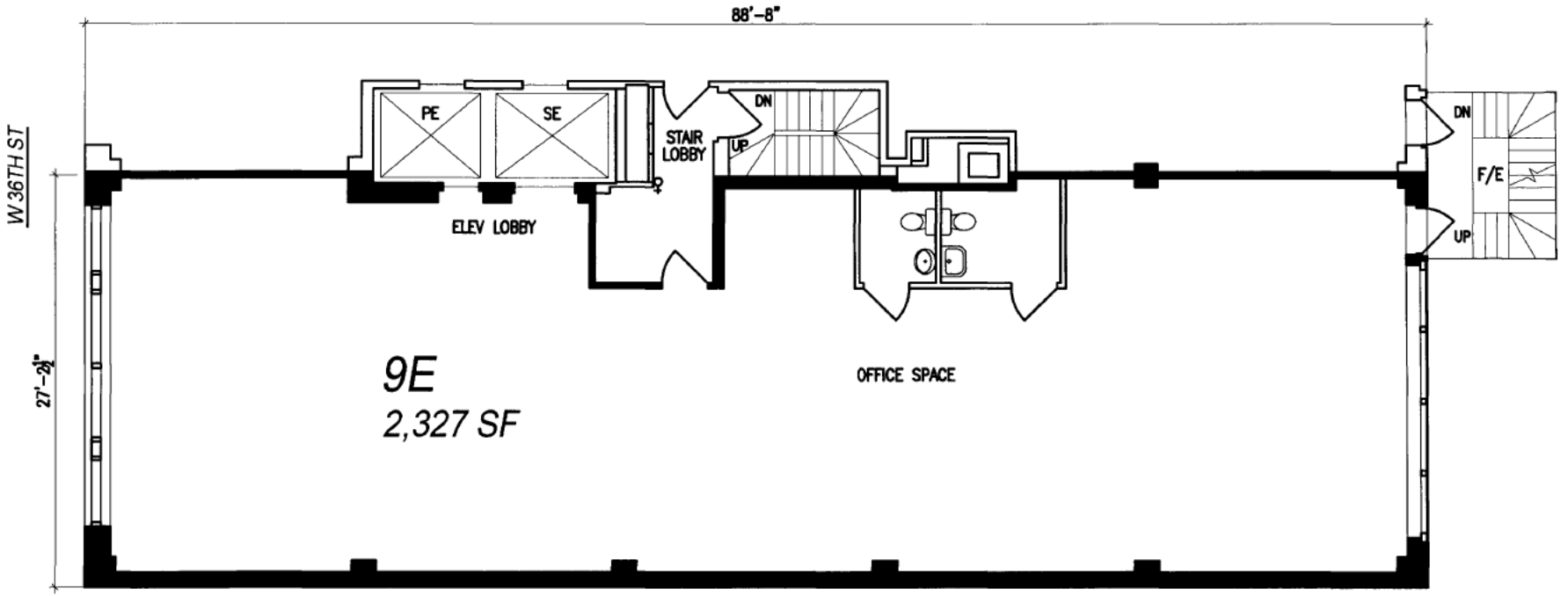


35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

0' 15'

UNIT 9W - PART. 9TH FL PLAN

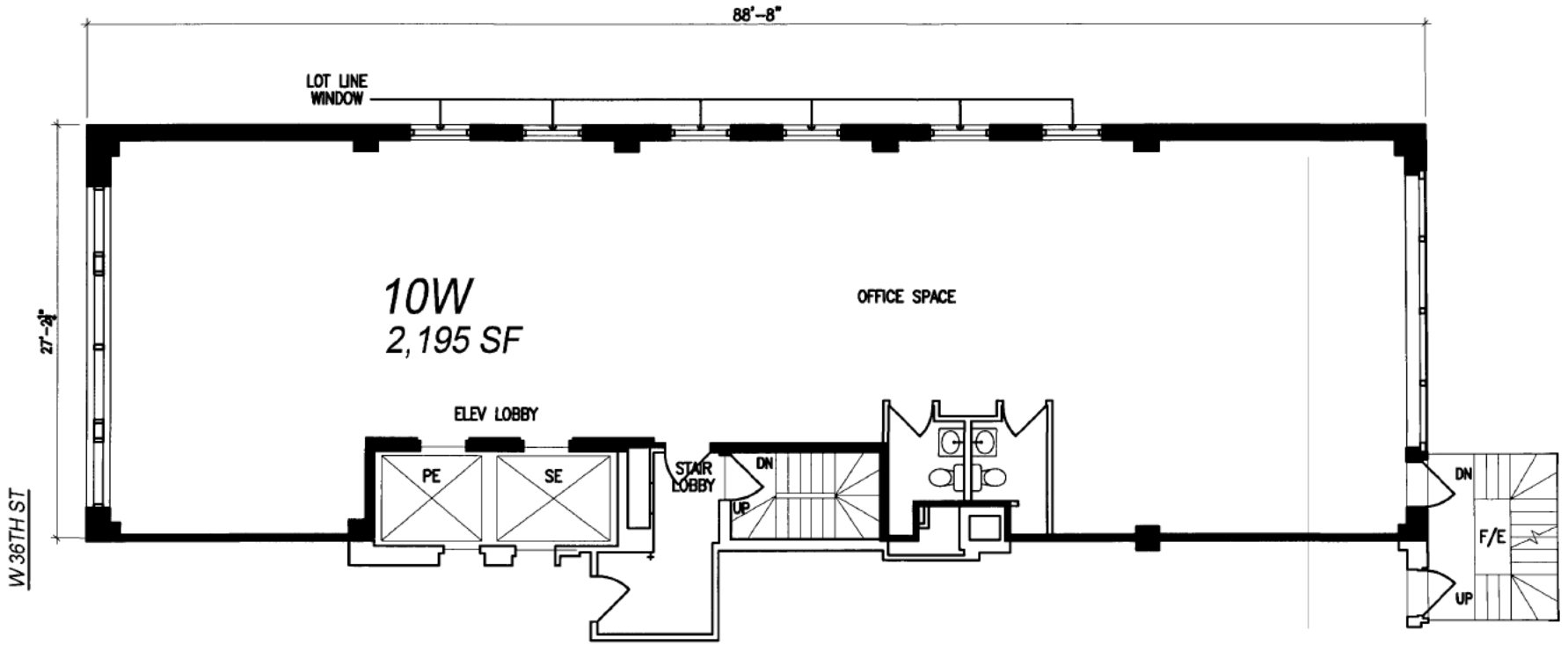


0' 15'

35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 9E - PART. 9TH FL PLAN

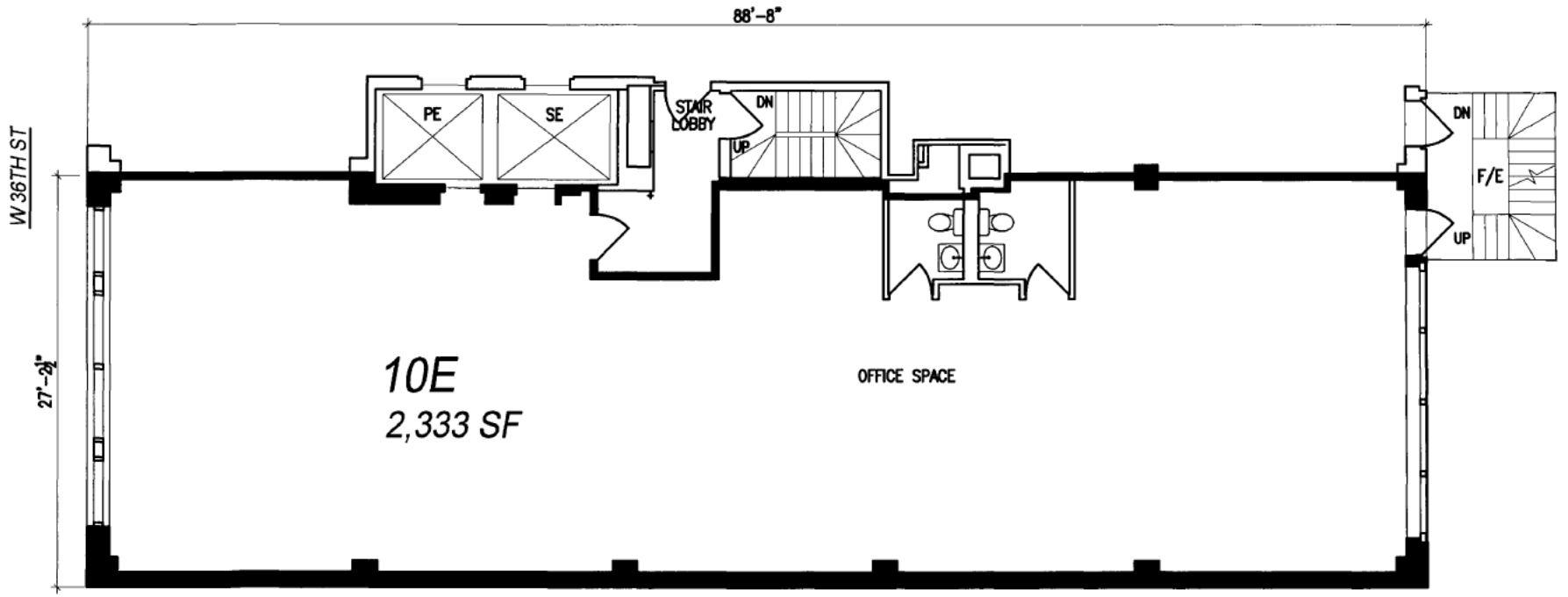


35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

0' 15'

UNIT 10W - PART. 10TH FL PLAN

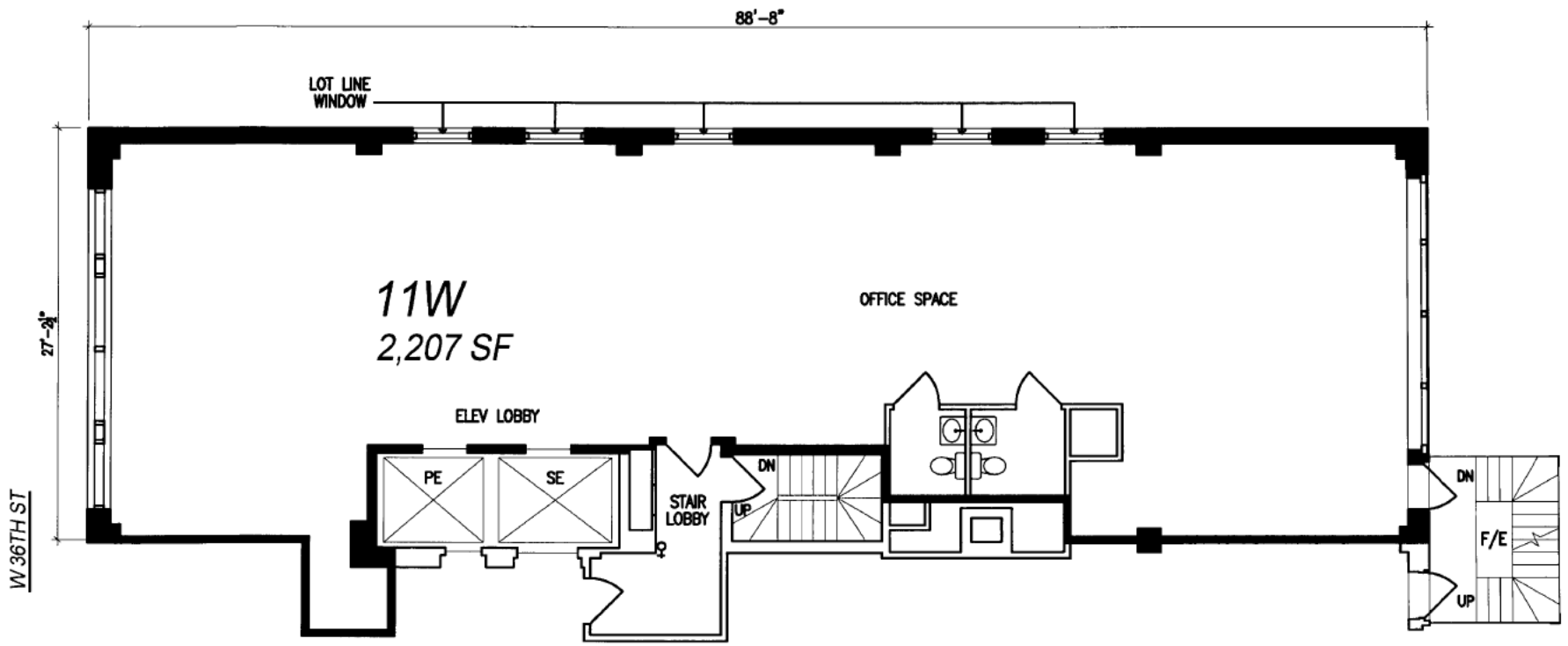


0' 15'

35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 10E - PART. 10TH FL PLAN

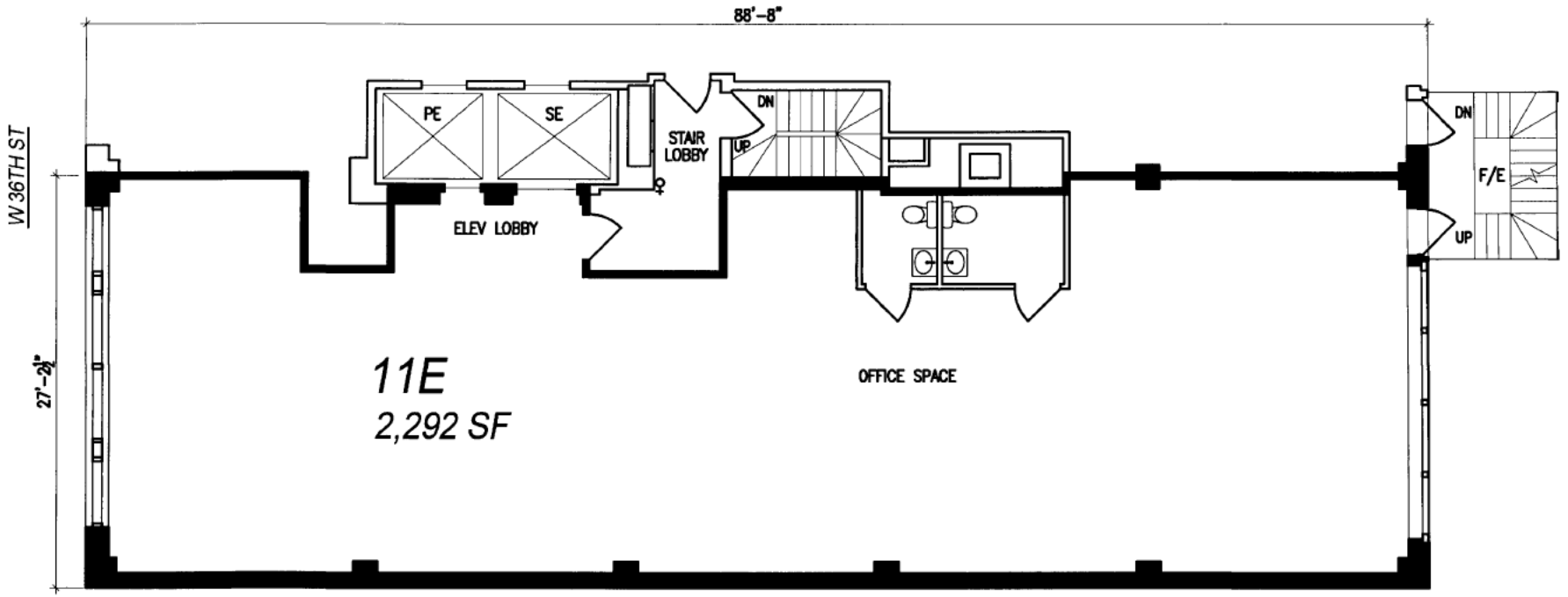


35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

0' 15'

UNIT 11W - PART. 11TH FL PLAN

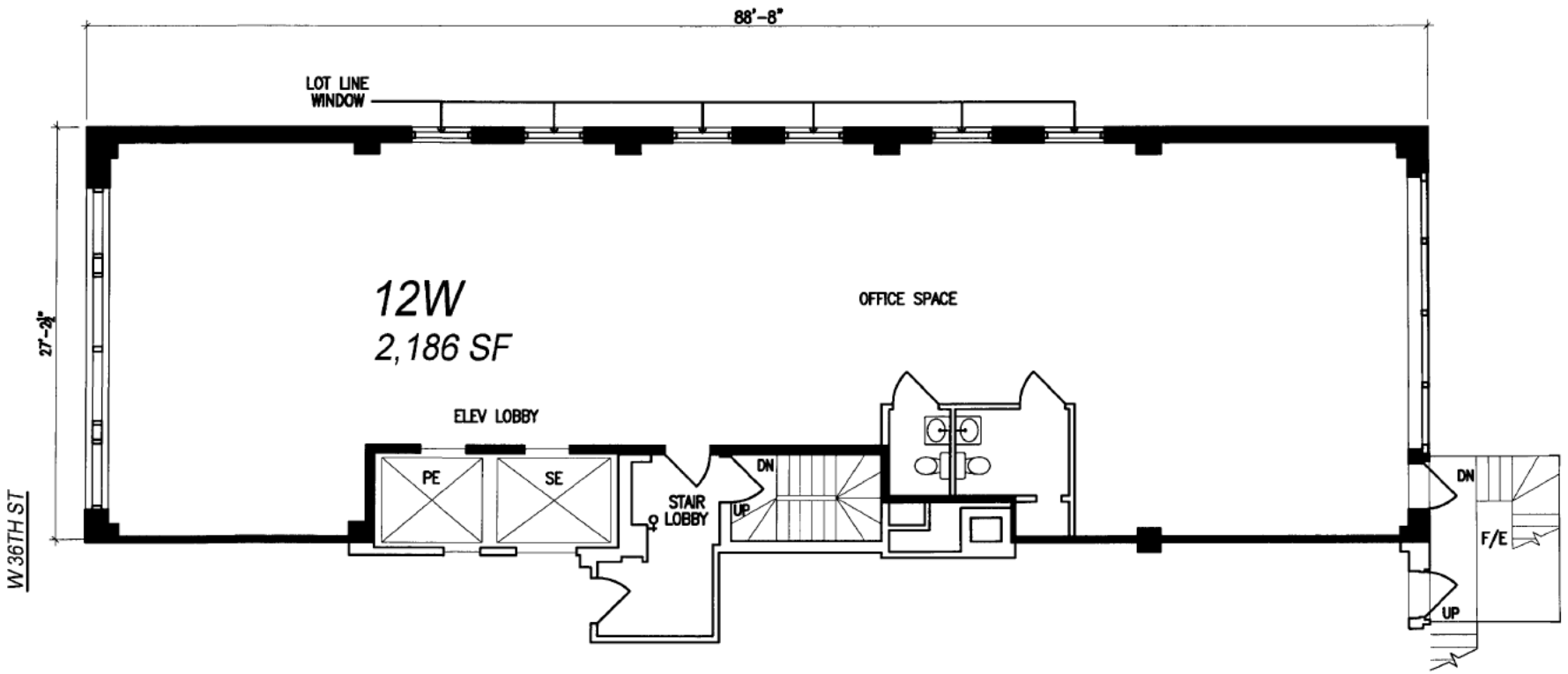


0' 15'

35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 11E - PART. 11TH FL PLAN

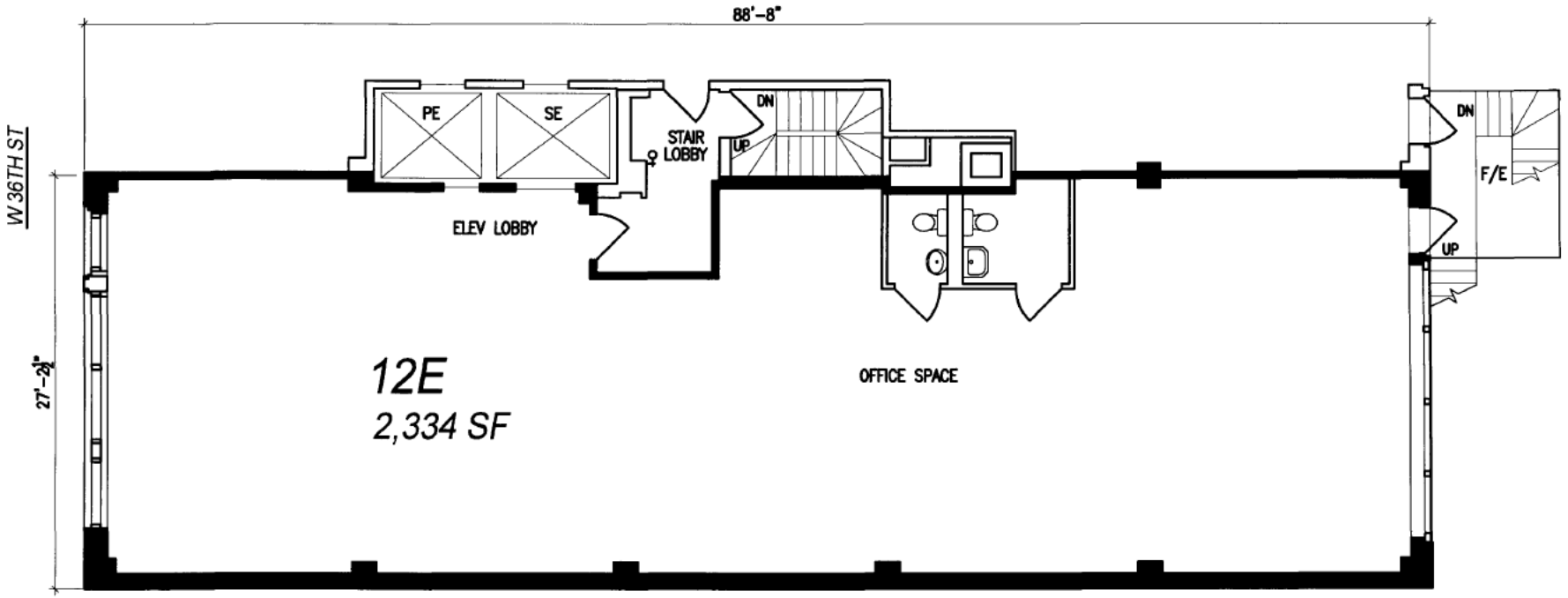


35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

0' 15'

UNIT 12W - PART. 12TH FL PLAN



0' 15'

35 W 36TH ST
NEW YORK, NY

DIMENSIONS ON FLOOR PLAN ARE APPROXIMATE

UNIT 12E PART. 12TH FL PLAN

PURCHASE AGREEMENT

PURCHASE AGREEMENT

3536 ASSOCIATES LLC

Sponsor

With

_____

Purchaser

Unit Number _____

35 WEST 36TH STREET CONDOMINIUM
35 WEST 36TH STREET
NEW YORK, NEW YORK 10018

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SCHEDULE C – RIDER TO PURCHASE AGREEMENT RE: ESCROW PROVISIONS

PURCHASE AGREEMENT

OFFICE UNIT NUMBER _____

35 WEST 36TH STREET CONDOMINIUM
35 WEST 36TH STREET
NEW YORK, NEW YORK 10018

AGREEMENT, made as of _____, _____, between Sponsor and Purchaser (defined below).

W I T N E S S E T H :

1. THE PLAN

Purchaser acknowledges having received and read a copy of the Offering Plan for the 35 West 36th Street Condominium and all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser has not received and read the Plan and all amendments thereto at least 3 business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to Selling Agent. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

2. DEFINITIONS

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means 3536 Associates LLC, having an office at 40 Wall Street, 45th Floor, New York, New York 10005. Sponsor's taxpayer identification number is 26-1363320.

2.2. "Purchaser" means _____ having an address at _____, _____, _____. Purchaser's social security number / EIN is: _____.

2.3 "Attorney for Sponsor" means Starr Associates LLP, having an address at 220 East 42 Street, Suite 3302, New York, New York 10017; Attention: Shaun W. Pappas, Esq. Telephone number: (212) 620-2684. Fax number: (212) 696-5013. E-mail address: spappas@starr-lawfirm.com.

2.4 "Attorney for Purchaser" means _____, having an address at _____, _____, _____. Attention: _____, Esq. Telephone number: (_____) _____. Fax number: (_____) _____. E-mail address: _____.

2.5 "Selling Agent" means Rudder Property Group, LLC, having an address at 36 West 44th Street, Suite 1411, New York, New York 10036. Telephone number: (212) 966-3611. Fax number: (212) 343-8510.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorney for Sponsor.

2.8 "Title Company" means Spano Abstract Service Corp., having an office at 350 Old Country Road, Suite 205, Garden City, New York 11530. Telephone number: (516) 294-7037. Fax number: (516) 742-9375.

3. THE UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the Unit designated as Unit _____ in the Declaration, ("Unit"), together with its undivided _____% interest in the Common Elements appurtenant to such Unit.

4. PURCHASE PRICE

4.1 The Purchase Price of the Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____ ("Deposit"), due upon Purchaser's signing and delivering this Agreement, by official bank check (subject to collection) or wire transfer, receipt of which is hereby acknowledged;

(b) $_____ ("Balance of Purchase Price"), by official bank check (subject to collection) or wire transfer, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency, be drawn on or issued by a United States Bank or trust company which is a member of the New York Clearing House Association and shall be unendorsed. All checks tendered in connection with Deposits shall be made payable to the direct order of "Starr Associates LLP, as Escrow Agent." The Balance shall be made payable to the direct order of "3536 Associates LLC" (or such other party as Sponsor directs to Purchaser, in writing, at least 1 business day prior to the date of Closing of Title). If any check is returned for insufficient funds or any other reason, such return shall be deemed to be a default by Purchaser under this Agreement and shall entitle Sponsor to exercise any of the remedies set forth in Article 13 hereof. Notwithstanding the foregoing, if the check representing the Deposit is returned for insufficient funds or any other reason, such return shall be deemed to be a non-curable default by Purchaser and this Agreement shall automatically be deemed cancelled. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

5. DEPOSIT TO BE HELD IN TRUST

The Deposit made pursuant to this Agreement is subject to the requirements of Sections 352-e(2) (b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto. All monies received from Purchaser towards the Deposit shall be delivered to Escrow Agent and shall be held in accordance with the Section of the Plan entitled "Escrow and Trust Fund Requirements" a copy of which is annexed hereto as Schedule C and made a part hereof. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title

under this Agreement. In the event Sponsor cannot convey title to the Unit to Purchaser by reason other than Purchaser's default, the Deposit shall be returned to Purchaser within 30 days of Sponsor's notification to Purchaser that it cannot convey title.

6. CLOSING DATE AND PLACE

6.1 The Closing of Title shall be held at the offices of Starr Associates LLP, 220 East 42 Street, Suite 3302, New York, New York (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than 30 days' prior notice ("Initial Closing Notice"). After the Initial Closing Notice, Sponsor may, from time to time, adjourn and reschedule the date and hour for Closing at any time on notice to Purchaser, which new Closing notice shall fix a new date, hour and place for the Closing. The rescheduled Closing shall not be earlier than: (a) the date set forth in the Initial Closing Notice or, (b) 5 days from the date of Sponsor's Closing adjournment notice. These notice provisions may be modified or waived by an agreement signed by Sponsor and Purchaser. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Attorney for Sponsor at Closing an extra fee as set forth in the Plan.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, shall mean the conveyance of title to the Unit from Sponsor to Purchaser.

6.3 The Closing of Title shall only occur with or after compliance with the prerequisites to Closing and the Section of the Plan entitled "Terms of Sale."

7. CLOSING DOCUMENTS

7.1 At the Closing of Title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances, and title conditions set forth on Schedule A annexed hereto and made a part hereof. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly complete and execute before a notary public the New York City and New York State Transfer Tax Return Forms and any other forms then required by Law, all of which shall be prepared by Sponsor.

7.2 At the Closing of Title, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board prepared by Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the Closing of Title, Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in compliance with IRS Section 6045(e) as amended, or any successor provision or regulation promulgated thereunder.

7.4 At the Closing of Title, Sponsor and Purchaser shall execute and acknowledge in form for recording such other documents that are reasonably necessary or customary in connection with the conveyance of a condominium unit, including, but not limited to, title affidavits, transfer tax forms, reporting information in respect of real estate transactions, smoke detector affidavit and window guard notices.

7.5 The executed deed, transfer tax forms and power of attorney shall be delivered at the Closing to the representative of the Title Company insuring Purchaser's title (or, if no such representative is present, then to the Attorney for Sponsor) for recording in the Office of the City Register, which recording shall be at Purchaser's expense. After being recorded the deed shall be returned to Purchaser and the power of attorney shall be returned to the Condominium Board.

7.6 Purchaser's payment of the Balance of the Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan, and Part 20 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE

8.1 At the Closing of Title, Sponsor shall convey to Purchaser and Purchaser shall accept such fee simple title to the Unit as the Title Company will approve and insure without additional premium to Purchaser, provided that the only liens and encumbrances affecting title shall be those set forth in Schedule A annexed hereto and made a part hereof and those expressly agreed to by Purchaser. Any lien and encumbrance or condition which is not set forth in Schedule A annexed hereto shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to Closing to the Title Company, together with the attendant recording or filing fee, if any, or (b) the Title Company (or such other title insurance company Purchaser may utilize), is or would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien. Sponsor shall not be obligated to cause Purchaser's title company to omit any exceptions if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception.

8.2 Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the Closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the Closing of Title, then, for purposes of Article 13 below, Purchaser shall be deemed at fault for not having sent timely notice, and the Closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

8.3 If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey fee simple title to the Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance company. If Purchaser did not obtain title insurance at the Closing, for purposes of this subparagraph, the amount and coverage which Purchaser could have obtained from Purchaser's title insurance company shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subparagraph shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law. This provision shall survive Closing.

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed; and

(b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes.

9.2 If the Unit has been separately assessed for real estate taxes but the Closing of Title occurs before the tax rate is fixed, adjustment of real estate taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for real estate tax assessments due after the Closing,

if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Unit has not been separately assessed for real estate taxes as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit. In addition, Purchaser shall pay the Unit's proportionate share of real estate taxes for the next ensuing tax period and Sponsor or the Condominium will pay such real estate taxes directly to the City of New York. Sponsor shall not be obligated to reimburse Purchaser after the Closing on account of any difference between the amount of real estate taxes for the then current tax period paid by Purchaser at Closing calculated according to the above formula and the amount of real estate taxes subsequently billed by the City of New York to such Purchaser (as Unit Owner).

9.3 Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such real estate taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund or credit (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the Closing of Title.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date subject to Sponsor's rights under Section 13.2 of this Agreement, (a) the Closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing of Title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased 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 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) 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 the Unit on the rescheduled Closing Date.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein in the Plan.

9.6 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing of Title.

10. MORTGAGE TAX CREDIT

10.1 In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the New York Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of Title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

10.2 In the event that (i) Sponsor is ineligible for a mortgage recording tax credit, (ii) Purchaser obtains mortgage financing and (iii) Sponsor has an outstanding mortgage at the time of Closing, Purchaser shall make a good faith effort to cooperate with Sponsor and Sponsor's lender to facilitate a partial assignment of Sponsor's mortgage to Purchaser's lender, as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments."

11. CLOSING COSTS

In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." All such Closing Costs shall be paid by Purchaser, at Closing, by Purchaser's unendorsed personal certified check, by official bank check (subject to collection), or by wire transfer, in either event drawn upon a bank that is a member of the New York Clearing House Association.

12. AGREEMENT NOT A LIEN OR ENCUMBRANCE

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or building loan mortgage on the Office Building, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Office Building, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

13. DEFAULT BY PURCHASER

13.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to close title to the Unit on the scheduled Closing Date; or

(ii) Purchaser's failure to pay when due the Deposit, the Balance of the Purchase Price, any closing adjustment, closing cost or fee, including, without limitation, attorneys' fees required to be paid by Purchaser as set forth in the Plan or in this Agreement;

(iii) The dishonor of any check given by Purchaser to Sponsor as payment for the Deposit, the Balance of the Purchase Price, any closing adjustment, closing cost or fee, including, without limitation, attorneys' fees required to be paid by Purchaser as set forth in the Plan or in this Agreement; or

(iv) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or the Plan; or

(v) if Purchaser is permitted to become the tenant or occupant of the Unit, Purchaser's failure to pay rent or to otherwise comply with some other lease or occupancy obligation; or

(vi) Purchaser's assignment or transfer of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vii) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(viii) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the judgment or lien; or

(ix) Purchaser's assignment or transfer of this Agreement without the prior written consent of Sponsor; or

(x) Purchaser's listing the Unit for sale or rental with any broker or placing or authorizing any listing in any broker's listing system or any other listing service or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental without Sponsor's prior written consent; or

(xi) an Event of Default by Purchaser beyond any applicable grace period under a Purchase Agreement between Purchaser and Sponsor for another Unit at the Property.

13.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Deposit, the Balance of the Purchase Price and to pay, perform or comply with Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel this Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of written notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the entire Deposit and any interest earned on the Deposit. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of written notice of Sponsor's election to close title to the Unit in accordance with this Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection).

14. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest earned thereon, shall be returned to Purchaser within 30 days from the filing date of the amendment abandoning the Plan. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Office Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to

cure such title defect, and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all sums Deposits and all other sums deposited by Purchaser hereunder, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, TIME BEING OF THE ESSENCE, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

16. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

Only those fixtures, appliances and items of personal property which are located in the Unit and owned by Sponsor, if any, or otherwise described in the Plan as being included in the Unit are included in this sale. No portion of the Purchase Price shall be attributable to such items.

17. INSPECTION OF THE UNIT

Upon receipt of the Initial Closing Notice, Purchaser may, at its option, arrange an appointment with a representative of Sponsor to inspect the interior of the Unit within the 7 days prior to the Closing Date fixed by the Initial Closing Notice solely to confirm that the Unit is in substantially the condition as of the date of this Agreement. Purchaser shall have no right to create any punchlist. Notwithstanding the foregoing, failure of Purchaser to arrange such appointment or to inspect the interior of the Unit within 7 days prior to the Closing Date fixed by the Closing Notice shall not excuse Purchaser from appearing at the Closing, paying the Balance of the Purchase Price when due and shall constitute Purchaser's full acceptance of the Unit as is.

18. ACCEPTANCE OF CONDITION OF PROPERTY

Purchaser agrees to take the Unit and the fixtures and personal property contained therein, if any, "AS IS" and in its condition as of the date hereof, subject to normal wear and tear. The execution of this Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Unit, including the Office Building, the Common Elements, and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property on the Property (collectively, the "Installations") in their respective conditions, as of the date hereof, subject to normal wear and tear. Purchaser acknowledges having read the Description of Property and Building Condition set forth in Part II of the Plan. Purchaser acknowledges that Sponsor has no obligation to make any repairs, improvements or decorations in or to the Unit, the Office Building, the Property or the Installations except as otherwise required pursuant to the terms of the Plan and this Agreement.

19. DAMAGE TO THE UNIT

If between the date of this Agreement and the Closing of Title the Unit is damaged by fire or other casualty, the following shall apply:

19.1 The risk of loss to the Unit by fire or other casualty until the earlier of Closing of Title or possession of the Unit by Purchaser is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration.

Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the Closing of Title.

19.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to Article 15 of the Declaration, this Agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to Purchaser all Deposits and other sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all Deposits and other such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

20. REPRESENTATIONS

20.1 All understandings and agreements previously made between Sponsor and Purchaser regarding the Unit are merged into this Agreement, which alone fully and completely expresses their agreement. Sponsor has not made, does not make and is unwilling to make any representations as to the condition, use, operation or any other matter or thing affecting or relating to the Unit or title thereto or the transactions contemplated hereby, except as may otherwise expressly be set forth in this Agreement or in the Plan. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Office Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as in this Agreement or in the Plan specifically represented. Purchaser has relied solely on Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as in this Agreement or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth in this Agreement or in the Plan. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of any Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article shall survive the Closing of Title.

20.2 Sponsor represents and warrants to Purchaser that:

20.2.1 prior to the Closing, Sponsor's designees on the Condominium Board shall not vote in favor of any amendment to the Plan which shall or (in Sponsor's reasonable opinion) is likely to materially and adversely affect the Unit, without Purchaser's prior written consent, which consent may be granted or withheld in Purchaser's sole and absolute discretion.

20.2.2 Sponsor is a limited liability company, duly organized and validly existing under the laws of the State of Delaware;

20.2.3 Sponsor has the power and authority to own, operate and convey the Unit and to execute and deliver, and perform Sponsor's obligations under this Agreement;

20.2.4 Sponsor's execution and delivery of this Agreement, and the performance of Sponsor's obligations under this Agreement, have been, or will be authorized by all necessary action on the part of Sponsor;

20.2.5 the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement by Sponsor do not violate any provision of, or cause a default under, or result in the acceleration of any obligation under, any material agreement which will be in effect on and after the Closing to which Sponsor is a party or any Law or requirement by which Sponsor or the properties, assets, business or operations of Sponsor may be bound or affected, do not require the consent or approval of any court, administrative or governmental authority and do not result in the creation or imposition of any lien or equity of any kind whatsoever upon, or give to any other person any interest or right (including any right of termination or cancellation) in or with respect to, any material agreement to which Sponsor is a party or the business or operations of Sponsor or any of its properties or assets;

20.2.6 this Agreement constitutes, and all other documents required by this Agreement to be executed by Sponsor shall constitute when so executed, the valid and binding obligation of Sponsor, enforceable against Sponsor in accordance with their respective terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other principles relating to or limiting the rights of contracting parties generally;

20.2.7 there are no service, labor, concession or maintenance contracts with Sponsor affecting the Unit which will be binding on Purchaser after the Closing;

20.2.8 neither Sponsor nor any of its Affiliates is a (i) a person designated by the U.S. Department of Treasury's Office of Foreign Assets Control from time to time as a "specially designated national or blocked person" or similar status, or (ii) a person described in Section 1 of U.S. Executive Order 13224, issued on September 23, 2001, or (iii) a person otherwise identified by government or legal authority as a person with whom Purchaser or any of its Affiliates are prohibited from transacting business (currently, a listing of such designations and the text of the Executive Order are published under the internet website address www.ustreas.gov/offices/enforcement/ofac). As used in this Agreement, (x) the term "Affiliates" means, with respect to any Person, any Person Controlling, Controlled by, or under common Control with such Person, (y) the term "Control" (and any form thereof, such as "Controlled" or "Controlling") means with respect to any Person the possession directly or indirectly, through one or more intermediaries, of the power to (I) to vote more than fifty percent (50%) of the voting stock of such Person or (II) to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, membership interests, partnership interests, by contract or otherwise, and (z) the term "Person" means any individual, firm, corporation, general or limited partnership, limited liability company, incorporated or unincorporated association, joint venture, joint stock company, trust, governmental agency or instrumentality, or other entity of any kind, or any combination of the foregoing;

20.2.9 Sponsor is not required to perform any repairs, alterations or other work, or for the correction of any defaults under any agreements, ordinances, rules or otherwise with respect to the Unit of the Property;

20.2.10 Sponsor is not a "foreign person" as defined in the Code Withholding Section;

20.3 Purchaser represents and warrants to Sponsor that:

20.3.1 Purchaser is a financially responsible [sophisticated investor] [(limited liability company/corporation/etc.) duly organized and validly existing under the laws of the State of _____] with the ability to finance this conveyance, and has experience and expertise in the acquisition of commercial property and, in entering into this Agreement, Purchaser has relied upon such experience and expertise.

20.3.2 Purchaser is not relying on any architect's plans, sales plans, selling brochures, advertisements or statements or representations, express or implied warranties, guarantees, promises, "set-ups" or information not embodied in this Agreement or the Plan, or made by Sponsor, or by any real estate broker, agent, employee, servant or other person representing or purporting to represent Sponsor;

20.3.3 Purchaser has the power and authority to conduct its business and to execute and deliver, and perform Purchaser's obligations under this Agreement;

20.3.4 Purchaser's execution and delivery of this Agreement and the performance of Purchaser's obligations under this Agreement have been authorized by all necessary action on the part of Purchaser;

20.3.5 all necessary consents for Purchaser to enter into this Agreement and perform its obligations hereunder have been obtained and there are no pending actions or investigations the outcome of which could adversely affect Purchaser's ability to perform Purchaser's obligations under this Agreement;

20.3.6 the execution, delivery and performance under this Agreement and the consummation of the transactions contemplated by this Agreement by Purchaser does not violate any provision of, or cause a default under, or result in the acceleration of any obligation under, any agreement to which Purchaser is a party or any Law, or requirement by which Purchaser or the properties, assets, business or operations of Purchaser may be bound or affected; do not require the consent or approval of any court, administrative or governmental authority; and do not result in the creation or imposition of any lien or equity of any kind whatsoever upon, or give to any other person any interest or right (including any right of termination or cancellation) in or with respect to, any agreement to which Purchaser is a party or the business or operations of Purchaser or any of its properties or assets;

20.3.7 this Agreement constitutes, and all other documents required by this Agreement to be executed by Purchaser shall constitute when so executed, the valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with their respective terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other principles relating to or limiting the rights of contracting parties generally;

20.3.8 neither Purchaser nor any of its Affiliates is a (i) a person designated by the U.S. Department of Treasury's Office of Foreign Assets Control from time to time as a "specially designated national or blocked person" or similar status, or (ii) a person described in Section 1 of U.S. Executive Order 13224, issued on September 23, 2001, or (iii) a person otherwise identified by government or legal authority as a person with whom Sponsor or any of its Affiliates are prohibited from transacting business (currently, a listing of such designations and the text of the Executive Order are published under the internet website address www.ustreas.gov/offices/enforcement/ofac). As used in this Agreement, (x) the term "Affiliates" means, with respect to any Person, any Person Controlling, Controlled by, or under common Control with such Person, (y) the term "Control" (and any form thereof, such as "Controlled" or "Controlling") means with respect to any Person the possession directly or indirectly, through one or more intermediaries, of the power to (I) to vote more than fifty percent (50%) of the voting stock of such Person or (II) to direct or cause the direction of the management or policies of such Person,

whether through the ownership of voting securities, membership interests, partnership interests, by contract or otherwise, and (z) the term "Person" means any individual, firm, corporation, general or limited partnership, limited liability company, incorporated or unincorporated association, joint venture, joint stock company, trust, governmental agency or instrumentality, or other entity of any kind, or any combination of the foregoing.

20.3.9 Purchaser is not now, nor shall at any time prior to or at the Closing of Title, be a Person with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") 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 of Title, be 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, (i) is prohibited from transacting business; or (ii) with whom U.S. Persons may only, subject to the imposition of significant fines and/or penalties, transact business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by OFAC or otherwise.

20.3.10 Purchaser has taken, and until the Closing of Title shall continue to take, 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, and 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 at Closing will 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. Section 1701 et. seq.; and the International Emergency Economic Powers Acts, 50 U.S.C. Section 1701 et. seq., and the sanctions and regulations promulgated pursuant thereto by OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957, as amended from time to time.

20.4 All representations and warranties made by the parties in this Paragraph 20 shall be true and correct in all material respects as of the Closing Date, and the representations and warranties of Sponsor and Purchaser set forth in this Agreement shall survive the Closing for a period of ninety (90) days from the Closing Date ("Survival Period"). Except as expressly set forth below, a representation or warranty which is not true and correct in all material respects as of the Closing Date and has a material and adverse effect on the value of the Property or on the ability of Sponsor to sell or Purchaser to purchase the Unit shall constitute an "Event of Default" under this Agreement.

21. PROHIBITION AGAINST ADVERTISING

Prior to the Closing of Title, Purchaser agrees not to list the Unit for sale or rental with any broker or place or authorize any listing in any broker's listing system or other listing service or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or rental, without Sponsor's prior written consent, which consent may be unreasonably withheld, conditioned, or delayed in Sponsor's sole and absolute discretion. Any such action by Purchaser prior to Closing of title shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

22. BROKER

Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the Selling Agent and the Co-Broker, if any, named in this Agreement, whose commissions shall be paid by Sponsor pursuant to a separate agreement between Sponsor and Selling Agent. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and the Co-Broker. Purchaser agrees that, should any claim be made against Sponsor or Selling Agent for commissions by any broker, other than the Selling Agent or the Co-Broker, arising out of or relating to any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor and Selling Agent free and harmless from and against any and all liabilities and expenses in connection therewith, including legal fees. The provisions of this Article shall survive the Closing of Title.

23. AGREEMENT MAY NOT BE ASSIGNED

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld, conditioned, or delayed. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall have such right, provided that (i) Purchaser designates such assignee at least 10 business days prior to the Closing Date; (ii) Purchaser delivers to Attorney for Sponsor the fee set forth in the Plan for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing is not delayed as a result of such assignment , (iv) the assignee of this Agreement assumes in writing, by an instrument prepared by Attorney for Sponsor, the obligations of Purchaser under this Agreement and (v) the assignment is made without consideration. Any purported assignment by Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement, and shall be voidable at the option of Sponsor.

24. BINDING EFFECT

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser or the Attorney for Purchaser. If this Agreement is not accepted within 30 days from the delivery to Sponsor of this Agreement executed by Purchaser together with the Deposit by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and the Deposit shall be returned to Purchaser within 30 days thereafter. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser.

25. NOTICES

25.1 Any notice, election, demand, request, letter, consent or other communication hereunder or under the Plan shall be in writing and either delivered in person, via electronic transmission (e-mail) or sent, postage prepaid, by registered or certified mail return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed to the Attorney for Purchaser at the address given at the beginning of this Agreement with a copy by regular mail delivered to Purchaser at the address given at the beginning of this Agreement and to the Attorney for Sponsor at the address given at the beginning of this Agreement, with a copy by regular mail delivered to Sponsor at the address given at the beginning of this Agreement. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided in this Agreement or in the Plan, a notice shall

be deemed given one (1) business day after the date when personally delivered, when sent via electronic transmission (e-mail), when delivered to the overnight courier, or in the case of mailing, on the date mailed in a prepaid sealed wrapper, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

25.2 Sponsor hereby designates and empowers both the Selling Agent and Attorney for Sponsor, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

25.3 Purchaser hereby designates and empowers the Attorney for Purchaser, as Purchaser's agent to give any notice to Sponsor under this Agreement in Purchaser's name, which notice so given shall have the same force and effect as if given by Purchaser.

26. LIABILITY OF SPONSOR

Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

27. FURTHER ASSURANCES

Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for in this Agreement, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated in this Agreement or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

28. AGREEMENT NOT CONTINGENT UPON FINANCING

Although a Purchaser may obtain financing from any lending institution or other source, the terms and conditions of this Purchase Agreement and Purchaser's obligations hereunder are not conditioned on obtaining financing of the Purchase Price or any portion thereof and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement. If Purchaser executes this Purchase Agreement and does not obtain financing, Purchaser may lose his or her Deposit if he or she is unable to otherwise raise the monies for the balance of the Purchase Price. Purchasers who require financing are advised to consult with a lending institution and may want to finalize their financing arrangements before execution of this Purchase Agreement. No representation is made by Sponsor or Selling Agent as to the availability, cost or terms of such financing. While the First Closing is projected to occur on or around January 1, 2020, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected,

the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment.

29. COSTS OF ENFORCING AND DEFENDING AGREEMENT

Purchaser shall be obligated to reimburse Sponsor for any and all legal fees, court costs, disbursements and related expenses, incurred by Sponsor in 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 or otherwise enforcing Purchaser's obligations hereunder, whether or not litigation or an adversarial proceeding is brought that arises from or relates to this Agreement and whether the litigation or adversarial proceeding arises between Purchaser and Sponsor or between a third party and Sponsor or Purchaser.

30. SEVERABILITY

If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

31. STRICT COMPLIANCE

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

32. WAIVER OF JURY

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

33. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

34. CERTAIN REFERENCES

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

35. CAPTIONS

The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

36. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and enure to the benefit of Sponsor and its successors and assigns.

37. CONFIDENTIALITY

Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential, except that Sponsor shall be permitted to disclose that a Purchase Agreement has been executed for the Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, brokers, architects/engineers, accountants, lenders, Escrow Bank and 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.

38. NO ORAL CHANGES

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto or in a separate written agreement signed by the parties hereto or by an amendment to the Plan.

39. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday (recognized in the United States of America), such payment may be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

40. COUNTERPARTS

This Agreement may be executed in any number of original, email, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Agreement.

41. RESALE FEE

41.1 In the event that Purchaser enters into an agreement ("Resale Agreement") to sell the Unit prior to the first anniversary of the First Closing ("Resale"), Purchaser shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Purchaser will be required to provide Sponsor with notice of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor Lender so long as the Sponsor Loan is outstanding and thereafter to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Unit set forth in the Resale Agreement

less the following expenses actually paid by Purchaser (to the extent applicable): (i) brokerage commissions not exceeding 6% in the aggregate; (ii) transfer taxes imposed by Law, if paid for by Purchaser, and (iii) actual legal fees not exceeding $5,000, and (B) the Purchase Price under this Agreement.

41.2 The Resale Fee shall be paid to Sponsor or Sponsor Lender by wire transfer at the Closing of the Resale. Any deductions for allowable expenses paid by Purchaser must be supported by documentation acceptable to Sponsor. At such time as Sponsor no longer owns any Unsold Units, the obligation to pay the Resale Fee shall no longer be applicable.

41.3 The provisions of this Section shall survive the Closing of Title.

42. GOVERNING LAW/JURISDICTION AND VENUE/AGENT FOR SERVICES OF PROCESS

42.1 This Agreement was negotiated in the State of New York and the Unit to be conveyed pursuant hereto is located in the State of New York, which State the parties agree has a substantial relationship to the parties and to the underlying transaction embodied hereby, and in all respects, including matters of construction, validity and performance, this Agreement and the obligations arising hereunder shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and performed in such State and any applicable law of the United States of America. Purchaser hereby unconditionally and irrevocably waives any claim to assert that the law of any other jurisdiction governs this Agreement and this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

42.2 Any legal suit, action or proceeding against Sponsor or Purchaser arising out of or relating to this Agreement shall be instituted in any Federal or State court in New York County, New York and Purchaser waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding, and Purchaser hereby irrevocably submits to the jurisdiction of any such court in any suit, action or proceeding. Purchaser does hereby designate and appoint Attorney for Purchaser as its authorized agent to accept and acknowledge on its behalf service of any and all process which may be served in any such suit, action or proceeding in any federal or state court in New York, New York, and agrees that service of process upon said agent at said address and written notice of said service of Purchaser mailed or delivered to Purchaser in the manner provided in this Agreement shall be deemed in every respect effective service of process upon Purchaser (unless local law requires another method of service), in any such suit, action or proceeding in the State of New York. Purchaser (i) shall give prompt notice to Sponsor of any changed address of its authorized agent hereunder, (ii) may at any time and from time to time designate a substitute authorized agent with an office in New York, New York (which office shall be designated as the address for service of process), and (iii) shall promptly designate such a substitute if its authorized agent ceases to have an office in New York, New York or is dissolved without leaving a successor.

43. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY

43.1 The provisions of this Article shall survive the Closing of Title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement or the Condominium Documents.

43.2 If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser expressly and voluntarily waives such immunity and consents to any suit, action or proceeding arising out of or relating to this Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the

Condominium Documents, and hereby designates and authorizes a lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents.

43.3 If Purchaser is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. Section 4305, Purchaser shall notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Sponsor. Sponsor shall not be bound under this Agreement unless and until the earlier to occur of: (i) a notification of approval is received from the Department of State; or (ii) sixty (60) days after Purchaser's notice is received by the Department of State, provided no notice of disapproval is issued.

44. LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS DISCLOSURE

44.1 The Environmental Protection Agency and the Department of Housing and Urban Development promulgated Federal regulations under 24 CFR Part 35 and 40 CFR Part 745 ("Federal Regulations") regarding the disclosure of lead-based paint and/or lead-based paint hazards to prospective purchasers of Units. In accordance with the provisions of the Federal Regulations, annexed to this Purchase Agreement as Schedule B is a "Lead Warning Statement" and "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards" to be signed by Sponsor and Purchaser. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Office Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. In accordance with the terms of the rider annexed to this Agreement, Purchasers have the right to inspect the Unit for the presence of lead-based paint. While Sponsor has, to the best of its knowledge, received no specific reports regarding lead-based paint in the Office Building, given the age of the Office Building and the widespread use of lead-based paint in preceding decades, it can be assumed that there is lead-based paint present in the Office Building. In addition, there are numerous layers of paint on the walls of the original building. Sponsor makes no representation as to the existence or non-existence of lead-based paint within the walls. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense. Purchaser's obligation hereunder shall survive Closing.

44.2 In the event Purchaser exercises Purchaser's right to conduct a risk assessment or inspection ("Inspection") for the presence of lead-based paint and/or lead-based paint hazards, such Inspection shall be performed within 10 calendar days following the date of this Agreement on the following terms and conditions:

44.2.1 Purchaser and Purchaser's consultant ("Consultant") will be given reasonable access to the Unit and the public areas of the Office Building.

44.2.2 The Inspection shall be held at a mutually convenient time and date on a business day between 9 a.m. and 5 p.m.

44.2.3 The Inspection shall be performed in a reasonable manner so as not to disturb or interfere with the use, operation, security or occupancy of the Unit, the Office Building or any occupant thereof.

44.2.4 Purchaser shall be liable for any damages to the Unit or the Office Building, injuries, and all claims and lawsuits caused by Purchaser or the Consultant during the Inspection.

44.2.5 Purchaser or the Consultant will not probe, penetrate or disturb any painted or covered surface during the Inspection without Sponsor's approval.

45. INCORPORATION BY REFERENCE

The Plan is incorporated in this Agreement by reference and made a part of this Agreement with the same force and effect as if set forth in this Agreement at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern, except with respect to express modifications to the terms of the Plan included in this Agreement and agreed to by Sponsor and Purchaser, in which case such modifications will govern.

46. CERTIFICATION OF SPONSOR AND PRINCIPAL

Consistent with a recent First Department decision, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principal, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al. 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

47. FINANCIAL CRIMES ENFORCEMENT NETWORK

In the event that this transaction falls within the scope of the Geographic Targeting Order ("Order") issued by the Financial Crimes Enforcement Network of the U.S. Department of Treasury (as may be amended from time to time), Purchaser shall deliver to the Title Company at Closing all documents and information requested by the Title Company in order to comply with the requirements set forth in the Order. Any failure by a Purchaser to perform its obligations under this paragraph shall constitute an Event of Default under this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

3536 Associates LLC

By: _____
Name:
Title:

SCHEDULE A

PERMITTED ENCUMBRANCES

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

2. Any state of facts which an accurate survey or personal inspection of the Property would show, provided such state of facts would not render title uninsurable without additional premium to Purchaser and would not prevent the use of the Unit for purposes compliant with the Operating Standard.

3. The terms, burdens, covenants, restrictions, conditions, easements and Rules and Regulations, all as set forth in the Declaration, the By-laws (and the Rules and Regulations made thereunder), the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans, as all of the same may be amended from time to time.

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

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

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

7. Any easement or right of use required by Sponsor or its designee.

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

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

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

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

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

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

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

15. Any lease covering the Unit(s) made from Sponsor to the Purchaser.

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

17. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

18. Any legal occupancy for the Office Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

19. Any encumbrance, covenant, easement, agreement, or restriction against the Property set forth in the form of Unit Owner's Specimen Title Policy prepared by the Title Company set forth in Part II of the Plan, as the same may be updated from time to time prior to the Closing.

20. Any encumbrances, covenants, easements, agreements or restrictions against the Property related to the transfer of any Excess Development rights as provided in the Offering Plan.

SCHEDULE B

DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS

SPONSOR'S DISCLOSURE

(a) Presence of lead-based paint and/or lead-based paint hazards. (check (i) or (ii) below):

(i) ___ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain on attached sheet).

(ii) ___ Sponsor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to Sponsor (check (i) or (ii) below):

(i) ___ Sponsor has provided Purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below on attached sheet).

(ii) ___ Sponsor has no records or reports pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (initial)

(c) _____ Purchaser has received copies of all information listed above.

(d) _____ Purchaser has received the pamphlet re: Protecting from Lead Paint.

(e) _____ Purchaser has (check (i) or (ii) below):

(i)___ Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii)___ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

SELLING AGENT'S ACKNOWLEDGMENT (initial)

(f) _X_ Selling Agent has informed Sponsor of Sponsor's obligation under 42 U.S.C. 4852d and is aware of Selling Agent's independent responsibility to ensure compliance.

CERTIFICATE OF ACCURACY

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

3536 Associates LLC

By: _____
Name:
Title:

SCHEDULE C

RIDER TO PURCHASE AGREEMENT RE: ESCROW PROVISIONS

This Rider is made as of _____, _____ between Sponsor, Purchaser and Escrow Agent.

Re: Unit No: _____ ("Unit")
35 West 36th Street Condominium
35 West 36th Street
New York, New York 10018 ("Condominium")

1. ESCROW AND TRUST FUND REQUIREMENTS

All deposits, down payments, advances and payments made by Purchaser prior to the Closing ("Deposits") will be held in escrow in conformity with the disclosure contained in this Section of the Plan and in accordance with the escrow provisions contained in the Purchase Agreement.

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in the escrow agreement or Purchase Agreement. Purchaser shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds. However, notwithstanding anything to the contrary set forth in this Rider or anywhere else in the Plan, in the Event of Default by Purchaser, as that term is defined the Purchase Agreement, Purchaser shall be obligated to reimburse Sponsor for any legal fees, expenses and disbursements incurred by Sponsor in defending Sponsor's rights under the Purchase Agreement or otherwise enforcing Purchaser's obligations thereunder.

All Deposits made by Purchaser prior to the Closing of each individual transaction will be placed in a segregated special escrow account of Starr Associates LLP, the escrow agent ("Escrow Agent"), whose address is 220 East 42 Street, Suite 3302, New York, New York 10017 and whose telephone number is (212) 620-2680. As of the date of this Rider, the attorneys who are signatories on these accounts authorized to withdraw funds, acting singly, are: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq., Adam Kriegstein, Esq. and Shaun W. Pappas, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any Authorized Signatory is the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

Escrow Agent has established a master escrow account entitled "Starr Associates LLP, Escrow Account" ("Escrow Account") at JP Morgan Chase Bank located at 270 Park Avenue, New York, New York 10018 ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York. All checks tendered in connection with Deposits properly made payable to "Starr Associates LLP, as Escrow Agent" will be placed in the Escrow Account within 5 business days after tender by Purchaser to Sponsor or Selling Agent. Any subsequent funds tendered by Purchaser after the Deposits will be placed in the Escrow Account within 10 business days after tender by Purchaser to Sponsor or Selling Agent.

All Deposits will be placed initially in the non-interest bearing portion of the Escrow. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status) in the forms set forth in Part II to the Plan, to Sponsor or Selling Agent at the time Purchaser tenders the Deposits and the Purchase Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, such Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser. If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing portion of the Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Escrow Account so that checks may be drawn thereon. The Escrow Account is not an IOLA account.

All Deposits are and shall continue to be the Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, until such time as Sponsor is entitled to the Deposits as per GBL § 352-h.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the tender of the Deposit. If Purchaser does not receive notice that a Deposit has been placed in the Escrow Account within 15 business days after tender of such Deposit, Purchaser may cancel the Purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after tender or crediting of such Deposit by notice delivered to Sponsor and 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 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. Escrow Agent will not be required to send the letter referred to above to each Purchaser in connection with any additional funds tendered by Purchaser after the Deposits (whether in connection with any changes in the interest rate or otherwise).

Escrow Agent shall maintain the Escrow Account under its direct supervision and control. A fiduciary relationship shall exist between Escrow Agent, and Purchaser and, as set forth in the Escrow Agreement, Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

Under current Law, the sub-accounts at the Escrow Bank are insured by the Federal Deposit Insurance Corporation ("FDIC") to a maximum of $250,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $250,000 such Deposit will not be FDIC insured in excess of $250,000; and (ii) while the Deposit is in the non-interest bearing portion of the Escrow Account, the Deposit may not be fully FDIC insured even if the Deposit does not exceed $250,000. No representation is made with respect to any further changes in Law which may increase or decrease such limit.

The Deposits may be tendered by Purchaser to Sponsor or Selling Agent by either personal delivery, delivery by messenger or courier service, mailed by certified mail, return receipt requested, overnight courier or express mail service, or by federal wire transfer into an account designated by Sponsor or Selling Agent. The Deposits shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

Acceptance of any Deposit by Sponsor or Selling Agent and the deposit thereof by Escrow Agent into escrow shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes a Purchase Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Purchase Agreement to Purchaser in accordance with the terms of the Plan. All Deposits made by check are subject to collection.

If a Purchaser tenders a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after tender, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser. In the event a Deposit or portion thereof is delivered by wire transfer to Escrow Agent, any wiring fees charged by the initiating and/or receiving banks will be Purchaser's obligation.

The checking account portion of the Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to Sponsor only in the event there is a Consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of May 1, 2014, the interest rate for the Escrow Bank is 0.15%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no guarantee of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit clears.

All instruments shall be made payable directly to the order of "Starr Associates LLP, as escrow agent." Endorsed instruments will not be accepted.

If a check delivered by a Purchaser fails for collection, the Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed).

Sponsor or its agents, including any selling agents, shall deliver to Escrow Agent any Deposit within two (2) business days of tender of such Deposit by a Purchaser, using such transmittal forms as required by Escrow Agent from time to time. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary and statutory obligations set forth in GBL §§ 352(e)(2-b) and 352(h) and the Department of Law's regulations promulgated thereto.

Under no circumstances shall Sponsor seek the release of the Deposits of a defaulting Purchaser until after Consummation of the Plan (as such term is defined in the Attorney General's regulations). Consummation of the Plan does not relieve Sponsor of its obligations pursuant to General Business Law Section 352-h.

Escrow Agent shall release the Deposits if so directed:

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

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

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

If the Deposits are not released pursuant to this paragraph and Escrow Agent receives a request by Sponsor or Purchaser to release the Deposits, Escrow Agent shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If Escrow Agent has not received notice of objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and Escrow Agent shall provide further written notice to both parties informing them of the release of the Deposits. If Escrow Agent receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, Escrow Agent shall continue to hold the Deposits until otherwise directed pursuant to subsections (i) through (iii) of this paragraph. However, Escrow Agent shall also have the right at any time to deposit the Deposits with the clerk of a

court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

Sponsor will not object to the release of the Deposits to:

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

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

The Purchase Agreement provides that Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposits to Sponsor in the event Sponsor and Purchaser close title under the Purchase Agreement.

If Sponsor elects to change the Escrow Bank and/or Escrow Agent, such change will be disclosed in a duly filed amendment to the Plan prior to transferring any Deposits.

Escrow Agent is acting merely as a stakeholder. Upon payment of the Deposits pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to the Deposits. Escrow Agent shall accept the Deposits made by check made payable subject to collection.

Set forth in Part II of the Plan is a copy of the form of escrow agreement between Sponsor and Escrow Agent which incorporates the terms of the Attorney General's regulations. Purchaser's execution of the Purchase Agreement shall be deemed to constitute Purchaser's acceptance of the terms of the escrow provisions set forth in this Rider and the escrow agreement set forth in the Plan. Escrow Agent shall be a signatory to the Purchase Agreement solely with respect to Escrow Agent's obligations as set forth in this Rider and the escrow agreement set forth in the Plan

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Deposits or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Deposits and continues to act as Escrow Agent.

Escrow Agent may rely upon any document which may be submitted to it in connection with its duties under this Section 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 has agreed to indemnify Escrow Agent from all claims, losses, judgments, costs, expenses and damages, including those brought by third-parties, including purchasers, incurred in connection with or arising out of the escrow agreement or the performance or non-performance of Escrow Agent's duties under the Escrow Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the Escrow Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, reasonable professional fees, including attorneys' fees, court costs and disbursements, either paid to retain attorneys or representing the value of all legal services rendered by Escrow Agent to itself and any and all reasonable attorneys' and professional fees, court costs, expenses and disbursements incurred by Escrow Agent in connection with a bankruptcy case filed by Sponsor for protection under the United States Bankruptcy Code, the enforcement of any rights, or defense of any claims against Escrow Agent in any bankruptcy proceeding, or any other matter arising in or in connection with Sponsor's bankruptcy case.

Sponsor has agreed to compensate Escrow Agent for services rendered in connection with Escrow Agent's duties under the escrow agreement. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Deposits nor deducted from the Deposits by any financial institution under any circumstance.

Escrow Agent and all Authorized Signatories submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of their obligations with respect to this Section or otherwise concerning the maintenance of or release of the Deposits from escrow.

Escrow Agent will maintain all records concerning the Escrow Account for 7 years after the release of Deposits.

2. DEFINITIONS

All capitalized terms used in this Rider not defined in this Rider shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

3. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

4. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

5. COUNTERPARTS

This Rider may be executed in any number of original, e-mail, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Rider.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

3536 Associates LLC

By: _____
Name:
Title:

ESCROW AGENT:

Executed solely in connection with the provisions set forth in this Escrow Rider.

STARR ASSOCIATES LLP

By: _____
Name:
Title:

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, ____, between 3536 Associates LLC, having an office at 40 Wall Street, 45th Floor, New York, New York 10005 ("Grantor") and _____ having an address at _____ ("Grantee").

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Unit No. ____ in the building ("Office Building") known as the 35 West 36th Street Condominium ("Condominium") and by the street number 35 West 36th Street, Borough of Manhattan, County of New York, City and State of New York, said Unit being designated and described by the above Unit number in a certain declaration dated _____, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York ("Condominium Act") establishing a plan for condominium ownership of the Office Building and the land ("Land") upon which the Office Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on _____, as CRFN# _____ ("Declaration"). The Unit is also designated as Tax Lot 21 in Block 838 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of the Office Building, certified by Peter F. Farinella Architect, P.C. on _____, and filed with the Real Property Assessment Department of The City of New York on _____, as Condominium Plan No. _____ and also filed in the Register's Office on _____, as Condominium Map No. _____;

TOGETHER with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit.

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth, the Declaration and the By-laws of the Condominium ("By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Office Building (which Land and Office Building are collectively referred to as the "Property").

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-laws is invalid under, or would cause the Declaration or the By-laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-laws, or if the Declaration and the By-laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-laws, the Unit is intended for non-residential use only.

Grantor represents that the Grantor is the same party as the Grantee of the Property under deed dated _____ and recorded in the Register's office on _____ as CRFN _____.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration, and the By-laws (and any Rules and Regulations adopted under the By-laws).

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration, and the By-laws (and any Rules and Regulations adopted under the By-laws), and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-laws of the Condominium.

* * * * *

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

3536 Associates LLC

By: _____
Name:
Title:

GRANTEE:

_____
(signature)

_____
(signature)

(ACKNOWLEDGEMENTS)

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A
TO OFFICE UNIT DEED

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership of the Premises Known as

35 WEST 36TH STREET CONDOMINIUM

and having a street address of

35 WEST 36TH STREET
NEW YORK, NEW YORK 10018

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name:	**35 West 36th Street Condominium**
Sponsor:	**3536 Associates LLC** **40 Wall Street, 45th Floor** **New York, New York 10005**
Date of Declaration:	

_____, _____

Prepared by:

STARR ASSOCIATES LLP
Attorneys At Law
220 East 42 Street
New York, New York 10017
(212) 620-2684
Attn. Shaun W. Pappas, Esq.

The land affected by the within instrument lies in Block 838 F/K/A Lot 21, N/K/A Lots _____ - _____ on the Tax Map of the Borough of Manhattan, County of New York, City and State of New York

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Exhibits

A – DESCRIPTION OF THE LAND

B – DESCRIPTION OF THE UNITS

C – DEFINITIONS

D – BY-LAWS OF THE CONDOMINIUM

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DECLARATION

OF

35 WEST 36TH STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

3536 Associates LLC, a limited liability company organized under the laws of the State of Delaware, having an office at 40 Wall Street, 45th Floor, New York, New York 10005 ("Sponsor"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in this Declaration 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 said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Sponsor hereby submits the Property to the provisions of the Condominium Act and pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

2.2 Excluded from the Property are any Excess Development Rights, if any, which shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall enure solely to the benefit of Sponsor.

ARTICLE 3

NAME OF THE CONDOMINIUM

The Condominium shall be known as the 35 West 36th Street Condominium.

ARTICLE 4

THE LAND

Included in the Property is the Land which is more particularly described in Exhibit A annexed hereto.

ARTICLE 5

THE PROPERTY AND THE BUILDING

5.1 Included in the Property are: 22 Office Units and 2 Retail Units contained within a 12 story building (plus 1 roof level and 1 cellar level below-grade).

5.1.1 The Office Units will be located on Floors 2 through 12.

5.1.2 The Retail Units will be located on the cellar and first floor.

5.2 The Office Building is classified as being of fire proof construction. The Office Building structural system consists of a conventional steel frame superstructure encased in concrete for fire proofing. The steel frame is comprised of girders, beams and columns. Exterior walls are comprised of fire rated terracotta and brick masonry. The floor system consists of reinforced concrete slab spanning between floor beams. The roof covering assembly consists of insulation under a granulated SBS roofing membrane.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate location in the Office Building; approximate square footage; number of rooms; the portions of the Common Elements to which such Unit has immediate access; and the Common Interest appurtenant to such Unit. The precise location of each Unit is shown on the Floor Plans.

6.2 Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from such measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling.

6.3 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to the Unit (including, without limitation, all locks, peepholes, doorknobs and hardware), hallways exclusively serving such Unit (if any), the interior walls, partitions, floors and floor coverings and ceilings affixed, attached or appurtenant to the Unit, smoke/carbon monoxide detectors, window panes, all mechanical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), all plumbing, gas and heating fixtures and equipment, including but not limited to, refrigerators, dishwashers, heating, ventilating and air conditioning Units (including the fans inside the Units), heating equipment, sinks, bathtubs, water closets, the heating, ventilation, and air conditioning systems servicing the Unit exclusively (if any), and all other Facilities as may be affixed, attached or appurtenant to the Unit and serving the Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, water spigots, and any special pipes or equipment which a Unit Owner may install within the walls, ceilings, or floors, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors, unless exclusively serving such Unit or if such installations were made by the Unit Owner after the Unit Owner acquired title to the Unit, in which event Unit Owner shall be responsible for such installations. Each Unit shall also include all lighting and electrical fixtures and appliances within the

Unit, including any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the electrical panel (including electrical branch wiring but excluding electrical service riders) and serving or benefiting only that Unit.

6.4 Each Retail Unit also includes, in addition to the items listed in Section 6.3 above, to the extent located in such Retail Unit, and each Retail Unit Owner shall be responsible for, any Facilities servicing such Retail Unit exclusively including, outdoor signage for such Retail Unit and the exterior side of all windows in or opening from such Retail Unit.

6.5 Any Common Elements located within a Unit shall not be considered a part of such Unit.

6.6 Notwithstanding anything contained in this Article to the contrary, each Unit Owner will have the right, subject to the provisions of the By-laws, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and (with respect to Units) to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the consistent exterior appearance, the structural integrity, sound integrity and mechanical and electrical systems of such Unit or of the Office Building or violate Law.

6.7 As of the date of the filing of this Declaration with the Register's Office, fee simple absolute title shall automatically vest in Sponsor in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

THE COMMON ELEMENTS

7.1 The Common Elements consist of the entire Property, including the Land and all parts of the Office Building and improvements thereon other than the Units. The Common Elements are comprised of the General Common Elements and the Office Common Elements. The Common Elements do not include any Excess Development Rights, if any, which shall be retained by Sponsor.

7.2 The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Office Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land (including the landscaping appurtenant thereto) and any improvements thereon, together with all easements, rights and privileges appurtenant thereto, except for Excess Development Rights (if any).

(ii) all foundations, columns, beams, joists, supports, piles, footings, pillars, girders, exterior walls, interior walls, partitions, floor slabs and ceilings, window casements and frames, roofs and ceilings in, on, or under the Office Building, separating a Unit from a General Common Element, and that portion of all such interior walls, partitions, floors and ceilings separating a General Common Element from a Unit and/or Office Common Element from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Elements, Unit, and/or Office Comment Elements, as the case may be, to the extent that the same are not expressly included as part of the Office Common Elements pursuant to the terms of Paragraph 7.3 below or a Unit pursuant to the terms of Article 6 hereof.

(iii) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems, which service the Units, the General Common Elements, and/or the Office Common Elements, to the extent that the same are not expressly included as a part of the Office Common Elements pursuant to the terms of Paragraph 7.3 below or a Unit pursuant to the terms of Article 6 hereof.

(iv) the elevator labelled "SE" (i.e., service elevator) on the Floor Plans and its bulkhead, shaft and pit.

(v) the rear yard, fire pump, the utility rooms, building supply room, the building crew lounge, water/gas meter room, bathroom, building super room, and all their respective equipment, furniture, and finishings, each of which is located in the cellar of the Office Building.

(vi) all hallways, corridors, vestibules, closets, located in the cellar, as well as any other room or area located in the cellar which is not expressly included as a part of any Common Elements pursuant to the terms of this Article 7;

(vii) the roof, including all respective equipment, fixtures, and finishings located thereon.

(viii) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Office Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property.

7.3 The Office Common Elements consist of those portions of the Office Building, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Office Units or of the Office Unit Owners only. Without intending to limit the generality of the foregoing in any respect, the Office Common Elements include:

(i) the elevator designated as "PE" (i.e., passenger elevator) on the Floor Plans and its bulkhead, shaft, pit, and all stairways in the Office Building (except those stairways within the Retail Units);

(ii) the lobby entrances, the elevator lobby appurtenant to the main lobby, the service entrance, exit corridors, each of which are located on the first Floor.

(iii) all hallways, corridors, vestibules, elevator lobbies, stair lobbies located on floors 2 through 12, to the extent that the same are not expressly included as a part of the General Common Elements pursuant to the terms of Paragraph 7.2 above, as well as any other room or area located in on floors 1 through 12 which is not expressly included as a part of any Common Elements pursuant to the terms of this Article 7.

(iv) all masonry walls, partitions, floors and ceilings in, on or under the Office Building, separating an Office Unit from another Office Unit or an Office Common Element and that portion of all such masonry walls, partitions, floors and ceilings separating an Office Common Element from a General Common Element, or a Retail Unit, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such Office Common Element.

(v) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems which serve the Office Units and/or the Office Common Elements.

(vi) all interior portions of the Office Building and all apparatus and installations now existing or hereafter constructed in the Office Building or on the Property, either existing for the common use of the Office Units or the Office Unit Owners or necessary for, or convenient to the existence, maintenance or safety of the Property, to the extent that the same are not expressly included as part of the General Common Elements pursuant to the terms of Paragraph 7.2 above or a Unit pursuant to the terms of Article 6 hereof.

7.4 [Intentionally omitted]

7.5 The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-laws.

ARTICLE 8

DETERMINATION OF COMMON INTEREST AND OFFICE COMMON INTEREST

8.1 The undivided percentage interest of each Unit in the Common Elements is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with New York Real Property Law 339-i (l)(iv).

8.2 The percentage interest of all Office Units in the Office Common Elements is apportioned in the same proportion that the Office Units at the date of this Declaration bear to the then aggregate Common Interests of all of the Office Units in the Condominium.

ARTICLE 9

USE OF UNITS

9.1 As more particularly set forth in, and subject to the provisions of, the By-laws, the Units may be used for any lawful, non-hazardous purposes consistent with the Operating Standard. With respect to the Retail Units, such use may include, without limitation, professional office units, retail stores, banks, restaurants, theaters, bars, spas, health clubs, and commercial space. Notwithstanding the foregoing, no Units may be used for (i) any use generating odors permeating outside the Unit (which shall not be construed to mean any limitation on the use of a Retail Unit as a legally-compliant restaurant), (ii) heavy manufacturing, (iii) any residential, sleeping or hotel purpose, including any "dormitory," "bed and breakfast" or other transient hotel-type use, (iv) any pornographic or immoral purpose or as a massage parlor, strip club, head shop, adult book store, peep show or adult entertainment facility or any other lurid uses; (v) a billiard parlor or gambling establishment. No assurance, representation, or warranty is given that any of the tenants, occupants, or users of any Units will not be objectionable to other Unit Owners or other parties. The uses of the Retail Units may generate noise, traffic, fumes or other disturbances over which the Office Unit Owners will have no control. In all instances, Units may only be used in compliance with Law, the then-existing Certificate of Occupancy covering the Office Building (if any), the Declaration, and the By-Laws.

Upon the prior written consent of Sponsor (1) (with respect to Unsold Units) or the Condominium Board (with respect to sold Units), any Unit may be used for any other lawful purposes, subject, however, to (2) the terms and conditions as permitted by Law, or the Declaration, and the By-laws.

9.2 Notwithstanding the foregoing or anything contained in the By-laws or the Rules and Regulations to the contrary, Sponsor may, without the permission of the Condominium Board, (1) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate Law, including the Certificate of Occupancy, if any, or any other governmental regulations, (2) use any Unsold Units as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Units or for any other purpose, subject only to compliance with Law, (3) lease any Unsold Unit to third parties for either long term or short term stays.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of this Declaration, the By-laws and the Rules and Regulations, if applicable, Sponsor, the Unit Owners, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

10.2 Subject to the terms of the By-laws and the Rules and Regulations, if applicable, Sponsor, the Office Unit Owners, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Office Common Elements, and the Office Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the Office Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

10.3 No Notice Work shall be commenced by or on behalf of any Unit Owner unless the Condominium Board, in its reasonable discretion, (i) approves such Notice Work and (ii) either executes together with the Unit Owner an alteration agreement in a form to be determined by the Condominium Board ("Alteration Agreement") or provides written notification that the requirement for an Alteration Agreement in such instance has been waived ("Alteration Agreement Waiver"). An application to the Condominium Board to perform Notice Work is deemed rejected where the Condominium Board has neither executed an Alteration Agreement nor provided an Alteration Agreement Waiver within thirty (30) days following the Condominium Board's receipt of the application. Condominium Board approval for Notice Work is deemed obtained where the Condominium Board has executed an Alteration Agreement or has provided an Alteration Agreement Waiver for such Notice Work in each instance. Notwithstanding the foregoing, all Notice Work must be in compliance with Law and the terms of the Declaration, the By-Laws, and the Rules and Regulations. In connection with Notice Work approved by the Condominium Board, each Unit Owner and its Permitted Users shall have an easement for access, ingress, and egress through all Common and Private Areas, to the extent necessary, subject to prior approval by the Condominium Board and each affected Unit Owner (if any) in each instance. All Common and Private Areas shall be subject to such easement.

10.4 Subject to the approval by the Condominium Board in each instance, not to be unreasonably withheld, conditioned, or delayed, and provided that all the following alterations, additions, improvements or repairs are in compliance with Law and the terms of the Declaration, and By-Laws, each Retail Unit Owner shall have the right, at such Retail Unit Owner's sole cost and expense (i) to erect, maintain, repair and replace one or more signs and lighting of such size and content as the Condominium Board may approve, not to be unreasonably withheld, conditioned, or delayed, in the storefronts and windows of such Unit for the purposes of advertising the sale or rental of all or any portion of a Unit or the operation of any business conducted in the Retail Unit, and (ii) to use the sidewalks adjacent to such Retail Unit (if any) for any

purposes permitted by Law, including, without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalks. In the event a Retail Unit Owner utilizes such sidewalks, the cost of maintenance and repair of such sidewalk during the period of such use or resulting from such usage shall be borne by such Retail Unit Owner.

10.5 Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the General Common Elements and Office Common Elements (including but not limited to, lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units including, without limitation, the right to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business conducted in any Unit.

10.6 The Retail Unit Owners shall each have an easement in, over, under, through and upon the Office Common Elements (including, but not limited to, lobbies, hallways and corridors) to use the same without being subject to any fee or charge for all purposes and activities in connection with accessing their respective Units.

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-laws and to the Rules and Regulations, if applicable, each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve such Unit Owner's Unit, including an easement to connect to existing utilities, including without limitation, utilities for gas, electricity, steam and ventilation. Each Unit (including any Common Elements located therein) shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. All easements and rights of access described in this Section shall be exercised by the Condominium Board on behalf of all Unit Owners. The Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements contained therein and appurtenant thereto to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. Such easements and rights of access shall be exercised by the Condominium Board and/or Sponsor, and each of their Permitted Users, as the case may be, to the extent practicable, in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Office Building or for the safety of occupants of the Office Building, or other persons, or required to avoid the suspension of any necessary service in the Office Building). Plans and specifications with respect to any such proposed work shall be submitted by the Unit Owner who has requested that the Condominium Board exercise any such easement or right of access, to the Unit Owner whose Unit is to be accessed and all work is to be prosecuted diligently to completion. Notwithstanding any other provision of this Declaration, the By-laws or the Rules and Regulations, if applicable, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.2 Sponsor for so long as it shall own any Unsold Unit and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility

easements to, any portion of the Property as Sponsor or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Office Building or any portion thereof, or for the general health or welfare of the Unit Owners and their Permitted Users, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business carried on within a Unit or with the use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business or with the use of the Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-laws or the Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.3 Sponsor and its Permitted Users for so long as Sponsor shall own any Unsold Unit, shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Unsold Units and the Common Elements.

11.4 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

11.5 Sponsor, and its Permitted Users shall have an exclusive right and easement for so long as Sponsor owns an Unsold Unit to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) any pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Office Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. The exercise of the easement and these rights do not require the consent of the Condominium Board or the Unit Owners and shall be without charge to Sponsor. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to the roof and/or the façade of the Office Building shall be the obligation of Sponsor and not of the Condominium, and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right of Sponsor, and not of the Condominium or any other Unit Owner. In connection with such easement and related rights, Sponsor and its Permitted Users shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall each be subject to such easement.

11.6 Sponsor and any Development Rights Owner shall have an easement for ingress and egress through all of the Common Elements for any purpose in connection with Sponsor's or Development Rights Owner's utilization, sale or transfer of any Excess Development Rights, including without limitation (i) effecting a zoning lot merger or division; or (ii) creating a Combined Zoning Lot or any enlargement or subdivision thereof; or (iii) effecting a sale or transfer of Excess Development Rights in any manner permitted by Law.

11.7 The Condominium and Office Building shall be designated and known as the 35 West 36th Street Condominium. Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Office Building and any intellectual property relating thereto, including without limitation, any logos, marks, websites, trademarks, copyrights or names relating to or referring to the name of the Condominium or the Office Building, unless otherwise prohibited by Law. Only Sponsor shall

have the right to change or assign the name of the Condominium. In addition, Sponsor shall have the right to utilize other names for the Office Building or portions thereof for marketing and promotional purposes without the consent of the Condominium Board or the Unit Owners. Sponsor shall have an exclusive easement for so long as Sponsor owns an Unsold Unit to erect, maintain, repair and replace, from time to time, a plaque and/or sign ("Plaque"), without charge, on the exterior portion of the Office Building setting forth the name and address of Sponsor, or such other information as Sponsor desires in its sole discretion. Only Sponsor shall the right to remove the Plaque, unless mandated by Law.

11.8 If (a) any portion of the Common Elements encroaches upon any Unit or upon any other portion of the Common Elements, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachment shall hereafter occur as a result of (i) the settling or shifting of the Office Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-laws) of the Condominium Board, or made by Sponsor in accordance with this Declaration or the By-laws or (iii) any alteration, repair or restoration of the Office Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Office Building shall stand.

11.9 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with the City of New York or with any utility companies or other Persons in effect prior to the recording of this Declaration.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD UNITS

12.1 Except to the extent prohibited by Law, Sponsor shall have the right, without the vote or consent or approval of the Condominium Board, other Unit Owners, the Managing Agent or the Mortgage Representatives, if any, but subject to the consent of Ladder Capital Finance LLC as Sponsor Lender if required under the terms of its Permitted Mortgage, to:

(a) make alterations, additions, improvements, or repairs, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units in accordance with Law;

(b) change the layout of, or number of rooms in, any Unsold Units;

(c) amend the Certificate of Occupancy, if any, for the Office Building as it relates to the Unsold Units;

(d) change the size and/or number of Unsold Units by (w) subdividing one or more Unsold Units into two or more separate Units, (x) combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, (y) altering the boundary walls between any Unsold Units, or (z) otherwise, including incorporating Office Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unsold Unit without changing the percentage of Common Interest of such Unit; and

(e) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clauses their Office Common Interests and Office Common Interest;

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Unit:

(i) no physical modifications shall be made to any other Unit and the Common Interest and Office Common Interest (other than Unsold Units), as the case may be, or interior dimensions of any other Units (other than Unsold Units) shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(ii) Sponsor shall comply with Law;

(iii) Sponsor shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom;

(iv) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Office Building or the safety of any tenant or other persons at the Property;

Notwithstanding the foregoing, however, the aggregate amounts of both the Common Interests of all the Units and the Office Common Interests of all Office Units shall always remain at 100%, and no reapportionment of the Common Interest or Office Common Interest appurtenant to any Unit, as the case may be, shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest and, if applicable, Office Common Interest of the affected Unit has been based upon the factors set forth in Article 8. The certification referred to in the preceding sentence shall be delivered by Sponsor or any other Person reasonably acceptable to the Condominium Board. By written permission of the Condominium Board, which permission shall not be unreasonably withheld, conditioned, or delayed, any other Unit Owner may be given with respect to such Unit the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Units. Notwithstanding the other provisions of this Article, no reapportionment of the Common Interests appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Unit has been based upon the factors set forth in Article 8. The certification referred to in the preceding sentence shall be delivered by the Unit Owner or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written consent of Sponsor.

12.2 Except to the extent prohibited by Law, each Unit Owner shall have the right, without the consent or approval of the Condominium Board, the other Unit Owners, the Managing Agent, or their Mortgage Representatives, if any, to:

(a) make alterations, additions, improvements, or repairs, interior or exterior, ordinary or extraordinary, in, to and upon the Unit in accordance with Law;

(b) change the use or layout of, or number of rooms in the Unit;

(c) amend the Certificate of Occupancy, if any, for the Office Building as it relates to the Unit;

(d) change the size of the Unit by (w) subdividing the Unit into 2 or more separate Units, (x) combining 2 or more separate Units resulting from such subdivision into 1 or more Units, (y) altering the boundary walls of 2 or more separate Units resulting from such subdivision or combination, or (z) otherwise;

(e) if appropriate, reapportion among the Units affected by such change in size or number pursuant to the preceding clauses their respective Common Interests;

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon the Unit:

(i) any alterations, additions, improvements, or repairs, ordinary or extraordinary, that alter, change, or otherwise impact (i) the exterior of the Unit (including, without limitation, storefronts and windows in such Unit, if any, and the Office Building façade), (ii) the mechanical systems or structural integrity of any part of the Office Building, (iii) any portion of the Common Elements, or (iv) any change in use requiring a change to the Certificate of Occupancy, if any, require the prior consent of the Condominium Board, not to be unreasonably withheld, conditioned, or delayed;

(ii) no physical modification shall be made to any other Unit, and the Common Interest and Common Interest, as the case may be, or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(iii) the Unit Owner shall comply with Law;

(iv) the Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(v) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Office Building or the safety of any tenant or other persons at the Property.

In the event of the subdivision of a Unit into separate Units, the owner of each such newly created Units shall have all the rights, privileges and benefits, and shall be subject to all the obligations of the original Unit Owner, as provided in this Declaration, the By-laws and the Rules and Regulations.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interest of all the Units and the Office Common Interests of all Office Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest has been based upon the factors set forth in Article 8. The certification referred to in the preceding sentence shall be delivered, at the subject Unit Owner's election, by the subject Unit Owner, Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written unanimous consent of the Retail Unit Owners.

ARTICLE 13

[ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD]

If (a) any Unit Owner surrenders the Unit, together with its Appurtenant Interests to the Condominium Board pursuant to the terms of the By-Laws or Section 339-x of the Condominium Act, or (b) the Condominium Board, pursuant to the By-Laws or otherwise, either acquires or leases a Unit, together with its Appurtenant Interests, purchases, a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title to any such Unit and such Appurtenant Interests shall be held

by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interest. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interest.

ARTICLE 14

POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD

14.1 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, Sponsor, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents; and

(b) effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in this Declaration.

14.2 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Unit Owners for the reduction of the assessed valuation of their Units, such Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Unit so acquired; and

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Units.

14.3 In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Power of Attorney, substantially in the form set forth as Exhibit E to this Declaration.

ARTICLE 15

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-laws) until such time as the Property is withdrawn from the provisions of the Condominium Act is authorized by a vote of the Retail Unit Owners and 80% in number and in Office Common Interest of all Office Unit Owners. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of any Sponsor Lender, and the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. In the event the withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

16.1 Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a Member or officer of the Condominium Board or a Permitted User of either or otherwise, shall, upon prior reasonable written request 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.

16.2 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within twenty (20) days (or sixty (60) days, with respect to a Permitted Mortgagee) after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which the Condominium Board, Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to this Declaration, or (ii) to deliver a written notice to the Person requesting such execution, acknowledgement or delivery, and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board or other Person is hereby authorized as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, Condominium Board or other Person.

16.3 If any Unit Owner, the Condominium Board or other Person that is subject to the terms of this Declaration fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within twenty (20) days (or sixty (60) days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to this Declaration at the request of Sponsor, or a Retail Unit Owner, as the case may be, then Sponsor, or a Retail Unit Owner, as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium

Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in this Declaration which requires the consent or approval of the Condominium Board, unless such consent or approval is expressly provided herein to be in the Condominium Board's sole discretion.

16.4 With respect to a request made to Ladder Capital Finance LLC as Sponsor Lender pursuant to Section 16.2 or 16.3 above while a Sponsor Loan made by Ladder Capital is outstanding, which request shall be made by certified mail return receipt requested, if Ladder Capital as Sponsor Lender fails to respond within thirty (30) days after request therefor, the Condominium Board or other party sending the notice or request, shall send a second notice and request. The second notice shall be written in 20 point bold capital letters, shall state it is the second notice under Section 16.4 of the Declaration and shall remind Sponsor Lender that if Sponsor Lender fails to respond within thirty (30) days after the date the second notice is deemed given, Sponsor Lender shall be deemed to consent to the Condominium Board acting as attorney in fact for Sponsor Lender with respect to the document or issue in question. Notwithstanding the foregoing, if the Sponsor Loan agreement or any other document securing the Sponsor Loan imposes an obligation on the part of Sponsor to obtain the express consent of Sponsor Lender and if said loan document does not include a "deemed approved" provision in the event of Sponsor Lender failure to timely respond, then Sponsor Lender's consent to shall not be deemed given pursuant to the foregoing if Sponsor Lender fails to respond within the second 30--day period.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

17.2 If any provision of this Declaration or the By-laws is invalid under, or would cause this Declaration and the By-laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a

covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-laws, then such provision shall be deemed included as part of this Declaration or the By-laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to Section 17.2, if this Declaration and the By-laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

EXCESS DEVELOPMENT RIGHTS

18.1 Any Excess Development Rights shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of Sponsor or other Development Rights Owner. Neither the Condominium Board nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights.

18.2 In connection with its utilization of Excess Development Rights, Sponsor or Development Rights Owner, among other rights, may cause the Property to be combined with one or more parcels or divided into two or more parcels which collectively are referred to as the "Combined Zoning Lot."

18.3 Each Unit Owner by accepting a deed or otherwise succeeding to title to a Unit, and the Condominium Board, shall be deemed to have consented to and agreed that, if Sponsor or a Development Rights Owner seeks to enlarge the Combined Zoning Lot by adding other parcels of real property ("Additional Parcels") so as to create an enlarged Combined Zoning Lot, or seeks to utilize or transfer Excess Development Rights for the purposes and in accordance with the provisions of the Zoning Resolution or other applicable Law, the Condominium Board and the Unit Owner have (i) waived the right to execute any declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air or other document or instrument and the right to appear in opposition before any community board or governmental or quasi-governmental authority to oppose in any manner the utilization, sale or transfer of Excess Development Rights or the establishment of the Combined Zoning Lot or any enlargement, division or proposed use thereof; and (ii) consented as a party in interest, to any declaration or other agreement utilizing the Excess Development Rights in any manner, including by effecting a transfer of Excess Development Rights or a merger or division of any of the parcels comprising the Combined Zoning Lot with any other tax lots in order to form a single zoning lot for the purpose of transferring all or any portion of the Excess Development Rights from Sponsor or a Development Rights Owner.

18.4 Notwithstanding the provisions of the immediately preceding paragraph, each Unit Owner by accepting a deed or otherwise succeeding to title to a Unit, and the Condominium Board, shall be deemed to have granted to Sponsor and any Development Rights Owner an irrevocable power of attorney coupled with an interest, to execute, acknowledge and deliver any such declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air, or other document or instrument necessary or expedient to carry out the exercise of any rights, reserved, retained or granted to Sponsor or Development Rights Owner. Alternatively, upon demand of Sponsor or a Development Rights Owner, each Unit Owner

and the Condominium Board shall execute any declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air, or other document or instrument requested by Sponsor or Development Rights Owner in order that (i) Sponsor or Development Rights Owner may effectively utilize, sell or otherwise transfer Excess Development Rights to any Person designated by Sponsor or Development Rights Owner, and (ii) such Person may effectively utilize such Excess Development Rights.

18.5 Notwithstanding the foregoing, neither Sponsor nor any Development Rights Owner may utilize Excess Development Rights to increase the size, height, bulk or density of any portion of the Property.

18.6 All rights and obligations of Sponsor set forth in this Declaration with respect to the Excess Development Rights shall apply equally to any Development Rights Owner.

ARTICLE 19

AMENDMENTS TO THIS DECLARATION

19.1 Subject to the provisions contained herein or in the By-laws with respect to amendments, modifications, additions or deletions affecting Sponsor, any Sponsor Lender, or a Retail Unit Owner, any provision of this Declaration affecting the (i) General Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners and (ii) Office Common Elements or all Unit Owners may be added to, amended, modified or deleted by affirmative vote of at least 66-2/3% in number and Office Common Interest of all Office Unit Owners, taken in accordance with the provisions of the By-laws; provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-laws with respect to amendments, modifications, additions or deletions affecting Sponsor, or a Retail Unit Owner, no amendment, modification, addition or deletion shall be effective without the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Mortgage Representatives (as defined in the By-laws), if any. No such amendment, modification, addition or deletion shall be effective until recorded in the Register's Office. Subject to the provisions contained herein or in the By-laws with respect to amendments, modifications, additions or deletions affecting Sponsor, or a Retail Unit Owner, any such amendment, modification, addition or deletion shall be executed by either the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, and the Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Subject to the rights of Sponsor set forth herein, this Section 19.1 of the Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in the manner set forth above.

19.2 Sponsor shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any) other than any Sponsor Lender, to execute, acknowledge and record (or, at Sponsor's sole option, to require the Condominium Board or any other Unit Owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration, the By-Laws, the Rules and Regulations and the Floor Plans of the Condominium as Sponsor deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a loan secured by a mortgage on any Unsold Unit, (y) any governmental agency having regulatory

jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unsold Unit; or

(iii) to correct any inconsistencies or scrivener's errors in the Declaration, the By-Laws and/or Floor Plans; or

(iv) with respect to Excess Development Rights, to effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of any Excess Development Rights in any manner permitted by Law, provided that no such amendment shall enable Sponsor or Development Rights Owner to utilize Excess Development Rights to increase the size, height, bulk, configuration and/or density of the Property; or

(v) to relinquish any rights granted to Sponsor hereunder.

Provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this Section shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, or (2) require a material, physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in (1) or (2) of this Section) or the holder of such mortgage (in the event described in (3) of this Section) shall consent thereto by joining in the execution of such amendment.

19.3 The Retail Unit Owners shall each have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record in the Register's Office or elsewhere, if required by Law, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), together with such documents, plans and maps as the Retail Unit Owners (as the case may be) deems appropriate to effectuate the same:

(i) to reflect any changes in the Retail Units (as the case may be) and/or the reapportionment of the Common Interest of the affected Unit resulting therefrom made by the Retail Unit Owners (as the case may be) in accordance with the terms of Article 12 hereof; or

(ii) to correct any inconsistencies or scrivener's errors in the Declaration, By-Laws and/or Floor Plans; or

(ivii) to reflect any changes that solely affect the Retail Units (as the case may be) and do not materially and adversely affect the other Units and/or the other Unit Owners; provided, however, that any such amendment shall not (1) change the Common Interest or Office Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in subparagraph (1) or (2) of this Section) or the holder of such mortgage (in the event described in subparagraph (3) of this Section) shall consent thereto by joining in the execution of such amendment.

19.4 Any amendment to this Declaration may be executed (i) if on behalf of Sponsor pursuant to the terms of Section 19.2 hereof, by Sponsor, (ii) if on behalf of Retail Unit Owners pursuant to the terms of Section 19.3 hereof, by the Retail Unit Owners (as the case may be), or (iii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of this Declaration or the By-laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-laws) in writing without a meeting, in which Certificate shall be

described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

19.5 Notwithstanding anything contained in the Condominium Documents to the contrary, if any Unit Owner, with the prior approval of the Condominium Board changes the size and/or number of Units owned by such Unit Owner by either (w) subdividing a Unit(s) into two or more separate Units, (x) combining a Unit into one or more Units, (y) altering the boundary walls between any adjacent Units owned by such Unit Owner, or (z) otherwise, including incorporating Office Common Elements (such as a portion of a hallway used exclusively by the owner of such Unit) which exclusively benefit a Unit into such Unit, then the Condominium Board on behalf of such Unit Owner and at the Unit Owner's sole cost and expense, shall have the right to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration and other documents which are necessary or appropriate to reflect the changes made by the Unit Owner, all without the approval of the other Unit Owners, provided, however, that any such amendment shall not (1) change the Common Interest or Office Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender, unless the owner of such affected Unit (in the event described in (1) or (2)) or the holder of such mortgage (in the event described in (3)) shall consent thereto by joining in the execution of such amendment.

19.6 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be effective in any respect against Sponsor, or a Retail Unit Owner if the same would (i) unreasonably interfere with the sale, lease, or other disposition of any Unit owned by either of them, (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor, or a Retail Unit Owner, unless Sponsor, or a Retail Unit Owner shall consent to such amendment in writing, or (iii) impose any discriminatory charge or fee against Sponsor, or a Retail Unit Owner, unless Sponsor, or such Retail Unit Owner shall consent to such amendment in writing.

19.7 The provisions of this Article may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor, or the Retail Unit Owners, if the same relate to Sponsor, or the Retail Unit Owners.

19.8 No amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of fifty-one percent (51%) of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any. If the Permitted Mortgagees or Mortgage Representatives fail to respond within sixty (60) days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

19.9 No amendment to the Condominium Documents which would materially and adversely affect the holder of a Sponsor Loan shall be effective without the prior written consent of the Sponsor Lender. If the Sponsor Lender fails to respond within sixty (60) days after being provided notice of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, then the approval of such Sponsor Lender shall be deemed given.

19.10 Notwithstanding the provisions of Section 19.9 above, no amendment to the Condominium Documents which would materially and adversely affect Ladder Capital Finance LLC as Sponsor Lender while a Sponsor Loan made by Ladder Capital Finance LLC is outstanding shall be effective without the prior written consent of Ladder Capital Finance LLC. The request for such consent shall be made by certified mail return receipt requested. If Ladder Capital Finance LLC fails to respond within thirty (30) days after the date the request for consent is given, the Condominium Board or other party shall send a second request for consent. The second request for consent shall be written in 20 point bold capital letters, shall state it is the

second notice under this Section 19.10 of the Declaration and shall remind Ladder Capital Finance LLC that if Ladder Capital Finance LLC fails to respond within thirty (30) days after the date the second notice is deemed given, Ladder Capital Finance LLC's consent to the proposed amendment shall be deemed given. Notwithstanding the foregoing, if the Sponsor Loan agreement or any other document securing the Sponsor Loan imposes an obligation on the part of Sponsor (as borrower), to obtain the express consent of Sponsor Lender to a specific amendment or type of amendment, and if said loan document does not include a "deemed approved" provision for such amendment(s) in the event of Sponsor Lender's failure to timely respond, then Sponsor Lender's consent to a proposed amendment within that category shall not be deemed given pursuant to the foregoing if Sponsor Lender fails to respond within the second 30--day period.

ARTICLE 20

CONSENTS BY SPONSOR

When the consent, approval, satisfaction, or permission of Sponsor is required under this Declaration or the By-laws, such consent, approval, satisfaction, or permission shall not be required when (i) Sponsor no longer owns any Units; (ii) Sponsor has completed all of its obligations under the terms of the Plan.

ARTICLE 21

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York, is hereby designated to receive service of process in any action which may be brought against the Condominium.

ARTICLE 22

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 23

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 24

SEVERABILITY

Subject to the provisions of Section 17.2 and 17.3 of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as

otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provisions of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 25

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor, and each Retail Unit Owner as set forth in this Declaration and the By-laws shall inure to the benefit of and be binding upon any successor or assignee or designee of Sponsor, including any Sponsor Lender, and each Retail Unit Owner. Sponsor, and each Retail Unit Owner shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their interest therein, whether by merger, consolidation, lease, assignment, or otherwise. In the event of a foreclosure or deed in lieu of foreclosure of any Unsold Unit, all rights of Sponsor under the Declaration shall inure to the benefit of any Sponsor Lender.

ARTICLE 26

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 27

CERTAIN REFERENCES

26.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

26.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

26.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 28

GENERAL

Except as required by Law, neither Sponsor nor its principal shall be subject to any of the restrictions and/or prohibitions with regard to the Units set forth in this Declaration or the By-laws annexed hereto.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of _____, _____.

* * * * *

SPONSOR:

3536 Associates LLC

By: _____
Name:
Title:

(ACKNOWLEDGEMENT)

STATE OF NEW YORK)
) ss.:
COUNTY OF New York)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A TO THE DECLARATION

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

EXHIBIT B TO THE DECLARATION

DESCRIPTION OF THE UNITS

35 West 36th Street Condominium
35 West 36th Street
New York, New York 10018

UNIT	FLOOR	APPROXIMATE TOTAL SQ. FT. UNIT	BLOCK 838 TAX LOT NO.	PERCENTAGE OF COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS

To be completed prior to Recording of the Declaration.

EXHIBIT C

DEFINITIONS

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

"Adverse Effect" or "adverse effect" shall mean any action or proposed change with respect to any Unit Owner(s), that such action or change could, if realized, (i) increase the Common Charges payable over those set forth in the budget in effect at the time in question by 25% or more, (ii) materially interfere with such Unit Owner's access to the Unit, or (iii) otherwise materially diminish the use of the Unit for its intended purpose.

"Appurtenant Interest" shall mean, 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 Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or rental of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Building" see definition of "Office Building" below.

"Buildings Department" shall mean the office of the New York City Department of Office Buildings or any successor agency.

"By-Laws" shall mean the by-laws governing the operations of the Condominium, which are set forth as Exhibit D to the Declaration, as the same may be amended from time to time, which are set forth in Part II of the Plan.

"Certificate of Occupancy" shall mean the certificate of occupancy generally issued by the Buildings Department for buildings built after 1938.

"Closing" or "Closing of Title" shall mean the date, time, place and procedure by which, among other things, fee title to a Unit and its appurtenant Common Interest is conveyed pursuant to a fully-executed Purchase Agreement.

"Closing Date" shall mean the date on which a Closing occurs.

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

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

"Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a reserve fund for working capital for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium. Common Expenses shall be either General Common Expenses attributable to all Unit Owners, Office Common

Expenses attributable to Office Unit Owners, or Retail Common Expenses attributable to Retail Unit Owners.

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

"Condominium" shall mean the 35 West 36th Street Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

Condominium Act" shall mean the New York Condominium Act, as amended from time to time (New York Real Property Law, Article 9-B).

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

"Condominium Documents" shall mean the Declaration, the By-Laws, the Rules and Regulations and the Floor Plans.

"Declarant" shall mean 3536 Associates LLC and its successors and assigns.

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

"Department of Law" shall mean the Real Estate Finance Bureau of the Department of Law of the State of New York.

"Deposit" shall mean all deposits, advances and payments made by Purchasers prior to the Closing of a Unit.

"Development Rights Owner" shall mean Sponsor or any Person which acquires all or any portion of the Excess Development Rights from Sponsor, if any.

"Excess Development Rights" shall mean certain rights, as determined by the Zoning Resolution of the City of New York ("Zoning Resolution"), if any, that are available as of the date of the Declaration or may become available thereafter by any means, and are appurtenant to a zoning lot, whereby (a) contiguous tax lots may be merged into a single zoning lot ("Combined Zoning Lot") and the Combined Zoning Lot or a portion thereof may be developed by erecting thereon one or more structures with (i) "floor area" (as such term is defined in the Zoning Resolution); (ii) any bulk and density development rights permitted under the Zoning Resolution, (iii) any so-called bonus redevelopment rights hereafter appurtenant to the Property; or (b) excess "floor area" not utilized by the Office Building as of the date of the Declaration may be utilized on the zoning lot or transferred to other zoning lots as permitted by the Zoning Resolution.

"Effective Date" shall mean the date upon which the Plan is declared effective.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Office Building and either existing for the common use of one or more of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans,

dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drainage systems, sewers and/or storm pipes, drywalls, or detention tanks, drains, catch basins, leaders, filters, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, sheetrock, interior walls, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes, sockets, davits and rigs for window cleaning.

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

"First Annual Meeting" shall mean the first annual meeting of the Unit Owners.

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

"First Year of Condominium Operation" shall mean the first 12 months of operation of the Condominium beginning on the date of First Closing, which may be a calendar or fiscal year.

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

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

"GBL" shall mean Section 352-e of the New York State General Business Law.

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

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

"Initial Closing Notice" shall mean that certain written notice designating the time and place of the Closing of Title to a Unit, which is given to Purchaser at least 30 days in advance of such Closing.

"Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust or a group of lenders which shall include one of the foregoing, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system, or (iii) without in any way limiting the scope of the foregoing and for the sake of clarity, any real estate mortgage investment conduit within the meaning of Section 860D of the Internal Revenue Code, (y) any entity not included within any of the foregoing that is regularly engaged in the business of making, owning or servicing mortgage loans, including, without limitation, a so-called "conduit lender," or (z) any group of lenders which shall include one or more of the foregoing.

"Institutional Mortgage" shall mean any Permitted Mortgage where the initial holder is an Institutional Lender.

"Insurance Trustee" shall mean a bank or trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of $500,000,000 or more, from time to time appointed to serve as such by the Condominium Board. The Sponsor Lender shall be the Insurance Trustee until such time as the Sponsor Loan is satisfied or otherwise terminated.

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York as Block 838, Lot 21 and more particularly described in Exhibit A to the Declaration.

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

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

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

"Managing Agent" shall mean the management company or manager named in the Plan or any successor managing agent at the time in question.

"Mortgage Representative" shall mean not more than 3 representatives designated by the holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or the By-laws.

"Notice Work" shall mean any of the following forms of Unit Work: (i) structural alterations, additions, improvements, or repairs in or to the interior portions of the Units, whether ordinary or extraordinary, (ii) any alterations, additions, improvements, or repairs which impact the building systems, another Unit, a Common Element, or any portion of any of the foregoing ("Common and Private Areas"), (iii) the installation, operation, maintenance, repair, alteration, rebuilding, restoration and replacement of any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or facilities forming a part of or relating to the Unit in, over, under, through or upon the Common and Private Areas, or (iv) any Unit Work for which the cost for completion (including, without limitation, costs of all services and materials) exceed $5,000.

"Office Building" or "Building" shall mean the building located at 35 West 36th Street, New York, New York 10018, comprising 12 stories (plus 1 roof level and 1 cellar level below-grade), which is the subject of this Offering Plan.

"Office Common Elements" shall mean those portions of the Common Elements either existing for the common use of the Office Units or the Office Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Office Units, as more particularly described in the Declaration and the Floor Plans.

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

"Office Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Office Unit Owner in the Office Common Elements. The total of all Office Common Interest percentages appurtenant to all Office Units equals 100%. The Office Common Interests are the basis for determining an Office Unit Owner's liability for such Office Unit Owner's share of the Office Common Expenses.

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

"Office Unit Owner" shall mean any Unit Owner of an Office Unit at the time in question. All such Office Unit Owners are, collectively, referred to as the "Office Unit Owners."

"Operating Standard" shall mean a standard of operation and management that is (i) in compliance with all Laws, (ii) in compliance with the requirements of the Declaration, the By-Laws, and the Rules and Regulations; and (iii) in keeping with the standards of a first-class mixed use commercial building in midtown Manhattan.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly described on Schedule A annexed to the form of Purchase Agreement.

"Permitted Mortgage" shall mean a first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws. "Permitted Mortgage" shall be deemed to include any first mortgage placed upon a Unit by Sponsor Lender.

"Permitted Mortgagee" shall mean any holder or guarantor of a Permitted Mortgage at the time in question. "Permitted Mortgagee" shall be deemed to include any Sponsor Lender to the extent that the lien of such Sponsor Loan has not yet been released.

"Permitted User" shall mean any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or a portion of the Common Elements, subject to the terms of the Condominium Documents, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

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

"Plan" shall mean that certain Condominium Offering Plan relating to the Property, as accepted for filing by the Department of Law pursuant to the GBL and any and all amendments thereto.

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

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

"Purchase Agreement" shall mean the agreement to purchase a Unit, the form of which is set forth in Part II of the Plan.

"Purchaser" shall mean any Person named as a Purchaser in a Purchase Agreement which has been duly executed by such Person and accepted by Sponsor.

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

"Retail Common Expenses" shall mean all costs and expenses to be incurred generally by the Retail Unit Owners pursuant to the Declaration and/or By-Laws.

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

"Retail Unit Owner" shall mean the Unit Owner of a Retail Unit at the time in question. All such Unit Owners are, collectively, referred to as the "Retail Unit Owners".

"Rules and Regulations" shall mean the Rules and Regulations of the Condominium promulgated in accordance with the By-Laws, as any of such Rules and Regulations may be amended, added to, or deleted from time to time pursuant to the terms of the By-Laws.

"Sales Office" shall mean the sales office for Sponsor or Selling Agent, at a location to be designated by either Sponsor or Selling Agent from time to time.

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

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

"Selling Agent" shall mean the selling agent named in the Plan or any successor Selling Agent at the time in question.

"Special Assessment" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

"Sponsor" shall mean 3536 Associates LLC and its successors and assigns as well as any Person(s) designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"Sponsor Control Period" shall mean the period ending on the Closing of Title with Purchasers under the Plan to Office Units representing at least 90% of all Office Common Interest in the aggregate.

"Sponsor Lender" shall mean the holder of any loan procured by Sponsor at the time in question. As of the acceptance date of the Plan, the Sponsor Lender is Ladder Capital Finance LLC, including its successors and assigns.

"Sponsor Loan" shall mean a loan made to Sponsor by Sponsor Lender. As of the acceptance date of the Plan, Sponsor Loan means a loan made by Ladder Capital Finance LLC until such time as the loan by Ladder Capital Finance LLC is satisfied and no longer encumbers any Unit.

"Title Company" shall mean Spano Abstract Service Corp., having an office at 350 Old Country Road, Suite 205, Garden City, New York 11530. Telephone number: (516) 294-7037, or any successor Title Company at the time in question.

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

"Unit Owner" shall mean any Person (including Sponsor, if Sponsor owns any Unit) who holds fee title, of record, to one or more Units at the time in question. All such Unit Owners are, collectively, referred to as the "Unit Owners."

"Unit Work" shall mean any alterations, additions, improvements, or repairs in, to or upon the interior of a Unit by the Unit Owner of such Unit, whether structural or non-structural, ordinary or extraordinary.

"Unsold Office Unit" shall mean any Office Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal of Sponsor at the time in question. All such Unsold Office Units are, collectively, referred to as the "Unsold Office Units."

"Unsold Unit" shall mean any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal of Sponsor at the time in question. All such Unsold Units are, collectively, referred to as the "Unsold Units."

"Unsold Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

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

BY-LAWS OF THE CONDOMINIUM

EXHIBIT D

TO THE DECLARATION

BY-LAWS

OF

35 WEST 36TH STREET CONDOMINIUM

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BY-LAWS

ARTICLE 1
GENERAL

Section 1.1 *Purpose.* The purpose of these By-laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is more particularly described in Exhibit A to the Declaration; (ii) the Office Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.2 *Definitions.* All capitalized terms used in these By-laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are 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 aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of By-laws.* These By-laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 *Application of By-laws.* All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted and ratified and will be complied with.

Section 1.5 *Principal Office of the Condominium.* The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2
CONDOMINIUM BOARD

Section 2.1 *General.* As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-laws, the Condominium Board shall act as, and shall be, the Agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-laws.

Section 2.2 *Status of the Condominium Board.* Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board.* The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith, (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel.

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium.

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-laws.

(iv) to adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same.

(v) to approve the amount and the means and methods of payment of, and collection of, the Common Charges and Special Assessments from the Unit Owners; provided, however, that in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the General Common Elements be utilized to defray any Office Common Expenses or Retail Common Expenses and in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the Office Common Elements be utilized to defray any General Common Expenses or Retail Common Expenses.

(vi) to borrow money on behalf of the Condominium in accordance with Section 339-jj of the Real Property Law when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of at least 66 2/3% of the Members of the Condominium Board shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the General Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Common Interest, of all Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Office Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Office Common Interest, of all Office Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years) and the Retail Unit Owners will not be liable for the repayment of any portion of such loan; (d) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (e) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest or Office Common Interest, as applicable, bears to the aggregate Common Interests of all Unit Owners or Office Common Interests of all Office Unit Owners, as applicable, shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file against such Unit Owner's Unit.

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor which shall at no time be less than two and that each check drawn on such account shall need at least two signatures.

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements.

(ix) to obtain insurance for the Property (excluding the Units) pursuant to the terms of Section 5.4 hereof.

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners (except as otherwise provided herein); (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property.

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-laws.

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than $100,000, for: (a) all Members

of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses.

(xiii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners.

(xiv) to purchase, lease, or otherwise acquire Units offered for sale, lease or assignment by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners.

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners.

(xvi) to sell, lease, license, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the interest appurtenant to any such Unit.

(xvii) to adopt and amend the Rules and Regulations and to levy and authorize collection of fines against Unit Owners for violations of the Rules and Regulations and these By-laws (any such fines and fees shall be deemed to constitute Common Charges payable by Unit Owners of the Unit against which they are levied).

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners.

(xix) to incorporate or create a limited liability company, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and By-laws of any such resulting corporation or limited liability company organizational documents shall conform as closely as practicable to the terms of the Declaration and these By-laws and (b) the terms of the Declaration and these By-laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation or organizational documents and By-laws.

(xx) to organize corporations or limited liability companies to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium.

(xxi) to execute, acknowledge and deliver: (a) any and all declarations (including a declaration of single zoning lot) or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Office Building, and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate.

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or

these By-laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same.

(xxiii) to prepare, execute, acknowledge and institute on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Units and to assess any costs incurred thereby as a Common Expense.

(xxiv) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or Unit Owners, as the case may be, against an authorized guest and/or a Tenant of a Unit Owner if such authorized Guest and/or Tenant does not conform to the Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-laws. All costs in connection with the removal of the authorized guest and/or Tenant, including attorneys' fees, shall be borne by the Unit Owner.

(xxv) to establish policies and procedures and impose fees in connection with the sale, lease or alteration of any Unit.

(xxvi) to establish policies and procedures with respect to the services and facilities of the Condominium, including, without limitation, the right to impose usage fees and restrictions on hours of access and use.

(xxvii) Intentionally omitted.

(xxviii) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-laws.

(xxix) Intentionally omitted.

(xxx) to adjust the First Year's Budget to reduce the Common Charges if some or all of the services or facilities are not available at the First Closing.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board.*

(A) Notwithstanding anything to the contrary contained in these By-laws, so long as Sponsor shall continue to own at least 25% in number of all Office Units (but in no event later than the fifth anniversary of the First Closing), the Condominium Board may not, without Sponsor's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless the same shall be required by Law;

(ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a working capital, reserve, contingency, or surplus fund;

(iii) increase or decrease the number of, or change the kind of employees from those described in the First Years Budget;

(iv) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget set forth in the Plan, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business;

(v) borrow money on behalf of the Condominium; or

(vi) exercise a right of refusal to lease or purchase a Unit.

However, Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget and Sponsor's written consent shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such function or the carrying out of such action is necessary to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

(B) Notwithstanding anything to the contrary contained in these By-laws, all determinations of the Condominium Board which affect only the:

(i) Office Units and do not materially and adversely affect the use and operation of the Retail Units shall be made by the Member(s) of the Condominium Board elected or designated by the Office Unit Owners; and

(ii) Retail Units and do not materially and adversely affect the use and operation of the other Units shall be made by the Member of the Condominium Board designated by the Retail Unit Owners in accordance with these By-Laws.

Any dispute as to whether or not a determination materially and adversely affects any Units shall be settled by arbitration in accordance with the provisions of these By-laws. No dispute with respect to whether a determination materially and adversely affects a Unit shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the Condominium Board within 10 business days of receipt by it of notice of such determination.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6. The Executive Committee and each other committee shall consist of 3 Members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation approved by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this

Section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (xiii), (xiv), (xv), (xvi) and (xvii) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in paragraph (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 *Number, Election and Qualification of Members*. Until the First Annual Meeting held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of whom are to be designated from time to time by Sponsor. From and after the First Annual Meeting and for so long as Sponsor continues to own at least 1 Unsold Office Unit, the Condominium Board shall consist of 4 individuals (collectively, the "Members"): 3 of whom shall be elected by the Office Unit Owners ("Office Members"), subject to the rights of Sponsor to designate Office Members; and (b) 1 of whom shall be collectively designated by the Retail Unit Owners in accordance with the terms of these By-laws ("Retail Member"). No individual may be elected to serve on the Condominium Board (nor may continue to serve on the Condominium Board) if the Condominium Board has perfected a lien against such Unit and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than one individual of a designated Unit serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Section 2.8 *Term of Office of Members*. The term of office of the 3 Members of the Condominium Board designated by Sponsor prior to the First Annual Meeting shall expire when the 4 individuals to be elected and/or designated at such meeting are so elected and/or designated, as the case may be. The term of office of each of the 4 individuals elected and/or or designated, as the case may be, at the First Annual Meeting pursuant to the terms of Section 4.9 hereof, shall be fixed at 1 year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each Member of the Condominium Board shall serve until a successor shall be elected and/or designated, as the case may be.

Section 2.9 *Removal and Resignation of Members*.

(A) Any Office Member of the Condominium Board who was elected thereto either by the Office Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Office Unit Owners. Any Member of the Condominium Board who was designated as such by Sponsor pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed, with or without cause, by the Condominium Board or Sponsor. If any Member of the Condominium Board who was designated by Sponsor is removed, the successor shall also be designated by Sponsor. A Member of the Condominium Board who was designated by a Retail Unit Owner may be removed, with or without cause, only by such Retail Unit Owner. If any Member of the Condominium Board who was designated by a Retail Unit Owner is removed, the successor shall be designated by the same Retail Unit Owner who designated the original, removed Retail Member. Any Member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat. In the event that Sponsor transfers ownership of the Property to any Sponsor Lender or any affiliate thereof in accordance with the terms of such loan documents, the Sponsor Lender shall have the right to remove all Sponsor designated or appointed Members of the Condominium Board (whether Office or Retail) and replace them with Members designated by Sponsor Lender. Members appointed by Sponsor Lender shall have the same rights as Members appointed by Sponsor would have had.

(B) Any Member of the Condominium Board may resign such Member's membership at any time by giving written notice thereof to the Condominium Board. In addition, any Member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned such Member's membership effective as of the date upon which such qualification shall cease.

Section 2.10 *Vacancies.*

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of an Office Member who was elected thereto by the Office Unit Owners shall be filled by an individual who is qualified to be an Office Member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the Office Members of the Condominium Board then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of Office Members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was designated as such or elected by Sponsor shall be filled by an individual designated by Sponsor. Any vacancy on the Condominium Board that is caused by the removal, resignation or death of a Member who was designated by a Retail Unit Owner shall be filled by an individual designated by such Retail Unit.

(C) Each Member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a Member of the Condominium Board for the remainder of the term of the Member replaced and until a successor shall be selected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Condominium Board.* The first meeting of the Condominium Board following each annual meeting of the Unit Owners shall be held within 10 days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the Members of the Condominium Board and designated by the Secretary in a written notice given to all Members thereof by personal delivery, mail, or telegram not later than five business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board.* Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the Members thereof, provided that at least 4 such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile or e-mail, at least 5 business days prior to the day named for such meeting.

Section 2.13 *Special Meetings of the Condominium Board.* The President may call a special meeting of the Condominium Board whenever the President deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of 3 or more Members of the Condominium Board. Written notice of all special meetings shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile, or e-mail at least 3 business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 *Waiver of Notice of Meetings.* Any Member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Member of the Condominium Board at any meeting thereof shall constitute

a waiver by the Member of notice of the time and place thereof. If all of the Members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Condominium Board.* A quorum of the Condominium Board is required to be present at a Condominium Board meeting in order to make any determination or to transact any business. To constitute a quorum of the Condominium Board, the following majority of the Members of the Condominium Board shall be present at the Condominium Board meeting:

(A) Attendance of a majority of all of the Members of the Condominium Board will be required for any business relating to the General Common Elements, the General Common Expenses, or, all or a portion of the Units.

(B) Attendance of a majority of the Office Members of the Condominium Board will be required for any business relating solely to the Office Common Expenses, the Office Common Elements, or, all or a portion of the Office Units.

(C) Attendance of a majority of the Retail Members of the Condominium Board will be required for any business relating solely to the Retail Common Expenses or all or a portion of the Retail Units.

In connection therewith, one or more Members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the Members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings.* The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-laws, or the Condominium Act.

Section 2.17 *Decisions by the Condominium Board.* Except as otherwise provided in the Declaration or these By-laws:

(A) The vote of a majority of the Members attending a duly constituted meeting of the Office Members at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the General Common Elements; the General Common Expenses, or, all or a portion of the Office Units and Retail Units.

(B) The vote of a majority of those Office Members attending a duly constituted meeting of the Office Members at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the Office Common Expenses; the Office Common Elements; or, all or a portion of the Office Units.

(C) In the event there is more than one Retail Member, then the vote of a majority of those Retail Members attending a duly constituted meeting of the Retail Members at which a quorum is

present shall decide all matters on behalf of the Condominium Board relating solely to the Retail Common Expenses or all or a portion of the Retail Units.

Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the Members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 *Compensation of Members.* No Member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 *Common or Interested Members of the Condominium Board.* Each Member of the Condominium Board shall perform duties, and shall exercise powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any of its Members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the Members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such Member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such Member was counted for such purpose, provided, however, that either: (x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the Members thereof and noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such Members; or (y) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction.

Any such Member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such Member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 *Indemnification.*

2.20-1 Indemnification of Board Members and Officers.

2.20-1.1 To the extent permitted by Law, the Members of the Condominium Board shall have no personal liability with respect to any contract, act or omission of the Condominium Board or of any Managing Agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as set forth in Section 4.13 hereof. Every contract made by the Condominium Board or by the Managing Agent shall state that it is made by the Condominium Board or the Managing Agent, only as agent for all Unit Owners and that the Members of the Condominium Board or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners). Any such contract may also provide that it covers the assets, if any, of the Condominium Board. To the extent permitted by Law, the Members of the Condominium Board shall have no liability to Unit Owners except that a Member of the Condominium Board shall be liable for such Member's own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Member of the Condominium Board against any liability or claim except those arising out of such Member's own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Member of the Condominium Board, any Unit Owner, Sponsor or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.20-1.2 Neither the Condominium Board nor any Member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Condominium Board or any Member thereof; or

(ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or the Common Elements and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

ARTICLE 3

OFFICERS

Section 3.1 *General.* The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 *President.* The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as the President may decide, in the President's discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President.* The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other Member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon the Vice President from time to time by the Condominium Board or by the President.

Section 3.4 *Secretary.* The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5 *Treasurer.* The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 *Election, Term of Office and Qualification of Officers.* Each of the officers of the Condominium shall be elected annually by a majority vote of all Members of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Vice President, and the Treasurer shall be elected from amongst the Members of the Condominium Board. Such officers need not be Unit Owners and need not have any interest in the Condominium if they are designated by Sponsor. Such officers must be Unit Owners if they are elected by the other Unit Owners. The other officers of the Condominium Board need not be Unit Owners and need not have any interest in the Condominium.

Section 3.7 *Removal and Resignation of Officers.* Any officer of the Condominium Board may be removed from office, with or without cause, by an affirmative vote of a majority of the Members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President, Vice President, or the Treasurer of the Condominium shall cease to be or shall be suspended as a Member of the Condominium Board during their term of office, such officer shall be deemed to have resigned office effective upon the date upon which the membership shall cease.

Section 3.8 *Vacancies.* Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 *Compensation of Officers.* No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers.* Each officer shall be indemnified as set forth in Paragraph 2.20.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Unit Owners.* The First Annual Meeting shall be held approximately 30 days after the later to occur of (i) the second anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan of Office Units representing at least 50% in number of all Office Units offered for sale. At such meeting, a 4-Member Condominium Board shall be elected and/or designated, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the anniversary date of the First Annual Meeting. At each such subsequent meeting, the Unit Owners (including Sponsor) shall elect/designate successors to the Members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 *Special Meetings of the Unit Owners.* The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than 40% of the Common Interests of all Office Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 *Place of Meetings.* Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough in which the Property is located as may be designated by the Condominium Board.

Section 4.4 *Notice of Meetings.*

(A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, or telegram addressed to the Unit Owner's address at the Property, not less than 10 nor more than 40 days prior to the day fixed for the meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than 10 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 *Quorum of the Office Unit Owners.* Except as otherwise provided in these By-laws, the presence, in person or by proxy, of Office Unit Owners owning Office Units to which 40% or more of the aggregate Common Interests appertain shall constitute a quorum at all meetings of the Office Unit Owners. If, at any meeting of the Office Unit Owners, there shall be less than a quorum present, a majority of the Office Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 *Conduct of Meetings.* The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 *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 the minutes of the preceding meeting (unless waived);

(D) Reports of officers of the Condominium;

(E) Reports of Members of the Condominium Board;

(F) Reports of committees;

(G) Election of inspectors of election (when so required);

(H) Election of Members of the Condominium Board (when so required);

(I) Unfinished business; and

(J) New business.

The order of business at meetings of Unit Owners can be adjusted in the sole discretion of the Condominium Board.

Section 4.8 *Voting.*

(A) Subject to the terms of Section 4.9 hereof, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Unit) shall be entitled to cast 1 vote at all meetings of the Unit Owners for each percentage of Common Interest attributable to such Unit Owner's Unit(s).

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interests of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting Member with respect to a Unit owned in a fiduciary capacity. In addition, if 2 or more Persons own a Unit, they shall designate 1 Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under 1 ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner of any Unit may designate any Person to act as a proxy on such Unit Owner's behalf. The designation of any such proxy shall be made in a written notice both signed and dated by the designator and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting, except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of 6 months after the date thereof.

Section 4.9 *Election of Office Members to the Condominium Board.*

(A) When voting for Members of the Condominium Board, each Office Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Units) shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Office Unit(s) per Office Member to be elected. However, nothing contained herein shall be deemed to permit any Office Unit Owner to cumulate the votes attributable to the ownership of an Office Unit in favor of any 1 or more Office Members to be elected. In addition, the terms of paragraphs (B), (C) and (D) of Section 4.8 hereof shall apply to all elections of Office Members of the Condominium Board.

(B) All elections of Office Members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Office Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Office Unit(s) owned by the voting Office Unit Owner; (iii) the percentage(s) of the Common Interest appurtenant to such Office Unit(s); and

(iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of Members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall not be counted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of Office Members of the Condominium Board shall be determined by plurality vote of Office Unit Owners present, in person or by proxy, at a duly convened meeting.

(D) At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Office Units as it sees fit. However, at elections of Office Members to the Condominium Board held during the Sponsor Control Period, Sponsor shall have the right to designate 2 of the 3 Office Members to the Condominium Board, and Sponsor and all other Office Unit Owners shall have the right to vote for the remaining Office Members of the Condominium Board.

Subsequent to the Sponsor Control Period, and for so long as Sponsor continues to own at least 1 Unsold Office Unit, Sponsor shall have the right to designate 1 Office Member to the Condominium Board, and shall have the right to vote its Common Interest attributable to the Unsold Office Units for the remaining Office Members of the Condominium Board. There is no restriction on the right of Sponsor to vote for Office Members of the Condominium Board who are not related to or affiliated with Sponsor.

(E) Within 30 days after the Sponsor Control Period, 2 of the 3 Office Members of the Condominium Board who were designated by Sponsor shall resign and its replacements shall be filled by a vote of the Office Unit Owners (including Sponsor for so long as Sponsor shall own any Unsold Unit) at a special meeting called for such purpose.

Section 4.10 *Designations of the Retail Member to the Condominium Board.*

(A) With respect to the Retail Member, the power to designate the Retail Member shall pass from one Retail Unit Owner to another in a consecutive order, to such effect that the Retail Unit Owners (including Sponsor for so long as Sponsor shall own a Retail Unit) take turns every year designating the Retail Member. At the First Annual Meeting, the Retail Unit Owner with the highest Common Interest shall designate the first Retail Member, and at the annual meeting of the Unit Owners in the following year the Retail Unit Owner with the second highest Common Interest shall designate the Retail Member, and this process shall continue until all Retail Unit Owners have taken a turn designating a Retail Member, at which point the cycle shall start over again.

Section 4.11 *Action Without a Meeting.* Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient (both in absolute number and aggregate Common Interests whenever applicable) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.11 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.12 *Title to Units.* Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate. The sale of a Unit to a corporation, partnership, limited partnership, trust or any other entity (including any entity or person entitled to diplomatic or sovereign immunity) may require the delivery to the Condominium Board or its managing agent at Closing, at the discretion of the Condominium Board (i) any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a

subjection to jurisdiction, occupancy agreement and escrow agreement; and (ii) an amount equal to the current Common Charges for such Unit for a period of 2 years, to be held in escrow by the Condominium Board, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions contained in these By-laws.

Section 4.13 *Contractual Liability of Unit Owners.* Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Office Building shall state (if obtainable and in addition to the limitation of liability of the Members of the Condominium Board and the officers of the Condominium pursuant to the terms of Sections 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners in the case of a contract relating to the General Common Elements, (ii) such proportionate share of the total liability thereunder as the Office Common Interest of such Unit Owner in a case relating to the Office Common Elements, and (iii) such Unit Owner's interest in the Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 *Maintenance and Repairs.*

(A) Except as otherwise provided in the Declaration or in these By-laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit and all portions thereof, including, but not limited to, the interior walls, partitions, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, mechanical systems located in the Unit (including HVAC filters and parts), window panes, all entrance doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, heating/cooling systems exclusively servicing a Unit, air conditioning units exclusively servicing a Unit, lighting and electrical fixtures and any Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein, shall be performed by the owner of such Unit at such Unit Owner's sole cost and expense (except for any skylights located in an Office Unit, which shall be performed by the Condominium Board at the sole cost and expense of such Office Unit Owner); and

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a General Common Expense; and

(iii) in or to the Office Common Elements (with the exception of any Office Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Office Unit Owners as an Office Common Expense.

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board 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 not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a General Common Expense attributable to all Unit Owners if relating to the General Common Elements, and as an Office Common Expense attributable to all Unit Owners if relating to the Office Common Elements except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace the Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, including, without limitation, painting, repairs and replacements that is necessary in connection therewith. The Condominium Board shall be responsible for the maintenance and repair of all sidewalks surrounding the Office Building (including, cleaning and snow and ice removal) as if the sidewalks were General Common Elements, except that the cost of such maintenance and repair shall be borne by the Retail Unit Owners if the Retail Unit Owners are utilizing such sidewalks in connection with the operation of the Retail Units. The exterior and interior glass surfaces of all windows located in any Unit shall not be colored or painted. The interior and exterior glass of all windows in the Retail Unit are to be washed and cleaned by the Retail Unit Owner at the Retail Unit Owner's sole cost and expense. The interior glass surfaces of all windows in the Office Units are to be washed and cleaned by the Office Unit Owners at their sole cost and expense. The cleaning of the exterior portion of the glass surfaces of all windows in the Office Units will be performed by a professional window washing company engaged by the Condominium Board, the cost and expense of which shall be borne by all Office Unit Owners as an Office Common Expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Unit Owner thereof at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner), including the expense of an exterior hoist if the replacement window does not fit into the service elevator. The Condominium Board reserves the right to make all decisions with respect to the type of replacement window installed. In addition, the public areas of the Office Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Office Building, as determined by the Condominium Board in its sole discretion, by (i) the Condominium Board, with respect to such parts of the Office Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior surfaces of windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to such Unit Owner's Unit. To promote a consistent appearance of the Office Building from the outside, no Unit Owner shall be permitted to enclose a Unit in such a way that will alter the conformity of the Office Building, without the prior approval of the Condominium Board.

(D) In the event that any Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Section 5.1 (or of any Common Elements for which such Unit Owner is responsible under the Declaration or these By-laws), the Condominium Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within 5 days after receiving notice of such default by the

Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 5.2 *Alterations, Additions, Improvements, or Repairs in and to Units.*

(A) Each Unit shall be maintained in good order and repair in a manner consistent with the Operating Standard by the Unit Owner thereof at its sole cost and expense. The Unit Owners shall promptly make or perform, or cause to be made or performed, all maintenance and repairs necessary in connection with their respective obligations under the Condominium Documents. Each Unit Owner shall have the affirmative duty to maintain its respective Unit in such a manner so as to reasonably prevent and avoid imposing an Adverse Effect on another Unit Owner.

(i) Each Unit Owner shall have the right, pursuant to the terms of the Declaration but subject to the provisions of these By-Laws, to perform any alterations, additions, improvements, or repairs in, to or upon the interior of its Unit, whether structural or non-structural, ordinary or extraordinary (collectively, "Unit Work") in compliance with Law and subject to the provisions of this Section 5.2.

a) No Unit Work may jeopardize the soundness or structural integrity of any Unit or the Common Elements or the safety of any Permitted Users or involve commercially unreasonable levels of noise, odors or vibrations (taking into account the fact that portions of the Office Building may be occupied by tenants). Each Unit Owner shall make commercially reasonable efforts to perform Unit Work in a manner so as to minimize any adverse impact on another Unit or the Common Elements. No Unit Owner shall have the right to modify the appearance of the exterior façade of the Office Building. The consent of the Condominium Board (not to be unreasonably withheld, conditioned, or delayed) shall be required in connection with the modification of the appearance of a Unit Owner's storefront or its signage so long as such modification conforms to the Operating Standard and such Unit Owner has obtained any approval required by Law.

b) Each Unit Owner, at its expense, shall (i) obtain and keep in effect during the course of the Unit Work, all necessary municipal and other governmental permits, authorizations, approvals and certificates for the commencement and prosecution of its Unit Work and shall obtain final approval thereof upon completion (including, without limitation, a certificate of occupancy or an amendment thereto, if required by Law), and deliver copies of the same to the Condominium Board, and (ii) obtain and maintain insurance coverage and/or cause such insurance coverage to be obtained and maintained by any contractors, subcontractors, agents, or employees, as applicable, with respect to the Unit Work as required by these By-Laws or as required by the Condominium Board in its reasonable discretion. The Condominium Board shall cooperate with a Unit Owner and, at such Unit Owner's expense, execute all applications, authorizations and other instruments reasonably required to enable such Unit Owner to obtain such permits, authorizations, approvals and certificates, provided the Condominium Board receives the indemnity referenced in Section 5.2(A)(v). To the extent the Condominium Board on a non-discriminatory basis determines that it is reasonably necessary, the Unit Owner undertaking the Unit Work shall reimburse

the Condominium Board, within thirty (30) days of receipt of notice of such expenses, for all reasonable fees and expenses incurred by the Condominium Board in connection with necessary and reasonable inspections of the Unit Work to determine whether the same are being or have been performed in accordance with the approved plans and specifications therefor and all requirements of (i) Law; (ii) insurance carriers providing insurance coverage as required by Section 5.4 of these By-Laws or by the Condominium Board, in its reasonable discretion; (iii) the Declaration; and (iv) these By-Laws (including, with respect to Unit Work which may affect the Office Building, systems or exterior, the fees and expenses of any Architect employed for such purpose). Any costs of the Condominium Board associated with the Unit Work including, but not limited to, the costs set forth above, shall be deemed "Related Costs."

c) All Unit Work shall be completed with reasonable diligence and designed and undertaken in such manner as not to unreasonably interfere with, delay or impose any expense upon the Condominium Board or the other Unit Owner in the construction, cleaning, safety, management, performance of Work, security, or operation of the Office Building, or any part thereof, and so as not to unreasonably interfere with, or cause unreasonable interruption of, the operation and maintenance of the Office Building, or any part thereof, or cause unreasonable annoyance to, or unreasonable interference with, the use and occupancy of the Office Building and the other Unit by the Permitted Users. Unit Owners shall not be permitted to engage any Office Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor unless expressly agreed to in writing by the Condominium Board or Sponsor.

(ii) Except as otherwise provided in the Declaration or in these By-laws, all Unit Work comprising (i) structural alterations, additions, improvements, or repairs in or to the interior portions of the Units, whether ordinary or extraordinary, (ii) any alterations, additions, improvements, or repairs which impact the building systems, another Unit, a Common Element, or any portion of any of the foregoing ("Common and Private Areas"), (iii) the installation, operation, maintenance, repair, alteration, rebuilding, restoration and replacement of any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or facilities forming a part of or relating to the Unit in, over, under, through or upon the Common and Private Areas, or (iv) any Unit Work for which the cost for completion (including, without limitation, costs of all services and materials) exceed $5,000 ((i) through (iv), collectively, "Notice Work") shall be subject to the following:

a) No Notice Work shall be commenced by or on behalf of any Unit Owner unless the Condominium Board, in its reasonable discretion, (i) approves such Notice Work and (ii) either executes together with the Unit Owner an alteration agreement in a form to be determined by the Condominium Board ("Alteration Agreement") or provides written notification that the requirement for an Alteration Agreement in such instance has been waived ("Alteration Agreement Waiver"). An application to the Condominium Board to perform Notice Work is deemed rejected where the Condominium Board has neither executed an Alteration Agreement nor provided an Alteration Agreement Waiver within thirty (30) days following the Condominium Board's receipt of the application. Condominium Board approval for Notice Work is deemed obtained where the Condominium Board has executed an Alteration Agreement or has provided an Alteration Agreement Waiver for such Notice Work in each instance. Notwithstanding the foregoing, all Notice Work must be in compliance with Law and the terms of the Declaration, the By-Laws, and the Rules and Regulations. The Alteration Agreement shall be in a form to be determined by the Condominium Board, which shall include, without limitation, provisions

requiring (i) a security deposit to be posted by Unit Owner, (ii) any work to be performed in a first-class, workerlike manner in keeping with the standards of the Office Building, (iii) certain submissions of documentation to be delivered to the Condominium Board, (iv) certain releases and lien waivers from contractors hired by the Unit Owner to be delivered to the Condominium Board, (v) certain fees to be paid to the Condominium Board and/or Managing Agent in connection with such work, (vi) other provisions, if any, as determined by the Condominium Board, in its sole discretion.

b) No Notice Work shall be commenced by the Performing Unit Owner until the Condominium Board has been furnished with: (i) certificates of insurance evidencing that the insurance required in connection with the Unit Work under Section 5.4 hereof, or as required by the Condominium Board in its reasonable discretion, has been obtained and is in full force and effect, along with reasonably satisfactory evidence of payment of premiums therefor, indicating that the insurance coverage then required by the Condominium Board to be carried during the making of any Unit Work is in effect; (ii) a certification (in form and content reasonably satisfactory to the Condominium Board) of a New York licensed structural engineer and/or mechanical engineer, as applicable, having at least ten (10) years' experience involving similar structures in the Borough of Manhattan, stating in the case of structural alterations that such Notice Work will not adversely impact the structural integrity of the Office Building or result in the inability to add additional floors to the height of the Office Building, and in the case of Work impacting a building system or other Common Element, that such Notice Work will not adversely impact the functioning of the building systems or the operation of the Office Building. For purposes of this Section of the By-Laws, "structural integrity" shall include, without limitation, the weight bearing load of all structural columns, beams, and members of the Office Building, the engineering of the Office Building as it exists on the date of the filing of the Declaration and all other matters relating to the structure of the Office Building; (iii) in the case of Notice Work involving noise, odor or vibrations, a certification of the architect for the Notice Work (or such other consultant reasonably acceptable to the Condominium Board) stating that such Notice Work will be performed in a commercially reasonable manner so as to minimize such noise, odor or vibrations (taking into account the fact that portions of the Office Building will be occupied by tenants); and (iv) all necessary permits, authorizations, approvals and certificates from any governmental authority required for the commencement and prosecution of the Unit Work have been obtained (subparagraphs (i) through (iv) collectively, "Notice Work Conditions"). Any failure to meet the Notice Work Conditions prior to commencement of Notice Work by the Unit Owner shall be a default by such Unit Owner under the Condominium Documents.

c) Except in case of an emergency (in which event the Performing Unit Owner must use commercially reasonable efforts to notify the Condominium Board and the other Unit Owners as soon as possible, including by e-mail or telephone), a Performing Unit Owner shall not commence Notice Work or any material modification to previously approved Notice Work unless (i) the Performing Unit Owner has given at least ten (10) business days' prior written notice to the other Unit Owners and the Condominium Board ("Work Notice Recipients") of its intent to perform the Notice Work ("Work Notice") which Work Notice shall include a set of plans of the Notice Work and a copy of the application for the building permit for the Notice Work and (ii) the Performing Unit Owner has (x) not received written objection thereto from any of the Work Notice Recipients pursuant to Section d) hereof, (y) received consent from the Work Notice Recipients with respect to the Notice Work, or (z) received a written arbitration determination in accordance with Section

d) hereof authorizing the Performing Unit Owner to perform the Notice Work (subsections (x)-(z) herein collectively resulting in "Authorized Notice Work").

d) The Work Notice Recipients, within ten (10) business days of receipt of a Work Notice, may submit a written objection to the proposed Notice Work to the Performing Unit Owner setting forth in detail, the basis for such objection. If such an objection is submitted and not resolved by the Performing Unit Owner and the Work Notice Recipients, the proposed Notice Work may only be performed if, prior to commencing such Notice Work, the matter is submitted to Arbitration for a determination of whether the Notice Work will satisfy the requirements of this Section 5.2 including, without limitation, the Notice Work Conditions. The Work Notice Recipients shall only have the right to submit a written objection if the proposed Notice Work will have an Adverse Effect on a Unit Owner other than the Performing Unit Owner. Additionally, if the Notice Work is expressly permitted under the Condominium Documents or otherwise by written agreement between the Unit Owners, then an objection may only be made with respect to the means, methods, plans and specifications, and not the underlying concept, of such Notice Work and no condition shall be placed on such Notice Work that would make performance thereof impractical. In the event the Work Notice Recipients do not make a written objection to the Notice Work within the ten (10) business day period, the Work Notice Recipients will be deemed to have waived any objections and the Performing Unit Owner shall be authorized to perform the Notice Work, subject to compliance with these By-Laws.

e) To the extent that Notice Work involves unusual or excessive noise or vibrations, including without limitation excessive noise or vibrations that will affect other Unit Owners, such Notice Work shall be performed only during hours reasonably designated by the Condominium Board or Managing Agent, except in cases of emergency or as otherwise required by Law, and all costs and expenses as a result of such Notice Work being performed at such hours shall be borne by the Performing Unit Owner.

f) Any application to any department of The City of New York or to any other Governmental Authority having jurisdiction thereof for a permit to perform structural alterations or repairs in or to any Unit shall, if required by Law or such governmental authority, be executed by the Condominium Board, provided (i) that such structural alterations or repairs constitute authorized Notice Work; (ii) that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any Unit Owner, contractor, subcontractor, materialperson, or architect on account of such alterations or repairs, or to any Person having any claim for injury to person or damage to property arising therefrom; and (iii) the Unit Owner undertaking such structural alterations or repairs (or an entity reasonably acceptable to the Condominium Board) shall have executed and delivered to the Condominium Board the indemnity referenced in Section 5.2(A)(v) hereof. The provisions of this paragraph shall not apply to an Unsold Unit provided any alteration to such Unsold Unit shall be in accordance with, and only as permitted by, the Condominium Act and Law.

(iii) Neither the Condominium Board nor the Unit Owners (other than the Unit Owner performing any work or causing the same to be made) shall incur any liability, cost or expense (i) in connection with the preparation, execution, or submission of the applications referred to in Section 5.2; (ii) to any contractor, subcontractor, materialperson, or architect on account of any work performed or caused to be performed by any other Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom.

(iv) Except as otherwise expressly provided in the Declaration or these By-Laws, all maintenance, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (except for the Common Elements located within the Unit or as otherwise provided in these By-Laws) shall be made by the owner of such Unit at such Unit Owner's sole cost and expense and (b) in or to the Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense. Notwithstanding any other provision of these By-Laws to the contrary:

a) In the event that any maintenance or repair to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of a Unit Owner, the entire cost thereof shall be borne by such Unit Owner or (b) the Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a Common Expense and allocated in accordance with each Unit Owner's percentage of Common Interest, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

b) The public areas of the Office Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the Operating Standard, by (a) the Condominium Board with respect to the Common Elements, and (b) each Unit Owner with respect to its Unit.

(v) Upon request of a Unit Owner, the Condominium Board shall execute (i) any declaration or other instrument affecting such Unit Owner's Unit which the Unit Owner deems necessary or appropriate to comply with any Law, applicable to the maintenance, alteration or repair of such Unit and which would not have an Adverse Effect on another Unit Owner or otherwise violate the Declaration or these By-Laws, and (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Unit which the Unit Owner deems necessary or appropriate and which would not have an Adverse Effect on another Unit Owner or otherwise violate the Declaration or these By-Laws; provided, in each such case the Condominium Board shall have received an indemnity in form and substance acceptable to the Condominium Board and from a creditworthy entity acceptable to the Condominium Board, in its reasonable discretion, indemnifying the Condominium Board and the Managing Agent from any and all liability and claims in connection with such instrument, declaration, easement, amendment or other document. All reasonable costs and expenses of the Condominium Board in connection with the foregoing shall be paid by the Unit Owner making such request.

(vi) No consent or approval by the Condominium Board or any other Unit Owner, if such consent or approval is required under any provision of the Declaration or these By-Laws (and no approval of any plans and specifications or other information submitted in connection with a request for consent, including the approval of any lighting or signage, whether or not such approval is required of the Condominium Board or another Unit Owner) shall (i) be deemed an agreement by the Condominium Board or any other Unit Owner that such plans and specifications conform to Law or the requirements of any insurer insuring the Units or the Common Elements; (ii) be deemed a waiver by the Condominium Board or such other Unit Owner of compliance by the Unit Owner performing the work with Law or any such insurance requirements or any other any requirements under the Declaration and these By-Laws, (iii) impose any additional liability or obligation upon the Condominium Board or such other Unit Owner with respect to any work performed in connection therewith, (iv) relieve the Unit Owner performing the work from any claims that the Condominium Board or another Unit Owner may have with respect to any work performed in connection therewith or (v) constitute an assumption by the Condominium Board or such other Unit Owner of any liability

for any work to which the same relates, the accuracy, suitability or soundness of such plans and specifications or other information.

(vii) Upon a subdivision in accordance with the provisions of the Declaration and these By Laws, an amendment may permit the Condominium Board to establish Rules and Regulations governing work in the new Units as a result of the subdivision.

(viii) Notwithstanding anything to the contrary contained this Section 5.2, however, Sponsor shall have the right, pursuant to the terms of Article 12 of the Declaration, to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Unit, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of any Unsold Units, all without the approval of the Condominium Board. In addition, each Unit Owner shall have the right, pursuant to the terms of Article 12 of the Declaration, to (i) make any alterations, additions, improvements or repairs in or to a Unit, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of a Unit, all without the approval of the Condominium Board.

Section 5.3 *Alterations, Additions, or Improvements to the Common Elements.*

(A) Except as otherwise expressly provided herein, the Condominium Board shall be responsible for and shall operate and maintain the Common Elements and any appurtenances thereto (including the sidewalks and the public curbs appurtenant to the Property), including but not limited to, the public areas adjacent to the Office Building, in good order and repair in a manner consistent with the Operating Standard. Whenever, in the judgment of the Condominium Board, the Common Elements require maintenance or repair ("Common Element Work"), the Condominium Board shall proceed with the Common Element Work, and the cost and expense of the Common Element shall constitute a General Common Expense attributable to all Unit Owners if relating to the General Common Elements, or an Office Common Expense attributable to all Office Unit Owners if relating to the Office Common Elements. Notwithstanding the foregoing, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $500,000 with respect to the General Common Elements or the Office Common Elements, at any one time, in any fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by the Unit Owners if relating to the General Common Elements, or the Unit Owners, if relating to the Office Common Elements (including Sponsor if Sponsor then owns any Unsold Unit) owning 66 2/3% of the aggregate Common Interests or Office Common Interests, as applicable, at a duly constituted meeting of the Unit Owners or the Unit Owners, as applicable, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-laws, all such alterations, additions, or improvements costing $500,000 or less, in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor is first obtained, provided, however, that Sponsor's written consent is not necessary if such additions, alterations, or improvements to the Common Elements is required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's issuer. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) 5 years from the First Closing or (ii) at any time after the Sponsor Control Period.

(B) Notwithstanding the foregoing, if the necessity for the Common Element Work was caused by a breach of the Condominium Documents by a Unit Owner, the cost thereof together with any interest charged thereon shall be payable solely by such Unit Owner.

Section 5.4 *Insurance for the Office Building.*

(A) If the same shall be obtainable, the Condominium Board, at or prior to the First Closing, shall obtain, and shall maintain in full force and effect, special multi-peril insurance policies including fire with extended "all risk" coverage, replacement cost coverage and agreed valuation, vandalism and malicious mischief endorsements, insuring the entire Office Building (other than the space defined by the dimensions of the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein) together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their respective interest may appear, in an amount equal to the full replacement value of the Office Building (exclusive of foundation and footings). Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) subject to the rights of Sponsor's Lender, provided a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof.

(iii) subject to the rights of Sponsor's Lender, a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 30 days prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Duplicate originals or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of the Managing Agent. Copies thereof shall be delivered to any Unit Owner or Permitted Mortgagee on written request thereof.

(B) The Condominium Board, at or prior to the First Closing, shall also obtain and maintain, to the extent it deems practicable:

(vi) commercial general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each Member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within the Unit Owner's Unit);

(vii) umbrella liability insurance;

(viii) crime insurance;

(ix) directors & officers liability insurance;

(x) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than 80% of the full replacement cost of the Office Building, exclusive of excavation, footings and foundations, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $1,000,000 in the aggregate; and

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-laws, shall be borne by the Unit Owners as a General Common Expense.

(E) For so long as (i) any Sponsor Loan is outstanding with any Sponsor Lender, or (ii) Sponsor owns at least 1 Unsold Unit, whichever is later, unless Sponsor or Sponsor Lender's (as the case may be) prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types and coverage amounts of insurance set forth in the First Year's Budget.

(F) Unit Owners are required to carry other insurance, at their expense, in amounts determined by the Condominium Board in its sole discretion, insuring the contents of their Units as well as liability insurance with respect to acts occurring therein. All such policies shall contain waivers of subrogation and provide that the liability of the carriers issuing the insurance maintained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. All such certificates of insurance shall name the Condominium Board, the Condominium, Sponsor and Sponsor's Lender as additional insureds. For so long as Sponsor owns at least 1 Unsold Unit, any change or elimination of such requirement may only be made upon Sponsor's prior written consent.

Section 5.5 *Casualty or Condemnation.*

(A) In the event that either (i) the Office Building or any part thereof is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the General Common Elements and/or Office Common Elements, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit Owners and their Permitted Mortgagees with respect to the portion thereof allocated to a Casualty Loss to or Taking of the General Common Elements, and for the benefit of all Office Unit

Owners and their Permitted Mortgagees with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Office Common Elements and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that the Unit Owner may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Office Building (including all Units and all service machinery contained therein, but not including appliances, fixtures, improvements made therein by a Unit Owner, or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss, or (ii) in the event of a Taking, the portion(s) of the Common Elements or the Units affected by such Taking. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. Each Unit Owner whose Unit, or any portion thereof, shall be the subject of all or part of any Work shall have the right subject to the terms of Section 5.2 hereof, to supervise any redecorating of the Unit.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, for Work to the General Common Elements and against all Unit Owners, and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests, with respect to Work to the Common Elements, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remaining unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, with respect to Work to the Common Elements, free of any claim of any lienor (including without limitation, any Permitted Mortgagee). Until such time that the lien of a Sponsor Loan has been released, the "Insurance Trustee" for the purposes of this subsection 5.5(C) shall be such Sponsor Lender.

(D) If either 75% or more of the Office Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners (including Sponsor if Sponsor shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the

resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements and to all Office Unit Owners in proportion to their respective Office Common Interest, to the extent allocated to destroyed or damaged portions of the Office Units or the Office Common Elements, and to the Retail Unit Owners, to the extent allocated to destroyed or damaged portions of the Retail Units, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off any Permitted Mortgage and other unpaid liens on the Unit Owner's Unit in the order of priority of such liens. Notwithstanding anything to the contrary set forth herein, any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. The Condominium Board shall not be required to take any action to obtain the consent of the Permitted Mortgagees or Mortgage Representatives as set forth in this Section 5.5(D) other than the requirements set forth in Section 8.7 of these By-Laws. The provisions of this Section 5.5(D) may not be amended, modified or deleted without the prior written consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Unit.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted and in the Declaration or (ii) 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 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 Condominium Board with respect to such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest and Office Common Interest, where applicable, appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit after such Taking bears to the total floor area of such Unit prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest and new Office Common Interest, where applicable, 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 and new Office Common Interest, where applicable, 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 and Office Common Interest, where applicable, of the other remaining Units shall be adjusted accordingly and reflected in a duly filed amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of all of the other or remaining Units together with the holders of the Permitted Mortgages.

(G) As used in this Section 5.5, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) 90 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 120 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge

the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of paragraph (A) of this Section 5.5, 90 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work. In the event there are insufficient Trust Funds to discharge the estimated cost and expense of the Work, the Condominium Board shall levy a Special Assessment for the amount of such deficiency in accordance with paragraph (C) of this Section 5.5; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 *Use of the Property.*

(A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to its Unit Owners or interferes with the peaceful possession or proper use of the Property by its Unit Owners or guests. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the sole cost and expense of the respective Unit Owners or the Condominium, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior approval of the Condominium Board, which approval may be granted or withheld in the sole discretion of the Condominium Board. In the event that the rate of insurance for the Property is increased as a direct result of a particular or unique use being made of a Retail Unit and not as a result of the typical uses for which a Retail Unit (as the case may be) may be occupied or for which commercial spaces in similar Office Building is normally occupied, the subject Retail Unit Owner (as the case may be) shall be obligated to pay the amount of such increase in the rate of insurance. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or will structurally change the Office Building, except as is otherwise provided in the Declaration or in these By-laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7 *Use of the Units.*

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7.

(B) Subject to the terms of paragraphs (C) and (D) of this Section 5.7, The Units may be used for any lawful, non-hazardous purposes consistent with the Operating Standard. With respect to the Retail Units, such use may include, without limitation, professional office units, retail stores, banks, restaurants, theaters, bars, spas, health clubs, and commercial space. Notwithstanding the foregoing, no Units may be used for (i) any use generating odors permeating outside the Unit (which shall not be construed to

mean any limitation on the use of a Retail Unit as a legally-compliant restaurant), (ii) manufacturing, (iii) any residential, sleeping or hotel purpose, including any "dormitory," "bed and breakfast" or other transient hotel-type use, or (iv) any pornographic or immoral purpose or as a massage parlor, adult book store, peep show or adult entertainment facility. In no event, however, shall a portion of a Unit (as opposed to the entire Unit) be sold or conveyed.

(C) The Condominium Board may, in its sole discretion, consent to the use of a Unit for any purpose other than that set forth in paragraph (B) hereof, provided that the nature and manner of such use is permitted by and is otherwise in accordance with Law and does not violate the Certificate of Occupancy, if any, covering the Office Building. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior approval of the Condominium Board before using such Unit for any purpose other than that set forth in paragraph (B) hereof.

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Condominium Board or the Unit Owners:

(i) grant permission for the use of any Unsold Unit for any other purpose, provided that the nature and manner of such use is in accordance with Law and the user thereof complies with all applicable governmental regulations; and

(ii) use any one or more Unsold Units as model Units and offices for the sales promotion, rental, management and operation of the Unsold Units or for any other purpose, subject only to compliance with Law.

Section 5.8 *Use of the Common Elements.*

(A) Subject to the terms of paragraphs (B) and (C) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Office Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements without the prior approval of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesperson to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) The owner or owners of any 2 or more Office Units, which Office Units are the only Office Units serviced or benefited by any Office Common Element adjacent or appurtenant to such Office Units (for example, that portion at the end of any hallway that is directly adjacent to any such Office Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld, conditioned, or delayed), have the right to use such Office Common Elements exclusively, as if it were a part of such Office Units (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such event, however, such owner or owners shall, at such owner's or their sole cost and expense, both (i) operate, maintain and repair such Office Common Element for so long as such owner or owners exercise such exclusive right of use and (ii) restore such Office Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use.

(C) The terms of paragraph (A) of this Section 5.8 shall not apply to Sponsor for so long as there are any Unsold Units. Sponsor shall have the right, without charge or limitation, to: (i) erect and

maintain signs, of any size or content determined by Sponsor on or about any portion of the Common Elements chosen by Sponsor including, the area adjacent to the main entrance of the Office Building; (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 (such as lobbies, corridors and the like), to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Office Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

(D) Sponsor, for so long as Sponsor continues to own any Unsold Unit, and the Condominium Board shall have the right to lease, sublease, license, sell or otherwise convey to a Unit Owner any portion of the Common Elements which either Sponsor or the Condominium Board determines is no longer needed for the furnishing of the services and facilities (including reasonable access) for which such Common Elements are reasonably intended. Any revenue received for the sale, leasing, subleasing, licensing or other conveyance of such Common Elements shall be retained solely by Sponsor or the Condominium Board, as applicable.

Section 5.9 *Intentionally Omitted.*

Section 5.10 *Rights of Access.*

(A) Each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), or to any other Person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to the Unit for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in the Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the structural elements, mechanical or electrical services, or other portions of the Common Elements located within the Unit, or elsewhere in the Office Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to the Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Office Building or for the safety of the occupants of the Office Building or other individuals, or required to avoid the suspension of any necessary service in the Office Building), the foregoing rights of access shall be exercised only upon not less than 1 day's advance notice and only in such a manner as will not unreasonably interfere with the normal conduct of business of the Unit Owners or other occupants of the Units or with the use of the Units for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Each Unit Owner shall grant a right of access to the Unit and the Condominium Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit in such a manner as will unreasonably interfere with the use of such Unit for their permitted purposes.

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

Section 5.11 *Modification of the Rules and Regulations.* The Condominium Board shall have the right to amend, modify, add to, or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of at least 66 2/3% of all Unit Owners, in number and Common Interest. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Unit Owners not less than 30 days prior to the effective date thereof. Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Rules and Regulations if the same would materially and adversely affect Sponsor, or a Retail Unit Owner, without the prior written consent of Sponsor, the affected Retail Unit Owner (as the case may be). Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Rules and Regulations if the same would adversely affect a Retail Unit and the use thereof, without the prior written consent of the affected Retail Unit Owner (as the case may be).

Section 5.12 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes and the amount of such taxes shall be treated as Common Expenses and apportioned among Unit Owners as Common Charges in accordance with their Common Interest. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit, or to such purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Owner's Unit to the date of the Closing of Title to such Unit.

Section 5.13 *Intentionally Omitted.*

Section 5.14 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Unit and water charges and sewer rents are billed directly to a Unit Owner by the City Collector, in accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting a Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Office Unit Owners as an Office Common Expense for such portion attributable to the Office Units and/or Office Common Elements, and (b) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements. The Unit Owner of each Unit that is submetered will be required to pay to the Condominium Board the cost of water and sewer attributable to such submetered Unit as reflected on the submeter.

Section 5.15 *Electricity.*

(A) Electricity for each Unit (including tenants occupying portions of the Units) is either directly metered for certain Units and the General Common Elements or submetered for certain Units or, if a Unit is neither submetered nor directly metered, billed based on each Unit's pro rata share of electricity consumed in the non-submetered and non-directly metered Units.

(B) If directly metered, each applicable Unit Owner shall be required to pay the billing utility directly for electricity consumed in such Unit Owner's Unit (or portion thereof).

(C) If submetered, each applicable Unit Owner shall be required to pay bills for electricity consumed in such Unit Owner's Unit either to the Condominium Board or to the utility company or to the servicing company engaged by the Condominium Board to perform such services all at the direction of the Condominium Board. The Common Expenses shall include fees for administering and servicing the submeters. In the event that a Unit Owner fails to pay for its submetered electricity, the Condominium Board shall be responsible to pay such expense on the Unit Owner's behalf and such electricity charges shall be deemed Common Charges allocable to the defaulting Unit Owner and the Condominium Board shall have a lien for non-payment of the expense as provided in Article 6.5 of these By-laws.

(D) Electricity for the Office Common Elements shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Condominium Board and will be borne by the Unit Owners as Common Charges.

(E) Any disputes with respect to submetering rates and billing must be submitted to Arbitration pursuant to Article 10 of these By-laws.

Section 5.16 *Record and Audits.*

(A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgagees having an interest in such Unit.

(B) Within 4 months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a General Common Expense. The fiscal year of the Condominium shall be a calendar year.

ARTICLE 6

COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges.*

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common

Charges amongst the Unit Owners in accordance with allocations set forth in the First Year's Budget. The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them, not later than 10 days prior to 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 whenever requested in writing by such Permitted Mortgagees. The Condominium Board may, subject to paragraph (E) of this Section 6.1, 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 Expenses for any fiscal year so as to increase or decrease the amount of 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 the foregoing, however, the Condominium Board shall not reduce the Common Charges payable during any fiscal year occurring within the Sponsor Control Period solely as a result of either reducing the number of employees of the Condominium below the number employed (or anticipated in the First Year's Budget) for the Property on the date of recording the Declaration except with Sponsor's prior written consent, or eliminate or reduce the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the Members of the Condominium Board elected by Unit Owners other than Sponsor. All Unit Owners will be given a copy of the proposed annual budget of the Condominium at least 10 days prior to the date set for adoption thereof by the Condominium Board.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments relative to the General Common Elements shall be levied against all Unit Owners in proportion to their respective Common Interests and all Special Assessments relative to the Office Common Elements shall be levied against all Office Unit Owners in proportion to their Office Common Interests. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Unit Owner not less than 15 days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.5 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any, General Common Element, or Office Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners or the Unit Owners, as applicable and shall be collected on behalf of the Unit Owners or Unit Owners, as applicable by the Condominium Board and applied against the General Common Expenses attributable to the General Common Elements, or the Office Common Expenses attributable to the Office Common Elements, as appropriate for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the General Common Expenses attributable to the

General Common Elements, or the Office Common Expense attributable to the Office Common Elements depending on whether the excess relates to the General Common Elements or the Office Common Elements for the next succeeding year(s) of operation. No Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests, or Office Common Interests, as appropriate and any such distributions must be made out of the Common Charges collected from Unit Owners.

(E) Common Expenses have been allocated amongst the Office Units (in the aggregate), and the Retail Units on the basis of usage rather than Common Interest. The First Year's Budget sets forth the percentage for each line item, if any, to be paid for by all Units, which percentages are deemed presumptive evidence of reasonableness. The Condominium Board may not modify these allocations without the unanimous consent of the affected Unit Owners. Any new line items which may be added to the budget by the Condominium Board in the future shall be paid for on the same basis.

Section 6.2 *Payment of Common Charges*

(A) All Unit Owners (including Sponsor with respect to Unsold Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a Permitted Mortgage recorded against the Unit.

(B) Notwithstanding anything to the contrary contained in paragraph (A) above, during the Sponsor Control Period, the Condominium Board, in its sole discretion, shall have the right to waive all Unit Owners' obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided during such period, the basic operating costs of the Condominium (exclusive of reserves) are paid by Sponsor. Upon commencement of the collection of Common Charges from all Unit Owners, no assessment will be imposed for any item set forth in the approved budget for the Condominium. The Condominium Board shall remain obligated to update the budget in accordance with Law.

(C) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against the Unit subsequent to a sale, transfer, or other conveyance by Unit Owner of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to such purchaser's acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by the Permitted Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all unpaid Common Charges and Special Assessments. In the case of an Office Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Office Unit

Owner shall be deemed an Office Common Expense, collectible from all those who are Office Unit Owners at the time the same is levied. In the case of the Retail Units, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure or sale or from the defaulting Retail Unit Owners (as the case may be) shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(D) Subject to the terms and conditions contained in these By-laws, any Unit Owner may convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Unit thereafter accruing unless the aggregate Office Common Interests then appertaining to the Unsold Units constitute 15% or less of the total Office Common Interests then appertaining to all Office Units, at least five years shall have elapsed from the date of the First Closing and, at the time of conveyance, Sponsor shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unsold Unit(s) being conveyed multiplied by 24.

(E) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning the Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof). Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 *Statement of Common Charges.* The Condominium Board shall promptly provide a written statement of unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner.

Section 6.4 *Intentionally Omitted.*

Section 6.5 *Default in Payment of Common Charges.*

(A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than 10 days after the due date for the payment thereof, including, but not limited to the imposition of late charges, notice fees and the institution of such actions for the recovery of interest and expenses as provided in this Article 6. All costs and expenses incurred by the Condominium Board (including attorneys' fees) as a result of its attempt to collect unpaid Common Charges and/or Special Assessments shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common

Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, attorneys' fees and disbursements and court costs; and (ii) a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, plus all expenses of collection including but not limited to attorneys' fees, in such amount as may be determined by the Condominium Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of the Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner. The Condominium Board has the right to increase these interest charges or fees without notice or amendment to these By-Laws.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) If the Unit Owner shall at any time lease the Unit and shall default in the payment of any Common Charges or additional Common Charges, the Condominium Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such tenant to the Unit Owner, and apply the amount to pay sums due and to become due from the Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the obligation of such tenant to the Unit Owner, to the extent of the amount so paid. The acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Unit Owner, or a release or discharge of any of the obligations of the Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings in the name of or on behalf of the Unit Owner, against the tenant. All costs and expenses incurred by the Condominium Board (including attorneys' fees) in connection therewith, shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 7

SELLING AND LEASING OF UNITS

Section 7.1 *General.*

(A) Subject to the terms of Section 7.8 hereof, each Unit Owner may (i) sell the Unit and (ii) lease the Unit, provided however, no Unit Owner may sell or lease the Unit except in compliance with the applicable provisions of this Article 7 and the policies and procedures established by the Condominium Board. Any purported sale or rental consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or renting Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Unit Owner. Such Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, attorneys' fees and disbursements and court costs.

(B) Each Unit Owner may sell or lease the Unit provided that such Unit Owner gives the Condominium Board, on behalf of all Unit Owners, within 30 days of the consummation of the transaction embodied in such Sale Agreement or Lease Agreement, copies of the deed of the Unit or the lease, as the case may be.

Section 7.2 *No Severance of Ownership.* No Unit Owner shall execute any deed or other instrument conveying title to its Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be 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, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.2, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.3 *Payment of Common Charges and Fees.* No Unit Owner shall be permitted to convey or lease its Unit unless the Unit Owner shall have (i) paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit and (ii) paid in full all fees charged by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Units, including, without limitation, any working capital fund contribution imposed by the Condominium Board. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale of a Unit, a sale may take place notwithstanding the foregoing.

Section 7.4 *Power of Attorney.* At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

Section 7.5 *Gifts and Devises, Etc..* Any Unit Owner shall be free to convey or transfer the Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and the Unit shall be subject to, the provisions of this Article 7.

Section 7.6 *Costs and Expenses.* All costs and expenses incurred by the Condominium Board, including, without limitation, attorneys' fees and disbursements paid or incurred by the Condominium Board

or by its Managing Agent in connection with any action taken by the Condominium Board with regard a violation of this Article 7, shall be borne by the defaulting Unit Owner as an Additional Common Charge.

Section 7.7 *Estoppel Certificate.* Upon the written request of a Unit Owner, the Condominium Board shall deliver to such Unit Owner or any designee a statement ("Estoppel Certificate") indicating that such Unit Owner is current in its payment of all amounts due under the Declaration and the By-Laws, that no written notice of default has been sent to such requesting party and, to the knowledge of the Condominium Board, no such default exists, or any exceptions to the foregoing. Any such statement may be relied upon by any mortgagee or purchaser of the Unit.

Section 7.8 *Resale Fee.*

(A) Each Office Unit Owner who acquired an Office Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement, written or oral ("Resale Agreement") to sell such Office Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale") shall be obligated to pay Sponsor or Sponsor Lender, so long as the Sponsor Loan is outstanding, a portion of the proceeds of the Resale ("Resale Fee"). Such Office Unit Owner will be required to send Sponsor a copy of the Resale Agreement within 10 days after entering into the Resale Agreement. The Resale Fee to be paid to Sponsor Lender so long as the Sponsor Loan is outstanding and thereafter to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Office Unit per the Resale Agreement ("Resale Price") less the following expenses actually paid for by Office Unit Owner (to the extent applicable): (1) brokerage commissions not exceeding 1.5% in the aggregate; (2) transfer taxes imposed by Law, if paid for by the Office Unit Owner, and (3) actual legal fees not exceeding $5,000; and (B) the "Sponsor Sale Price," i.e. the Purchase Price paid to Sponsor in connection with the Sponsor Sale. Set forth below is an example of the calculation of a Resale Fee:

Resale Price:	$4,500,000.00
- *less* Broker	($67,500.00)
- *less* Transfer Tax	($ 82,125.00)
- *less* Legal Fees	($ 5,000.00)
Net Profit	$4,345,375.00
- *less* Sponsor Sale Price	($3,000,000.00)
Gross Profit	$ 1,345,375.00
x 50% = **Resale Fee**	**$ 672,687.50**

(B) The Resale Fee shall be paid to Sponsor or Sponsor Lender by wire transfer on the date the closing occurs pursuant to the Resale Agreement. Any deductions for allowable expenses paid by the Office Unit Owner must be supported by documentation acceptable to Sponsor. At such time as Sponsor no longer owns any Unsold Units, the obligation to pay the Resale Fee shall no longer be applicable. The obligation to pay a Resale Fee shall survive the closing of the Sponsor Sale.

(C) A Unit Owner who acquired title to a Unit from Sponsor is prohibited from listing such Unit for sale with any broker or placing or authorizing any listing in any broker's listing system or other listing service or from advertising or otherwise offering, promoting or publicizing the availability of such Unit for sale for 12 months after Closing, without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion.

Section 7.9 *Intentionally Omitted.*

ARTICLE 8
MORTGAGING OF UNITS

Section 8.1 *General.* Each Unit Owner shall have the right to mortgage its Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages its Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering its Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units." The terms and conditions contained in this Section 8.1, however, shall not apply to Sponsor, or the Retail Unit Owners.

Section 8.2 *Restrictions on Mortgaging*

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate its Unit unless and until such Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Unit shall be held by an Institutional Lender or by a Unit Owner providing purchase money financing in connection with the sale of the Unit.

Section 8.3 *Notice of Unpaid Common Charges and Default.* The Condominium Board shall promptly report to Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the payment of Common Charges or Special Assessments for more than 60 days or, whenever requested in writing by a Permitted Mortgagee, any default by the Permitted Mortgagee's mortgagor in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to the Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by the mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.5 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee. Notwithstanding anything to the contrary, Ladder Capital Finance, LLP, as Sponsor Lender, has requested the notices referred to in this Section 8.3 as such notices relate to Units encumbered by Sponsor's Loan held by Ladder Capital Finance, LLP only, and shall be provided with copies of all such notices by the Condominium Board.

Section 8.4 *Performance by Permitted Mortgagees.* Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by such Unit Owner's Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 *Consent of Mortgagees; Designation of Mortgage Representatives.*

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against Unit Owner's mortgage. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages and any Sponsor Lender constituting a majority in principal amount of all Institutional Mortgages, inclusive of amounts extended by a Sponsor Lender, may, if they so elect, designate not more than 3 Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-laws; provided, however, that for so long as the Sponsor Loan is outstanding, any such act shall not become binding without the prior written consent of Sponsor Lender. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages other than a Sponsor Lender) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-laws; provided, however, that for so long as the Sponsor Loan is outstanding, any such act shall not become binding without the prior written consent of Sponsor Lender.

Section 8.7 *Notice to Permitted Mortgagees.*

(A) The Condominium shall provide written notice to the Sponsor Lender and Permitted Mortgagees of each of the following events, to the extent applicable:

(i) any default by the Permitted Mortgagee's or Sponsor Lender's mortgagor in the payment of Common Charges or Special Assessments for more than 60 days. If the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of section 6.5 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee or Sponsor Lender any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

(ii) any default by the Permitted Mortgagee's or Sponsor Lender's mortgagor in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. In such event, the Condominium Board

shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to the Permitted Mortgagee.

(iii) any condemnation or casualty loss that affects either (x) a material portion of the Condominium or (y) a material portion of a Unit.

(iv) a lapse, cancellation or material modification of any insurance policy maintained by the Condominium.

(v) any proposed action by the Condominium Board that requires the consent of a specified percentage of Permitted Mortgagees, the approval of the majority of the Mortgage Representatives, or the consent or approval of Sponsor Lender.

(B) In no event, however, shall the Condominium Board (including its members, officers, agents, attorneys and employees) and Unit Owners be liable for any claims or liabilities and expenses for any failure, through oversight or negligence, in giving a Permitted Mortgagee any notice required under (A) above. Nonetheless, the Condominium Board shall give such missed notice with reasonable promptness after discovering such failure.

(C) Where the consent of the Permitted Mortgagees or Mortgage Representatives or any Sponsor Lender is required pursuant to the terms of the Declaration or By-laws, if the Permitted Mortgagees or Mortgage Representatives or Sponsor Lender fail to respond within 60 days after written notice and receipt of the required consent, delivered by either certified or registered mail, "return receipt" requested (with respect to the Sponsor Lender only, such notice shall be sent on at least two separate occasions), the implied approval of such Permitted Mortgagees or Mortgage Representative or Sponsor Lender shall be assumed.

(D) Notwithstanding the provisions of subsection (C) above, where consent of Ladder Capital Finance LLC as Sponsor Lender while a Sponsor Loan made by Ladder Capital Finance LLC is outstanding is required pursuant to the terms of the Declaration or By-laws, request for consent shall be given in writing and sent by certified mail "return receipt" requested. If Ladder Capital Finance LLC fails to respond within thirty (30) days after the date the request for consent is given, the Condominium Board or other party shall send a second request for consent. The second request for consent shall be written in 20 point bold capital letters, shall state it is the second notice under Section 8.7(D) of the By-laws and shall remind Ladder Capital Finance LLC that if Ladder Capital Finance LLC fails to respond within thirty (30) days after the date the second notice is deemed given, Ladder Capital Finance LLC consent to the proposed action shall be deemed given. Notwithstanding the foregoing, if the Sponsor Loan agreement or any other document securing the Sponsor Loan imposes an obligation on the part of Sponsor (as borrower), to obtain the express consent of Sponsor Lender to a specific action, and if said loan document does not include a "deemed approved" provision for such action in the event of Sponsor Lender's failure to timely respond, then Sponsor Lender's consent to the proposed action shall not be deemed given pursuant to the foregoing if Sponsor Lender fails to respond within the second 30--day period.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, including, without limitation, any breach of Unit Owner's obligation to paint, decorate, maintain, repair, or replace the Unit pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such

cure within such 5 day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Office Building or for the safety of the occupants of the Office Building or other individuals or is required to avoid the suspension of any necessary service in the Office Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 *Abatement and Enjoinment.*

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges, or licenses granted to Sponsor, or the Retail Unit Owners, shall give to Sponsor, or the Retail Unit Owners (as the case may be) 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 9.3 *Remedies Cumulative.* The remedies specifically granted to the Condominium Board or to Sponsor, or the Retail Unit Owners in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Sponsor or the Retail Unit Owners, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof or (ii) Sponsor, or the Retail Unit Owners, (as the case may be) in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Sponsor, or the Retail Unit Owners, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of 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

Condominium Board pursuant to the terms of this Section 9.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 *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 1 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 10 days after 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 5 members whose principal office is located in the City of New York.

Section 10.2 *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 10.1 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 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of Section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of disputant's counsel and expert witnesses; provided, however, that the losing party in any such arbitration shall pay the actual, reasonable attorneys' fees of the prevailing party.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute General Common Expenses, to be borne by all Unit Owners, if such arbitration relates to the Units, generally, or to the General Common Elements, and shall constitute Office Common Expenses, to be borne by all Office Unit Owners if such arbitration relates solely to the Office Units or the Office Common Elements.

ARTICLE 11

NOTICES

Section 11.1 *General.* All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor, to such Unit Owner at Unit Owner's address at the Property;

(iii) if to Sponsor, to Sponsor at its principal office as set forth in the Plan;

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

(v) if to any Sponsor Lender, to such Sponsor Lender at _____.

Section 11.2 *Waiver of Service of Notice.* Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. Delivery of notice pursuant to the terms of this Section 11.1 shall be deemed complete when one of the following two events have taken place, as applicable: (i) with respect to notices of change of address, notices designating additional addresses, and notices deposited in an Authorized Depository located outside of the State of New York, such delivery shall be deemed complete at such time that the recipient has received the notice; or (ii) with respect to any notice that does not fall within provision (i) of this paragraph which is sent by overnight carrier, such delivery is deemed complete within (1) business day after the date on which the sender has deposited the notice in an Authorized Depository, or (iii) with respect to any notice that does not fall within provisions (i) and (ii) of this paragraph, such delivery is deemed complete three (3) business days after the date on which the sender has deposited the notice in an Authorized Depository. Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 *General.*

(A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-laws with respect to any amendments ("Special Amendments") affecting or in favor of Sponsor, the Retail Unit Owners, the Retail Units, and/or any Permitted Mortgagee, or any Sponsor Lender, any provision of these By-laws affecting the (i) General Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66 2/3% in number and Common Interest of all Unit Owners; and (ii) Office Common Elements or all Office Unit Owners may be added to, amended, modified or deleted by affirmative vote of at least 66 2/3% in number and Office Common Interest of all Office Unit Owners, either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage (where applicable) of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage (where applicable) of Unit Owners approving the same and, if voted at a meeting, the date, time

and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-laws with respect to Special Amendments:

(i) the Common Interest and Office Common Interest, if any, appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.5 hereof; and

(ii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted unless not less than 80% in number and aggregate Common Interests of all Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 *Special Amendments.*

(A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-laws that, pursuant to the terms of the Declaration or these By-laws, may be effected by Sponsor with the consent of any Sponsor Lender, and the Retail Unit Owners without the consent of the Condominium Board or the Office Unit Owners, shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor, or the Retail Unit Owners, as the case may be, as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor and any Sponsor Lender, or the Retail Unit Owners certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor, or the Retail Unit Owners pursuant to the terms of the Declaration and/or these By-laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or these By-laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-laws shall be effective in any respect against Sponsor, or the Retail Unit Owners, unless and until Sponsor and any Sponsor Lender, or the Retail Unit Owners shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) or paragraph (C) of Section 6.2, subparagraph (iv) or (v) of paragraph (B) of Section 7.5 or Article 8 shall be effective with respect to the holder of any Permitted Mortgage, theretofore made, including a Sponsor Lender as related to the Unsold Units, unless and until such Permitted Mortgagee or any Sponsor Lender shall have given its written consent thereto. In addition, no amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of 51% of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any, including any Sponsor Lender. If the Permitted Mortgagees or Mortgage Representatives or any Sponsor Lender fail to respond within 60 days after written notice and receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested (with respect to the Sponsor Lender only, such notice shall be sent on at least two separate occasions), the implied approval of such Permitted Mortgagees or Mortgage Representative or any Sponsor Lender shall be assumed. Notwithstanding the above provisions of this subsection 12.2(C), no amendment to the Condominium Documents which would materially and adversely affect Ladder Capital Finance LLC as Sponsor Lender while a Sponsor Loan made by Ladder Capital Finance LLC is outstanding shall be effective without the prior written consent of Ladder Capital Finance LLC. The request for such consent shall be made by certified mail return receipt requested. If Ladder Capital Finance LLC fails to

respond within thirty (30) days after the date the request for consent is given, the Condominium Board or other party shall send a second request for consent. The second request for consent shall be written in 20 point bold capital letters, shall state it is the second notice under section 12.2 of the By-Laws and shall remind Ladder Capital Finance LLC that if Ladder Capital Finance LLC fails to respond within thirty (30) days after the date the second notice is deemed given, Ladder Capital Finance LLC's consent to the proposed amendment shall be deemed given.

(D) Amendments, modifications, additions or deletions of or to the Declaration, these By-laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of a Retail Unit or the subdivision of or combination of, or altering of, or improvement to a Retail Unit and it is contemplated that in connection therewith a Retail Unit Owner will cause the Declaration, these By-laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provisions thereof may be similar or dissimilar to those affecting the Office Units and the Office Unit Owners. In the case of any such amendment, modification, addition or deletion which does not materially and adversely affect the Office Units or the Office Unit Owners, or a Retail Unit Owner shall be the attorney-in-fact for the Office Unit Owners (including Sponsor so long as Sponsor owns any Unsold Units), coupled with an interest, for the purpose of approving, executing and recording any instrument effecting such amendment, modification, addition or deletion.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 *General.* Any Person that is subject to the terms of these By-laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a Member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 *Failure to Deliver or Act.*

(A) If any Unit Owner or other Person that is subject to the terms of these By-laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee or any Sponsor Lender) after request therefor, to take any action that such Unit Owner or Person is required to take pursuant to these By-laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person. However, where the consent of the any Sponsor Lender is required pursuant to the terms of the Declaration or By-laws, such Sponsor Lender shall be given written notice and delivery of the instrument or consent, delivered by either certified or registered mail, "return receipt" requested (with respect to the Sponsor Lender only, such notice shall be sent on at least two separate occasions), prior to permitting the Condominium Board to act on its behalf.

(B) If any Unit Owner, the Condominium Board or other Person (other than Sponsor) that is subject to the terms of these By-laws fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to these By-Laws at the request of Sponsor, or a Retail Unit Owner, as the case may be, then Sponsor, or a Retail Unit Owner, as the case may be, is hereby authorized, as attorney-in-fact for the Unit

Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these By-Laws which requires the consent or approval of the Condominium Board, except where such approval or consent is expressly provided herein to be at the Condominium Board's sole discretion.

(C) Notwithstanding the provisions of Section 13.2(A) above, if Ladder Capital Finance LLC, as Sponsor Lender while a Sponsor Loan made by Ladder Capital Finance LLC is outstanding, fails to execute, acknowledge or deliver any instrument which Ladder Capital Finance LLC is required to execute, acknowledge or deliver pursuant to these By-Laws after request by Sponsor, the Condominium Board or Retail Unit Owner, as the case may be, then the party making such request shall send a second request. The second request for consent shall be written in 20 point bold capital letters, shall state it is the second notice under Article 13 of the By-laws and shall remind Ladder Capital Finance LLC that if Ladder Capital Finance LLC fails to respond within thirty (30) days after the date the second notice is deemed given, then Sponsor, the Condominium Board or Retail Unit Owner, as the case may be, is hereby authorized, as attorney-in-fact for Ladder Capital Finance LLC, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of Ladder Capital Finance LLC, and such document shall be binding on Ladder Capital Finance LLC. Ladder Capital Finance LLC shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these By-Laws which requires the consent or approval of Ladder Capital Finance LLC, except where such approval or consent is expressly provided herein to be at the Ladder Capital Finance LLC's sole discretion.

ARTICLE 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents.* Copies of the Declaration, these By-laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours. Each Unit Owner shall be permitted to examine the books of account of the Condominium during reasonable business hours, but not more frequently than once a month.

Section 14.2 *Waiver.* No provision contained in these By-laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 *Conflict.* In the event that any provision of these By-laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 *Severability.* If any provision of these By-laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 *Successors and Assigns.* The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor. The rights and/or obligations of the Retail Unit Owners as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of the Retail Unit Owners.

Section 14.6 *Gender.* A reference in these By-laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-laws or the intent of any provision hereof.

ARTICLE 15

TAX STATUS AS A HOMEOWNERS ASSOCIATION

Section 15.1 *General.* The Condominium will not be eligible to elect tax-exempt status under Section 528 of the Internal Revenue Code of 1986, as amended.

* * * * *

ADDENDUM TO THE BY-LAWS

RULES AND REGULATIONS

These Rules and Regulations are subject to the terms of the Declaration and the By-Laws and any conflict between these Rules and Regulations and the Declaration and By-Laws should be resolved in favor of the Declaration and By-Laws, as applicable.

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Office Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units.

2. No bicycles, rollerblades, scooters, skateboards or similar vehicle shall be taken into or from the Office Building through the main entrance or shall be allowed in any of the elevators of the Office Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose or ridden in the Office Building. No baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Office Building.

3. All service and delivery persons will be required to use the service entrances or such other entrances of the Office Building designated by the Condominium Board or the Managing Agent. In addition, all domestic employees, messengers and tradespeople visiting the Office Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use any of the other elevators for any purpose.

4. Trunks and heavy baggage shall be taken in or out of the Office Building only by the elevator designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrances.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or landings of the Office Building, nor shall any fire exit thereof be obstructed in any manner.

6. No Unit may be used for the storage of any flammable materials or any other materials the storage of which may constitute an Office Building code violation or which will increase the insurance requirements for the Office Building.

7. Unless expressly authorized by the Condominium Board in each instance, all Unit Owners are prohibited from entering the roof of the Office Building.

8. No refuse from the Units shall be sent to the service area of the Office Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, or placed upon the window sills, of the Office Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

9. There shall be no loitering in the entrances, passages, public halls, elevators, vestibules, corridors, or stairways of the Office Building.

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

11. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Office Building, or the contents thereof. No Unit Owner shall permit anything to be done or kept in the Unit or in the Common Elements that will result in the cancellation of insurance on the Office Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in the Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of the Unit and permitted by Law.

12. There shall be no barbecuing in the Units or in the Common Elements.

13. No Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from their Unit or permit anything to be done in their Unit that will interfere with the rights, comforts, or conveniences of the other Unit Owners.

14. No pets or animals of any kind, with the exception of service animals, may be kept in the Office Building. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Office Building, or on the sidewalk or street adjacent to the Office Building.

15. No group tour, open house or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, other than in an Unsold Unit or a Unit owned by Sponsor, without the consent of the Condominium Board or the Managing Agent in each instance.

16. No awnings, air conditioning equipment or ventilators shall be installed or modified in the Office Building by any Unit Owner without prior approval of the Condominium Board.

17. No radio or television aerial or satellite dish or other similar device shall be attached to or hung from the exterior of the Office Building or the roof and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Office Building by Unit Owners (excluding Sponsor), except such as are permitted pursuant to the terms of Declaration and/or the By-laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Unit without similar approval.

18. 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.

19. Water closets and other water apparatus in the Office Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of the Unit.

20. Each Unit Owner shall keep the Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-laws.

21. The access doors located in various portions of the ceiling of the Units shall not be obstructed in any manner which would prevent access to the ceiling hung units located within such ceilings.

22. The agents of the Condominium Board or the Managing Agent, and any contractor or workperson authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least 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.

23. The Condominium Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to the 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 Condominium Board or the Managing Agent, then the Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

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

25. Unit Owners and their respective guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon, the roof of the Office Building.

26. No occupant of the Office Building shall send any employee of the Condominium or of the Managing Agent out of the Office Building on any private business.

27. 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.

28. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board and the Managing Agent.

29. No weapons of any kind are to be permitted anywhere on the Property.

30. No smoking is permitted anywhere on the Property.

31. Any vendors or service providers, including, without limitation, contractors, delivery services, and moving companies, must adhere to and provide evidence of insurance meeting the requirements set by the Condominium Board.

32. Unit Owners shall not attach, hang, affix, leave, or abandon any belongings or signage anywhere on the Common Elements, or otherwise alter the appearance of any Common Elements, unless approved by the Condominium Board.

33. Any Unit Owner wishing to move large or heavy items through Common Elements in the Office Building, including, without limitation, large or heavy boxes or furniture ("Moving Work"), must (i) first obtain certificates of insurance covering such Moving Work and submit to the Managing Agent copies of such certificates, which shall name, as additional insureds, the Condominium, the Condominium Board, the Managing Agent, Sponsor (during the Sponsor Control Period), and all their affiliates, agents and assigns, as well as any other Unit Owners as their interests may appear, (ii) perform such Moving

Work at such times approved by the Condominium Board or Managing Agent, (iii) employ such protective measures as necessary to avoid impairing the appearance or damaging any portion of the Common Elements, including, without limitation, floors and walls, as a result of such Moving Work, and (iv) perform such Moving Work using only such means of egress or ingress through the Office Building and/or elevator as approved by the Condominium Board or Managing Agent. Any costs incurred by the Condominium in order to facilitate the Moving Work (including, without limitation, costs incurred in order to remedy any defaults or omissions by such Unit Owner, to voluntarily provide assistance at the request of such Unit Owner, and/or to employ personnel during such Moving Work in order to ensure the safety of the Office Building and/or its occupants) shall be charged to the Unit Owner, who shall remain solely responsible for the payment thereof.

34. Any utilization of the elevator to move freight or any large objects by a Unit Owner may be subject to an additional fee payable by such Unit Owner in an amount to be determined by the Condominium Board or Managing Agent.

35. Any Unit Owner wishing to utilize the elevator for the movement of freight or any large objects ("Service Elevator Use") must (i) first obtain consent of the Condominium Board or the Managing Agent in each instance of Service Elevator Use, (ii) tender to the Condominium Board or Managing Agent payment for the fee for such Service Elevator Use (if required by the Condominium Board or Managing Agent in their reasonable discretion), and (iii) upon obtaining such consent, perform such Service Elevator Use only at such times approved by the Condominium Board or Managing Agent. Any costs incurred by the Condominium in order to facilitate the Service Elevator Use (including, without limitation, costs incurred in order to remedy any defaults or omissions by such Unit Owner, to voluntarily provide assistance at the request of such Unit Owner, and/or to employ personnel during such Service Elevator Use to ensure the safety of the Office Building and/or its occupants) shall be charged to the Unit Owner, who shall remain solely responsible for the payment thereof.

36. Hours of operation of the heating, ventilation, and air conditioning ("HVAC") system in the Office Building will be operated at times established, modified, and regulated by the Condominium Board in its sole discretion. Any Office Unit Owner or Retail Unit Owner who would like HVAC to be provided to the Unit outside of a service period established by the Condominium Board should contact the Managing Agent, and may be required to pay an additional fee.

37. Unit Owners and their respective guests, domestic employees, employees, agents, visitors, or licensees shall abide by any additional rules and regulations adopted by the Condominium Board.

38. Sponsor and Managing Agent shall have the right to implement reasonable security procedures with respect to guests entering the Building, including, without limitation, requiring guests to sign-in upon arrival.

EXHIBIT E

TO THE DECLARATION

UNIT POWER OF ATTORNEY

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration ("Declaration") establishing a plan for condominium ownership of the premises known as the 35 West 36th Street Condominium ("Condominium") and by the street number 35 West 36th Street, New York, New York 10018 under Article 9-B of the Real Property Law of the State of New York, dated [DECLARATION DATE], and recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on [DEC RECORDING DATE], as CRFN# [DEC CRFN #] ("Declaration"), or (b) in the By-Laws of 35 West 36th Street Condominium ("By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, (having an office) (residing at) _____, the owner of a Unit _____ ("Unit") in the Condominium which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ in Block 838 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as Members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-laws then in effect, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Unit Owners for the reduction of the assessed valuation of their Units, such Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Unit so acquired or to sublease any Unit so leased;

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Units.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned, _____, (having an office) (residing at) _____, the owner of a Unit _____ ("Unit") in the Condominium which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ in Block 838 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint 3536 Associates LLC ("Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents, including without limitation, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the Declaration, or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit; or (3) shall be required to correct any inconsistencies or scriveners' errors in the Declaration, the By-Laws and/or the Floor Plans; or (4) relinquish Sponsor's rights under the Condominium Documents, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of 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) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. 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 (i) Sponsor shall cease to own any Unit in the Condominium; and (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan; and

(b) to effectuate Sponsor's and/or Development Rights Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in the Declaration.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, ____.

_____

(ACKNOWLEDGEMENT)

UNIT OWNER'S SPECIMEN TITLE POLICY

First American Title Insurance Company

AMERICAN LAND TITLE ASSOCIATION OWNERS POLICY (6-17-2006)
WITH NEW YORK COVERAGE ENDORSEMENT APPENDED (A.L.T.A.)

SCHEDULE A

Policy No.:

Title Number	**Effective Date**	**Amount of Insurance**
SP41738-NY		

1. **Name of Insured:**

2. **The estate or interest in the land which is covered by this policy is:** Fee Simple

3. **Title to the estate or interest in the land is vested by:**

   _____ who acquired title by deed from 3536 ASSOCIATES LLC, dated ____and recorded in the Office of the Register of the County of NEW YORK.

4. **The land referred to in this Policy is described herein on Schedule A Description of Premises.**

   For Information: Premises known as: 35 West 36th Street, Unit # _____, NEW YORK, NY 10018

_____
Authorized Signatory

First American Title Insurance Company

SCHEDULE A
DESCRIPTION OF PREMISES

Title No. SP41738-NY
Policy No. PROFORMA

ALL that that certain plot piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 36th Street, distant 375.00 feet easterly from the corner formed by the intersection of the northerly side of West 36th Street with the easterly side of Sixth Avenue (Avenue of the Americas);

RUNNING THENCE easterly along the northerly side of West 36th Street a distance of 54 feet 6 inches to a point which is distant 429 feet 6 inches easterly from the aforementioned corner, which point is opposite the center line of a 12 inch party wall standing partly on the premises hereby conveyed and partly on the property adjoining the same as the east;

THENCE northerly at right angles to the northerly side of West 36th Street and part of the way through the middle of said party wall, 98 feet 9 inches to the center line of the block between West 36th Street and West 37th Street;

THENCE westerly along said center line of the block and parallel with West 36th Street, 54 feet 6 inches to a point distant 375.00 feet easterly from Sixth Avenue measured along said center line of the block;

THENCE southerly and parallel with Sixth Avenue and part of the way through a party wall, 98 feet 9 inches to the northerly side of West 36th Street to the point or place of BEGINNING.

NOTE: DESCRIPTION TO BE AMENDED UPON FILING OF DECLARATION OF CONDOMINIUM AND BY LAWS

First American Title Insurance Company

SCHEDULE B

Policy No PROFORMA
Title No SP41738-NY

Showing defects, liens, encumbrances and other matters against which the Company does not, by this Policy, insure:

1. a. Covenants and Restrictions in Liber 779 at Page 461 as modified by Liber 58 Page 393, Section 3.
   b. Party Wall Agreement in Liber 721 Page 461

   Policy affirmatively insures that any violation of the Covenants and Restrictions set forth herein will not result in a forfeiture of title or reversion under which the lien of the insured mortgage can be cut off, subordinated or otherwise disturbed or extinguished.

2. Terms and conditions set forth in the Declaration of Condominium and By-Laws, dated _____ recorded _____ in the Office of the Register of the County of New York in CRFN _____, but this Policy insures against loss or damage occasioned by the premises not being a part of condominium validly created pursuant to Article 9-B of the Real Property Law of the State of New York, as amended.

3. With respect to Condominium Unit No. ___, the title to which is to be insured herein, policy excepts any state of facts which an accurate survey would disclose. Policy insures, however, that any encroachment of the Unit onto other Units or onto any part of the common elements may remain undisturbed as long as the unit insured hereunder exists. The exact distances, dimensions and locations of the boundary lines of the premises herein described cannot be guaranteed without a survey acceptable and approved by the Law Department of this Company.

First American Title Insurance Company

STANDARD NEW YORK ENDORSEMENT
(Owner's Policy)

Title No SP41738-NY

Attached to and made a part of Policy No. PROFORMA

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers

DATED: **First American Title Insurance Company**

By_____
Authorized Signatory

Standard New York Endorsement (11/1/2008)
For Use With ALTA Owner's Policy (6/17/2006)
Amended (7/1/2012)

ATTORNEY'S INCOME TAX OPINION

O L S H A N

1325 AVENUE OF THE AMERICAS • NEW YORK, NEW YORK 10019
TELEPHONE: 212.451.2300 • FACSIMILE: 212.451.2222

EMAIL: WGLEICHER@OLSHANLAW.COM
DIRECT DIAL: 212.451.2231

October 31, 2019

3536 Associates LLC
40 Wall Street, 45th Floor
New York, New York 10005

Re: 35 West 36th Street Condominium, New York, NY

Gentlemen:

In connection with the offering of condominium units under a plan entitled Condominium Offering Plan for 35 West 36th Street Condominium (the "Plan"), you have requested our opinion as special tax counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for U.S. federal, New York State and New York City income tax purposes of payments of mortgage interest and real estate taxes by Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

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

This opinion addresses certain U.S. federal, New York State and New York City income tax consequences that would result from the ownership of a Unit by a taxpayer who is a resident of New York City for income tax purposes for use in a trade or business. It does not address, among other things, the ownership of Units by tax-exempt entities or by taxpayers who are not residents of New York City for income tax purposes, including foreign individuals or foreign entities; the ownership of Units by taxpayers for investment; the estate tax consequences of ownership of Units by an individual; or the reporting and return filing requirements associated with the use of a Unit in a trade or business.

We understand that under the Plan each Unit Owner will hold title to his Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes. Each Unit Owner may place a separate mortgage on his Unit and, by doing so, incur direct liability for the interest payable on such mortgage.

In our opinion under present law, subject to the limitations discussed below, interest on a mortgage secured by a Unit paid or accrued by a Unit Owner of such Unit is liable for the interest payment on such mortgage and who uses such Unit in the active conduct of a trade or business will be deductible for U.S. federal income tax purposes in the appropriate year according to such Unit Owner's method of accounting. In rendering this opinion we assume that such interest is not prepaid, that the mortgage was obtained to either purchase the Unit or the proceeds of the mortgage were used by the Unit Owner in his trade or business.

It is also our opinion under present law that real estate taxes assessed against a Unit Owner's Unit which are paid or accrued by such Unit Owner and who uses such Unit in the active conduct of a trade or business will be deductible for U.S. federal income tax purposes in the appropriate year according to his method of accounting.

We also note that the deduction of mortgage interest and real estate taxes by a Unit Owner may be limited by the passive activity rules of Internal Revenue Code ("Code") Section 469 and the "at risk" limitation rules of Code Section 465.

Commencing in taxable years beginning after December 31, 2017, Code Section 163(j), as amended by 2017 Tax Cuts and Jobs Act, limits the deductibility of net interest expense paid or accrued on debt properly allocable to a trade or business to 30% of "adjusted taxable income," subject to certain exceptions. Any deduction in excess of the limitation is carried forward and may be used in a subsequent year, subject to the 30% limitation. "Adjusted taxable income" is determined without regard to certain deductions, including those for net interest expense, NOL carryforwards and, for taxable years beginning before January 1, 2022, depreciation, amortization and depletion. However, certain individuals or entities may be exempt from this limitation on the deduction of interest. Each Purchaser should consult its own tax advisor as to the application of the limitation on the deduction of interest under Code Section 163(j) to its particular circumstances.

The mortgage interest and real estate taxes described above will also be allowable as deductions for New York State and New York City income tax purposes, subject to New York state limitations on the deductions (after application of the limitations described above). Purchasers should consult their tax advisors to determine if any additional adjustments or limitations may apply.

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of 35 West 36th Street Condominium (the "Association"), including the Declaration of Condominium and By-Laws of the Condominium (which are the instruments which will create the Association).

Our opinion has been requested as to whether the Association will be eligible to qualify as a tax-exempt organization for U.S. federal income tax purposes. In order for the Association to qualify as an exempt organization for U.S. federal income tax purposes under Code Section 528, it must meet the following six conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from Owners of residential units.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance, and care of the Association's property and other than by a rebate of excess membership dues, fees, or assessments.

(5) The Association must qualify as a "condominium management association," which is an organization meeting the requirements of condition (1), above, with respect to a condominium project substantially all the units of which are used by individuals for residences.

(6) The Association must properly elect to have Code Section 528 apply for the taxable year.

"Substantially all the units" of a condominium management association will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all units within the project is used by individuals for residential purposes.

You have advised us that none of the total square footage of the Premises will be used by individuals for residential purposes. Accordingly, the "substantially all" test will not be met. As a result, it is our opinion that the Association will not be eligible to elect tax-exempt status under Code Section 528.

Since the Association will not qualify as a tax exempt organization pursuant to Code Section 528, the present state of the law is uncertain as to the tax treatment of any income of the Association in excess of appropriate deductions and credits. Tax authorities may take the position that the Association is a separate taxable entity and that some or all of its income (including the non-membership, and possibly membership, income described above less expenses related to such income) is subject to U.S. federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners. The tax treatment of the Association may be affected by certain United States Treasury Department regulations relating to entity classification.[1]

To the extent it is subject to any Income Taxes, the Association's taxable income would consist of the portion of the Common Charges that is deemed to constitute gross income plus any income earned from other sources (such as from interim investment of funds by the Association), reduced by the current deductible expenses paid or incurred by or through the Association. If excess Common Charges are distributed to the Unit Owners during the year, the Association should have no taxable income attributable to such overassessments. However, to the extent the Association receives and retains excess Common Charges over which the Association retains discretion, or receives other amounts such as investment income on interim investment of funds, the Association may have taxable income giving rise to liability for Income Taxes. It should be noted that if the Association is required to pay any Income Taxes, and the Association makes an

[1] To remove doubt in the area, the Association may be able to elect to be treated as a corporation for federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation.

additional assessment in order to pay the tax liability, the additional amount collected through such assessment may itself constitute taxable income to the Association.

This opinion deals only with the specific tax matters discussed above, which do not necessarily comprise all tax matters which may be significant to purchasers of Units. We express no views as to any U.S. federal, New York State or New York City tax consequences other than as explicitly discussed in this opinion or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction. Accordingly, it is recommended that each prospective purchaser of a Unit consult with his own tax advisor concerning the U.S. federal, New York State, and New York City tax consequences of the purchase and ownership of a Unit.

This opinion is based solely on the facts and documents referred to above. No warranties are made that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, counsel to Sponsor, special tax counsel to the Sponsor, the Association, or any other person be liable if, by reason of future changes in fact or applicable law, regulations, decisional law, or Internal Revenue Service rulings, the tax consequences described previously should change.

ALL UNIT OWNERS, POTENTIAL UNIT OWNERS AND THE ASSOCIATION ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THIS OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE ASSOCIATION SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Sincerely yours,



OLSHAN FROME WOLOSKY LLP

REAL ESTATE TAX PROJECTION OPINION

MARCUS & POLLACK LLP

ATTORNEYS AT LAW

INCLUDING PROFESSIONAL CORPORATIONS

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EMILY N. BLATT

KRISTINE S. LOFFREDO

October 30, 2019

3536 Associates LLC
40 Wall Street, 45th Floor
New York, NY 10005

Real Estate Tax Projection
35 West 36th Street
Manhattan Block 838, Lot 21

Ladies and Gentlemen:

You have requested that we project the real estate tax liability for the above-referenced commercial office building (the "Building"), which will be converted to 20 separately assessed commercial condominium tax lots. You have advised us that some or all of the condominium units will be offered for sale by the Sponsor of an Offering Plan.

The records of the New York City Department of Finance ("DOF") indicate that the property is a 12-story commercial building with a total of 57,636 gross square feet consisting of 50,486 square feet of office space and 7,150 square feet of retail space. You have advised us that this description is generally accurate although the amount of retail space may be subject to change.

You have further advised us as follows: The conversion of the Building to a condominium regime will not involve any renovation or major capital improvement to the property but will merely entail a change in the form of ownership. There will be 18 office units and two retail units. The first year of condominium operation will run from January 1 to December 31, 2020. This period will cover the second six months of the City's 2019/20 fiscal year and the first six months of the City's 2020/21 fiscal year.

We have projected the real estate taxes for each of the New York City fiscal years that overlap with the first year of condominium operation. Our projections are based on the description of the Building that you have provided, a review of public records, an analysis of the assessments

of similar commercial condominium buildings, our experience with New York City's tax policies and assessment practices, and applicable law.

The City levies real estate taxes on the basis of its fiscal year that runs from July 1 to June 30. An annual tax is levied on each separately assessed parcel of real property, including individual condominium units.

DOF conducts an annual revaluation for real property tax assessment purposes. DOF estimates a Full Value for each property using one or more of three generally recognized appraisal methods. These are the sales price comparison, income capitalization and cost approaches to value.

Full Value is generally equated with market value, which is the price that a property would bring in a competitive and open market, wherein both buyer and seller are acting prudently, knowledgeably and assuming the price is not affected by undue stimulus.

In theory, the three approaches to value should produce similar estimates. However, in practical use, the choice of methods may be limited by the availability of data and the results of the different approaches may be difficult to reconcile.

Each of the three approaches to value may make use of data for the subject property as well as from other similar properties.

The sales price comparison approach involves identifying properties that have recently sold in open market transactions and adjusting for time trends and differences between the sold properties and the subject property. For most types of property, comparisons are made on the basis of sale price per standard unit, such as square feet of building floor area.

The capitalization of income approach relies on the assumption that the price an investor will pay for an income-producing property is based on the potential net income to be derived from ownership of the property. The income capitalization method commonly applied for tax assessment purposes involves dividing an estimated annual net operating income by a capitalization rate that reflects the rate of return required by investors in the applicable market.

The cost approach relies on the assumption that the price an investor or property user will pay for a property is limited by the sum of the cost of construction and the value of the underlying land. This method of valuation is generally considered best used for new buildings; for older buildings it requires adjustment for depreciation and obsolescence, which are difficult to determine. Relevant data used in the cost approach include material and labor ("hard") costs, and financing, engineering, architectural, testing and professional fees, and construction-period taxes ("soft") costs.

The methods developed by the appraisal profession for single-property valuations are modified for tax assessment purposes by the needs of the mass appraisal process and legal constraints imposed by judicial precedent in contested valuation cases and state and local laws.

New York Real Property Law § 339-y[1][b] provides that" In no event shall the aggregate of the assessment of the units plus their common interests exceed the total valuation of the property were the property assessed as a parcel." This provision has been interpreted to preclude the use of sales prices of individual units in valuing condominium properties. The judicial precedents on this issue involve residential buildings and most were written after Real Property Law § 339-y was augmented by the enactment in 1981 of New York Real Tax Law § 581, which applies only to residential buildings. Nonetheless, Real Property Law § 339-y by itself is sufficient basis to require that, for purposes of establishing the upper limit of value, a commercial condominium building be assessed without regard to actual or potential sales prices for individual units.

Judicial precedents in New York establish that the income approach to value is generally the preferred method of valuing the types of properties, such as multi-occupant office buildings, that are usually owned and operated for production of income.

Consistent with the statute and judicial precedent, DOF has adopted a practice of using the income approach as the primary method of valuation for commercial condominiums.

Tax assessments are determined based on the value and condition of the property on the Taxable Status Date, which is the January 5 prior to the beginning of the City fiscal year for which the assessment is made. Real Property Tax Law §§ 301, 302; New York City Charter § 1507.

DOF publishes tentative assessments for each tax lot on or about January 15. Tentative assessments are subject to change by DOF for limited periods and become final on May 25. Tentative assessments may be appealed by filing an application on or before March 1 with the New York City Tax Commission, which has authority to reduce assessments that it finds erroneous. Tax Commission appeals and further proceedings in state court may continue after the assessments are final and are often resolved one or more years after the taxes have been paid

Condominium units are first separately assessed by DOF on publication of a tentative or final assessment following the filing and recording of a Declaration of Condominium in DOF's Office of the City Register and approval of an application for apportionment of the initial tax lot by DOF's Tax Map Unit. When the application is approved, each unit is assigned a tax lot number.

The new, separate assessments will be used to calculate taxes for the next following fiscal year beginning on July 1. Tax installments with future due dates for the current fiscal year may also be apportioned when the tax map change is approved.

Prior to separate assessment, DOF will value the entire property as a whole. The Offering Plan may provide for a method for apportionment of taxes based on a single assessment for the entire property.

When the property is separately assessed, DOF will first estimate a Full Value for the entire property or for portions of the property consisting of groups of units having the same or similar use, such as office or retail use. DOF will then allocate its value estimates to the individual units.

DOF has used several methods of allocating value to the units in the past and the method to be used is not prescribed by law. For more than ten years, DOF has used the common interest percentage assigned to each unit by the Declaration of Condominium as the basis for allocation within groups of units having the same or similar use.

It is possible that DOF will allocate the total value of all of the units based on their common interest percentages. However, it is also possible that for the initial separate assessments or for the assessments for subsequent fiscal years, DOF may value the retail and office units as two separate groups and then apply the common interest percentages to allocate among the units within those two groups. Finally, it is possible the DOF will adopt some completely different method of allocation, such as relative square footage or sales prices.

We make no representation as to the fiscal year for which the units will be separately assessed and billed by DOF, the method of allocation of value to the units that DOF will use when it separately assesses the units or the method that will be used to allocate taxes prior to separate assessment.

In making our projection, we seek to emulate the method that DOF will use to estimate the value of the property. We review all of the general information published by DOF as well as the assessments and related data published in respect to comparable commercial office buildings in the area in which the Building is located.

We have observed the following aspects of DOF's current methods of valuation of commercial condominiums:

DOF uses the income-approach to value as its primary method. DOF may estimate the gross income and pre-tax operating expenses used for the income approach by analyzing and adjusting the actual income and expenses reported to it by the owner in a Real Property Income and Expense ("RPIE") statement, which is required by a local law that applies to nearly all income-producing properties. We expect that this method may be used for the assessment for fiscal year 2020/21. However, after the commencement of condominium operation, the RPIE statements may no longer be practical for use in DOF's valuation model; there may be multiple filings and some that report no income because the unit is owner-occupied.

Where actual income from an RPIE statement are not used, DOF often determines gross income by multiplying the gross floor area by an estimated income per gross square foot derived from statistics compiled from the RPIE statements from a large number of properties. Expenses are similarly estimated using a ratio between income and pre-tax expenses based on statistics Alternatively, if there was a usable RPIE filed for a recent past year, DOF may apply a time trend adjustment to estimate the gross income.

Gross floor area generally includes all areas from the outside surface of the outer walls. Therefore, most or all of the common areas of the building, which are excluded from the unit areas, are included in DOF's measurement. Floor area, other than rentable space, that is located below-grade or above the main roof may be excluded in some cases.

The actual method used to measure gross area varies from building to building. The use of gross floor area instead of the rentable or usable areas commonly used in the commercial sale and rental markets is not inherently inconsistent with appraisal theory. If the imputed rents are based on other, comparable buildings measured in the same manner, the resulting estimate may be valid.

We have sought to be as accurate in our projections as possible based on DOF's current practices, as best they can be determined from observation and public information. However, the wide variation in DOF's value estimates makes it highly likely that the assessment and taxes actually imposed on the property will vary, at least to some extent, from the assessments and taxes that we have projected, and that there will be other, similar properties with higher or lower taxes per square foot.

Further, there is no certainty that DOF's current practices will remain unchanged or that the indicators of market value will not change prior to conversion of the Building resulting in the assessment and tax liability actually imposed on the property differing substantially from those that we have projected here.

Generally, assessments change every year. Over the long term, values have increased steadily with very large percentage increases occurring for some buildings in some years.

DOF multiplies its estimated Full Value by its stated level of assessment of 45% to determine an Actual (or target) Assessment. The 45% level of assessment, which is determined administratively, has been in place since 1983. We have applied the 45% level of assessment in projecting the Actual Assessments.

State law provides for most year-over-year changes in Actual Assessments to be phased in over five years to determine a Transition Assessment. Assessment changes attributed by DOF to new construction or renovation work are not phased in but added in full to both the Actual and Transition Assessments.

DOF calculates a Taxable Assessment, which is the lesser of the Actual and Transition Assessment, after deduction of any partial exemption to which the property is entitled. We have been advised that no application has or will be made for a building-wide exemption. For purposes of this projection we have assumed that none of the units will benefit from a partial exemption or abatement.

As part of its annual assessment, DOF determines the Tax Class of each tax lot. Buildings that are primarily commercial in actual use or design are designated as Class 4 property.

DOF calculates the annual tax for the fiscal year by multiplying the Taxable Assessment by the tax rate for the tax lot's Tax Class. Tax rates are set annually as part of the City's budget process and are often adjusted retroactively after the initial bills are issued. Over the past twenty years, tax rates have increased and decreased each year, usually by relatively small increments. We have assumed for purposes of these projections that the most recent final tax rates for the 2018/19 fiscal year will remain in effect for all of the fiscal years involved.

The assessed value and annual taxes for the most recent three New York City fiscal years are as follows:

City Fiscal Year	2017/18	2018/19	2019/20
Actual Assessment	$ 5,870,700	$ 6,283,350	$ 6,517,800
Transition Assessment	$ 4,611,421	$ 5,113,980	$ 5,696,100
Taxable Assessment	$ 4,611,421	$ 5,113,980	$ 5,696,100
Tax Rate*	10.514%	10.514%	10.514%
Annual Tax	$ 484,845	$ 537,684	$ 598,888

*The tax rate for the 2019/20 tax year is not yet established; the 2018/19 tax rate is used to estimate the annual taxes.

Our projections of the assessments and tax liabilities for the first year of condominium operation are set forth below.

Average assessed values and taxes per gross square foot of floor area are provided here to inform the reader with respect to the Building as a whole; these values are rounded and cannot be accurately used to estimate the assessed value or taxes for a specific unit. The tax estimates for specific units should be based on an allocation of the total projected tax.

<u>All Units</u>		Per sq. ft.
Estimated gross floor area	57,636 sq. ft.	
City Full Value 2019/20	$14,484,000	$251
Level of Assessment	45%	
<u>City Fiscal Year 2019/20</u>		
Projected Actual Assessed Value	$6,517,800	$113
Transition Assessed Value	$5,696,100	
Taxable Assessed Value	$5,696,100	

Projected Tax Rate	10.514%		
Projected Annual Tax	$598,888		$10.39
Projected Tax per Month	$49,907		$0.87
City Fiscal Year 2020/21			
Projected Actual Assessed Value	$6,873,585		$119
Transition Assessed Value	$6,114,657		
Taxable Assessed Value	$6,114,657		
Projected Tax Rate	10.514%		
Projected Annual Tax	$642,895		$11.15
Projected Tax per Month	$53,575		$0.93
First Year of Condominium Operation	1/1/2020	to	12/31/2020
City Fiscal Year 2019/20	6 months at	$49,907 =	$299,444
City Fiscal Year 2020/21	6 months at	$53,575 =	$321,448
Projected Annual Tax			$620,892

The foregoing analysis is based upon our experience with DOF assessment practices in respect to properties held in the condominium form of ownership. Application of a particular approach to valuation when actually made may result in assessed valuations significantly more or less than estimated here.

These projections do not take into account potential future changes in market values, assessment practices, levels of assessment or tax rates.

Our projections are good faith estimates based on our understanding of the current assessment practices of DOF. However, these practices have not been employed consistently by DOF, and it is therefore not possible to estimate the future assessed valuations of this property with certainty. The assessments and tax liabilities, when actually determined by DOF, may be significantly more or less than as estimated herein.

While we believe our projections are well founded, they are not intended, and should not be construed as representations or warranties.

The relevant laws and practices of the DOF upon which these projections are predicated may in the future be revised in a manner adverse to the interests of the owners, or there may be an adverse interpretation of the law by one or more agencies of the City of New York, or the courts. We have not under undertaken to advise you should we become aware of the changes in DOF's assessment practices or in the relevant laws or judicial precedents.

This letter was prepared at your request as Sponsor. Certain figures set forth herein are approximations derived from material submitted by you and are subject to change. We have not passed upon the accuracy of any figures or estimates contained in the Offering Plan and offer no warranties of the amount of any tax liabilities for any period.

We consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

Marcus & Pollack LLP

Marcus & Pollack LLP

Format changed	0
Total changes	107

FORM W-8
(CERTIFICATION OF FOREIGN STATUS)

Form **W-8BEN**

(Rev. January 2017)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

▶ For use by individuals. Entities must use Form W-8BEN-E.
▶ Information about Form W-8BEN and its separate instructions is at *www.irs.gov/formw8ben*.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• You are a person acting as an intermediary	W-8IMY

Note: If you are resident in a FATCA partner jurisdiction (i.e., a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner

2 Country of citizenship

3 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country

4 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)

6 Foreign tax identifying number (see instructions)

7 Reference number(s) (see instructions)

8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income):

_____.

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: _____

_____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself for chapter 4 purposes,
- The person named on line 1 of this form is not a U.S. person,
- The income to which this form relates is:

  (a) not effectively connected with the conduct of a trade or business in the United States,

  (b) effectively connected but is not subject to tax under an applicable income tax treaty, or

  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ▶ _____ _____

Signature of beneficial owner (or individual authorized to sign for beneficial owner) — Date (MM-DD-YYYY)

Print name of signer — Capacity in which acting (if form is not signed by beneficial owner)

FORM W-9
(REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See **Specific Instructions** on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–			–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. person** ▶ **Date** ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

ESCROW AGREEMENT

ESCROW AGREEMENT FOR OFFERING PLAN

AGREEMENT made as of the filing date of the Offering Plan (defined below), between 3536 Associates LLC ("SPONSOR") as SPONSOR of the Offering Plan and Starr Associates LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the SPONSOR of an offering plan for premises known as 35 West 36th Street Condominium and located at 35 West 36th Street, New York, NY 10018 ("Offering Plan"); and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b) and 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement and the Offering Plan, and in accordance with the provisions contained in the Escrow Rider to the Purchase Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT will establish a master escrow account for the purpose of holding deposits, down payments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at a commercial or savings bank authorized to do business in the State of New York entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account").

1.2. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. If ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8 (Certificate of Foreign Status), as applicable, from a Purchaser at the time the Deposit is delivered to ESCROW AGENT, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

1.3. ESCROW AGENT has designated the following attorneys to serve as signatories for the Master Escrow Account: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq. and Adam Kriegstein, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. ESCROW AGENT and all Authorized Signatories have an address of 220 East 42 Street, Suite 3302, New York, New York 10017, and a telephone number of (212) 620-2680.

1.4. Neither ESCROW AGENT nor any Authorized Signatories on the Master Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Offering Plan), or any principal thereof, or have any beneficial interest in any of the foregoing.

1.5. ESCROW AGENT and all signatories designated herein hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.6. The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

1.7. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event there is a consummation of the Offering Plan (i.e., the Offering Plan is declared effective) and Purchaser defaults.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1. All Deposits received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Starr Associates LLP, Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of Deposits, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2. Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Purchase Agreement"), ESCROW AGENT shall notify the Purchaser of the placement of the Deposit into the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive such notification within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Purchase Agreement and rescind within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York, 10271 ("Department of Law"). Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1. Under no circumstances shall Sponsor seek the release of the Deposits of a defaulting Purchaser until after Consummation of the Offering Plan (as such term is defined in the Attorney General's regulations). Consummation of the Offering Plan shall not relieve SPONSOR of its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and GBL Section 352-h.

3.2. ESCROW AGENT shall release the Deposit if so directed:

3.2.1. pursuant to terms and conditions set forth in the Offering Plan and Escrow Rider to the Purchase Agreement, upon closing of title to the Unit; or

3.2.2. in a subsequent writing signed by both SPONSOR and the Purchaser; or

3.2.3. by a final, non-appealable order or judgment of a court.

3.3. If the Deposits are not released pursuant to paragraph 3.2 and ESCROW AGENT receives a request by SPONSOR or Purchaser to release the Deposits, ESCROW AGENT shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If ESCROW AGENT has not received notice of objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and ESCROW AGENT shall provide further written notice to both parties informing them of the release of the Deposits. If ESCROW AGENT receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, ESCROW AGENT shall continue to hold the Deposits until otherwise directed pursuant to paragraph 3.2. However, ESCROW AGENT shall also have the right at any time to deposit the Deposits with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

3.4. SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to:

3.4.1. a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or

3.4.2. all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.5. In the event SPONSOR and a Purchaser close title under the Purchase Agreement, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

4. RECORDKEEPING.

4.1. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

4.2. Upon the dissolution of ESCROW AGENT, the former partners of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3. ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1. ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

5.2. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary and statutory obligations under GBL §§ 352(e)(2-b) and 352(h).

5.3. ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Purchase Agreement, unless taken or suffered

in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

5.4. ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

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

5.6. ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

5.7. The provisions of paragraphs 5.5 and 5.6 shall apply only to SPONSOR and nothing contained therein shall be in derogation of the rights of a Purchaser under Article 23-A of the GBL.

6. RESPONSIBILITIES OF SPONSOR.

6.1. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a partner of, or attorney or legal assistant employed by, ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

6.2. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary and statutory obligations set forth in GBL §§ 352(e)(2-b) and 352(h) and the Department of Law's regulations promulgated thereto.

6.3. SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1. This Agreement shall remain in effect unless and until it is cancelled by either:

7.1.1. Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent. Purchaser shall be deemed to have consented to such cancellation; or

7.1.2. The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation.

Such amendment shall disclose the identity of the successor escrow agent, the bank in the State of New York where the Deposit is being held, and the account number in which the Deposits will be held, and shall be served on all Purchasers by SPONSOR; or

7.1.3. All units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

7.2. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all Purchase Agreements or documents maintained by ESCROW AGENT relating to such funds to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. Prior to release of the Deposits, 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.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all claims, losses, judgments, costs, expenses and damages, including those brought by third-parties, including purchasers, incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, professional fees, including attorneys' fees, court costs and disbursements, either paid to retain attorneys or representing the value of all legal services rendered by Escrow Agent to itself and any and all attorneys' and professional fees, court costs, expenses and disbursements incurred by Escrow Agent in connection with a bankruptcy case filed by Sponsor for

protection under the United States Bankruptcy Code, the enforcement of any rights, or defense of any claims against Escrow Agent in any bankruptcy proceeding, or any other matter arising in or in connection with Sponsor's bankruptcy case.

13. ALTERNATE SECURITY

In the event SPONSOR is authorized by the Department of Law to post a Letter of Credit or Surety Bond as alternate security to secure all or a portion of the Deposits, ESCROW AGENT agrees to be the beneficiary of the Letter of Credit or Surety Bond and to act as fiduciary with respect to such Letter of Credit or Surety Bond for the benefit of Purchasers under the Offering Plan whose Deposits were released from escrow in accordance with the "Escrow and Trust Fund" section of the Offering Plan or an amendment to the Offering Plan.

14. ENTIRE AGREEMENT.

This Agreement, read together with GBL Sections 352-e(2-b) and 352-h, the Department of Law regulations, and the Escrow Rider to the Purchase Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

STARR ASSOCIATES LLP

By: _____
Name: Shaun W. Pappas
Title: Partner

SPONSOR:

3536 ASSOCIATES LLC

By: _____
Name: Sander Jacobowitz
Title: Authorized Signatory

CERTIFICATION OF SPONSOR AND PRINCIPAL

PART 20: CERTIFICATION OF SPONSOR AND PRINCIPAL

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street, 21st Floor
New York, New York 10005

Re: Commercial Condominium Offering Plan
35 West 36th Street Condominium
35 West 36th Street
New York, NY 10018

We are the sponsor and the principal of sponsor of the condominium offering plan for the captioned commercial property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

3536 ASSOCIATES LLC

By: _____
Name: Sander Jacobowitz
Title: Authorized Signatory

PRINCIPAL OF SPONSOR:

_____
Sander Jacobowitz

Severally sworn to before me
this 28th day of October 2019

_____
Notary Public

LISA VIDAL
Notary Public - State of New York
NO. 01VI6236702
Qualified in New York County
My Commission Expires 03/07/23

CERTIFICATION OF ARCHITECT

PART 20: CERTIFICATION OF ENGINEER OR ARCHITECT

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street,
New York, New York 10005

Re: Condominium Offering Plan
35 West 36th Street Condominium
35 West 36th Street
New York, New York 10018

Dear Sir/Madam:

The sponsor of the condominium offering plan to convert the captioned property to condominium ownership retained our firm, Howard L. Zimmerman Architects P.C. ("HLZA"), to prepare a report describing the construction of the property (the "Report"). HLZA examined the existing property on November 14, 2018 and June 20, 2019 and prepared the Report dated August 19, 2019, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am a registered architect/licensed engineer in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in 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; and

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or 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.

HOWARD L. ZIMMERMAN ARCHITECTS PC

By: _____

Name: [illegible] L. ZIMMERMAN

Title: [illegible]

Sworn to before me this
26 day of August 2019

Sarah Archbold
Notary Public

SARAH L. ARCHBOLD
Notary Public, State of New York
No. 01AR5071633
Qualified in Queens County
Commission Expires January 21, 2023

(Engineer's or Architect's Seal)

REGISTERED ARCHITECT
HOWARD L. ZIMMERMAN
14327
STATE OF NEW YORK

CERTIFICATION OF BUDGET EXPERT

PART 20: CERTIFICATION BY EXPERT AS TO ADEQUACY OF CONDOMINIUM BUDGET

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

Re: Condominium Offering Plan
35 West 36th Street Condominium
35 West 36th Street
New York, New York 10018

Dear Sir/Madam:

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare the Schedule B containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes the management of mixed use and commercial properties throughout New York. We have been managing properties since 2009 and have managed approximately 50 mixed use and commercial properties.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedule B.

We have reviewed the Schedule B and investigated the facts set forth in the Schedule B 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 commercial and residential buildings.

We certify that the projections in the Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule B:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false. where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income or expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Choice New York Management

By: _____

Name: Adam Lichtman

Title: Member

Sworn to before me this
14th day of August 2019

_____
Notary Public

DAMIEN M. STEIN
Notary Public, State of New York
No. 02ST6088103
Qualified in Queens County
Commission Expires March 3, 2023

PART 20: CERTIFICATION BY EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNER(S)

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street
New York, New York 10005

Re: Condominium Offering Plan
35 West 36th Street Condominium
35 West 36th Street
New York, New York 10018

Dear Sir/Madam:

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B which includes projections of common charges payable by the owner(s) of the commercial unit(s). Our experience in this field includes the management of mixed use and commercial properties throughout New York. We have been managing properties since 2009 and have managed approximately 25 mixed use and commercial properties.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the commercial unit(s) listed in Schedule B.

We have reviewed Schedule B as it impacts upon the commercial unit(s) and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B for the common charges payable by the owner(s) of the commercial unit(s) appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial unit(s) for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit(s) also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owner(s) of the commercial unit(s):

(i) sets forth in detail the projected common charges for the commercial unit(s) for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owner(s) of the commercial unit(s);

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit(s) 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.

Choice New York Management

By: _____
Name: Adam Lichtenstein
Title: Member

Sworn to before me this
14th day of August 2019

_____
Notary Public

DAMIEN M. STEIN
Notary Public, State of New York
No. 02ST6089103
Qualified in Queens County
Commission Expires March 3, 2023

REAL PROPERTY LAW SECTION 339-kk

NEW YORK REAL PROPERTY LAW § 339-kk

§ 339-kk. Rents.

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the Common Charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for Common Charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers have been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for Common Charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

§HISTORY: Add, L 1998, ch 422, § 3, eff July 22, 1998 (see 1998 note below).

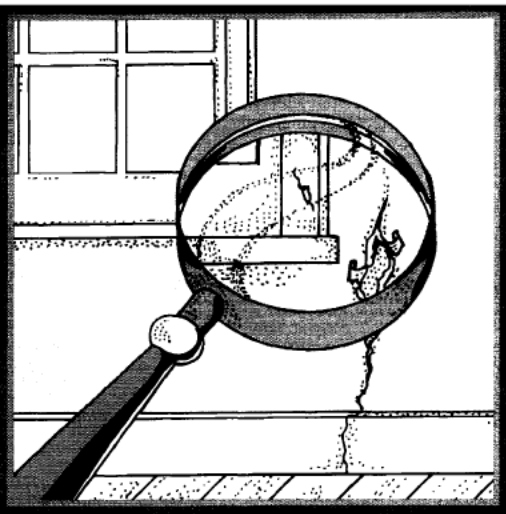
EDITOR'S NOTES:

Laws 1998, ch 422, §§ 4, 5, eff July 22, 1998, provide as follows:

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

PAMPHLET RE: PROTECTING FROM LEAD PAINT





Protect Your Family From Lead In Your Home



EPA United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.



OWNERS, BUYERS, and RENTERS are encouraged to check for lead (see page 6) before renting, buying or renovating pre-1978 housing.

Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure about lead-based paint.



SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS disturbing more than 2 square feet of painted surfaces have to give you this pamphlet before starting work.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children who seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

People can get lead in their body if they:

- Breathe in lead dust (especially during renovations that disturb painted surfaces).
- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.

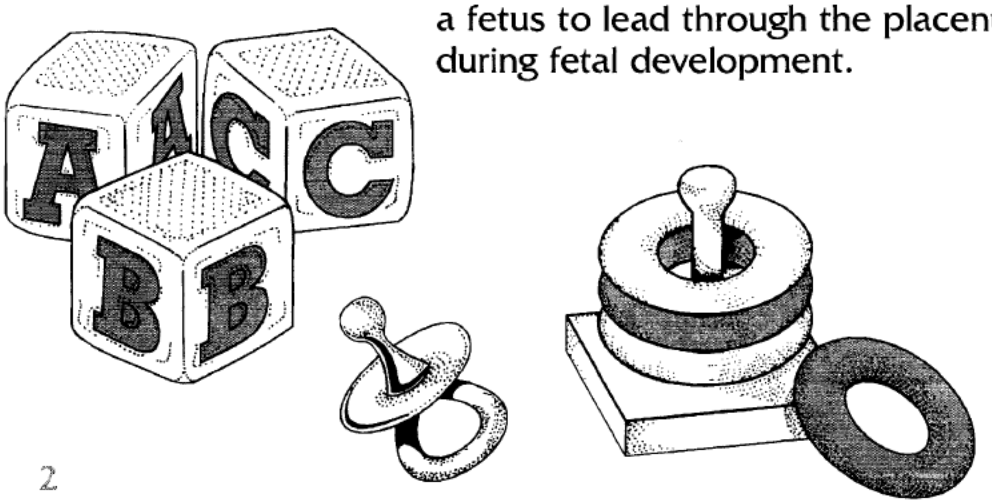
Lead is even more dangerous to children under the age of 6:

- At this age children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.

Even children who appear healthy can have dangerous levels of lead in their bodies.

Lead is also dangerous to women of childbearing age:

- Women with a high lead level in their system prior to pregnancy would expose a fetus to lead through the placenta during fetal development.



Lead's Effects

It is important to know that even exposure to low levels of lead can severely harm children.

In children, lead can cause:

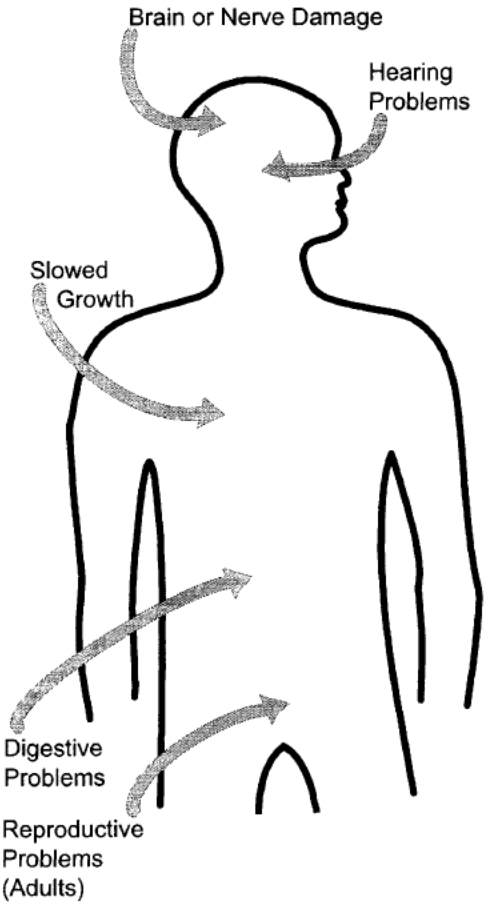
- Nervous system and kidney damage.
- Learning disabilities, attention deficit disorder, and decreased intelligence.
- Speech, language, and behavior problems.
- Poor muscle coordination.
- Decreased muscle and bone growth.
- Hearing damage.

While low-lead exposure is most common, exposure to high levels of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults too.

In adults, lead can cause:

- Increased chance of illness during pregnancy.
- Harm to a fetus, including brain damage or death.
- Fertility problems (in men and women).
- High blood pressure.
- Digestive problems.
- Nerve disorders.
- Memory and concentration problems.
- Muscle and joint pain.



Lead affects the body in many ways.

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside and outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- Children at ages 1 and 2.
- Children or other family members who have been exposed to high levels of lead.
- Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, banisters, and porches.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- 40 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors.
- 250 $\mu g/ft^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- 400 parts per million (ppm) and higher in play areas of bare soil.
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home tested for lead in several different ways:

- A paint **inspection** tells you whether your home has lead-based paint and where it is located. It won't tell you whether or not your home currently has lead hazards.
- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards.
- A combination risk assessment and inspection tells you if your home has any lead hazards and if your home has any lead-based paint, and where the lead-based paint is located.



Hire a trained and certified testing professional who will use a range of reliable methods when testing your home.

- Visual inspection of paint condition and location.
- A portable x-ray fluorescence (XRF) machine.
- Lab tests of paint, dust, and soil samples.

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency (see bottom of page 11) for more information, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these kits before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:



- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly**. Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.



- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas**.
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**
- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and dairy products. Children with good diets absorb less lead.



Reducing Lead Hazards in The Home

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- 40 micrograms per square foot ($\mu g/ft^2$) for floors, including carpeted floors;
- 250 $\mu g/ft^2$ for interior windows sills; and
- 400 $\mu g/ft^2$ for window troughs.

Call your state or local agency (see bottom of page 11) for help in locating certified professionals in your area and to see if financial assistance is available.

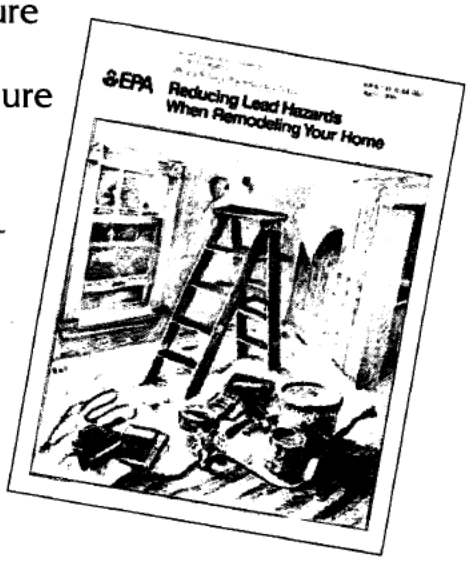
Remodeling or Renovating a Home With Lead-Based Paint

Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):



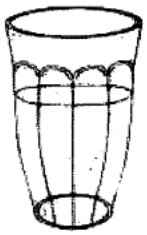
- **Have the area tested for lead-based paint.**
- **Do not use a belt-sander, propane torch, high temperature heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

If not conducted properly, certain types of renovations can release lead from paint and dust into the air.

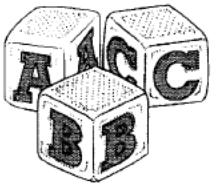


If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

Other Sources of Lead



While paint, dust, and soil are the most common sources of lead, other lead sources also exist.





- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information

The National Lead Information Center

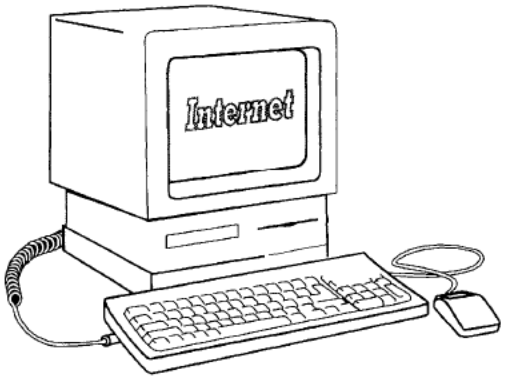


Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/.**

EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline



To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's Web site at: **www.cpsc.gov.**

Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD.**

For the hearing impaired, call the Federal Information Relay Service at 1-800-877-8339 to access any of the phone numbers in this brochure.

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center
Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center
Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center
Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development
Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

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U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

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Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, high temperature heat gun, scraper, or sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

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