CONDOMINIUM OFFERING PLAN FOR

HILLROSE 28 CONDOMINIUM

181 East 28th Street
New York County, New York 10016

43 Condominium Residences	$100,050,000
20 Storage Bin Licenses	$1,000,000
Total Offering	$101,050,000

SPONSOR:
157-161 East 28th Street LLC
c/o Coral Realty
400 Broome Street, 11th Floor
New York, New York 10013

SELLING AGENT:
Corcoran Sunshine Marketing Group
888 Seventh Avenue
New York, New York 10106

Date of Acceptance for Filing: _____, 2019.

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

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS AFTER PLAN CONSUMMATION, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. (SEE SPECIAL RISKS SECTION OF THE PLAN). PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN. THIS OFFERING PLAN IS THE SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES THE SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING. THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE (vi).

TABLE OF CONTENTS

PART I

A. SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS vi

B. INTRODUCTION 1
1. The Offering Plan 1
2. The Condominium 2
3. Features of Condominium Ownership 2
4. Offering of Units for Sale 4
6. Recreational Facilities and Air or Transferable Development Rights 7

C. CERTAIN DEFINITIONS 9

D. DESCRIPTION OF PROPERTY AND IMPROVEMENTS 15
1. Construction of the Building 15
2. Residential Units 16
3. General Common Elements 17
4. Residential Limited Common Elements 17
5. Services and Facilities 18
6. Amenities. 20
7. Storage Bins 20
8. General Provisions Concerning Services and Facilities. 21
9. Security Procedures 22

E. LOCATION AND AREA INFORMATION 24
1. Location and Services 24
2. Shopping, Commercial and Recreational Facilities 24
3. Schools 24
4. Transportation 24
5. Police, Fire, Water, Postal Service, Sanitation, Snow Removal and Road Maintenance 25
6. Medical Facilities 25
7. Religious Facilities 25
8. Zoning 25
9. Future Developments 26

F. OFFERING PRICES AND RELATED INFORMATION, SCHEDULE A 27

G. BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION, SCHEDULE B 36

H. BUDGET FOR INDIVIDUAL ENERGY COSTS, SCHEDULE B-1 38

I. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i 39

J. CHANGES IN PRICES AND UNITS 40

K. INTERIM OCCUPANCY AGREEMENTS 42

L. PROCEDURE TO PURCHASE 44
1. General Information 44
2. Escrow and Trust Fund Requirements 48
3. Date of the First Closing; Closing Notices 53
4. Default 53
5. Prohibition Against Advertising, Selling or Leasing 54
6. Risk of Loss 54
7. Financing 55
8. Transfer Taxes and Mansion Tax 55
9. Unit Owner Power of Attorney 58
10. Foreign Missions: Required Notification and Waiver of Diplomatic or Sovereign Immunity 58
11. Dispute Arbitration. 59
12. Sponsor's Rights if Purchaser Elects Not to Exercise Option or Does Not Comply with the Option Agreement 60
13. Statute of Limitations to Claim Sponsor Breach of Option Agreement 61
14. Financial Crimes Enforcement Network Disclosure 62
15. Delivery of Closing Documents 62
16. Title Indemnity. 62
17. Storage Bins. 63

M. ASSIGNMENT OF PURCHASE AGREEMENTS 65

N. EFFECTIVE DATE 66

O. TERMS OF SALE 68
1. Preconditions for Closing 68
2. Acceptance of Deed 70
3. Condition of Unit 70
4. Tax-Deferred Exchanges 71
5. Risk of Loss 72

P. CLOSING COSTS AND ADJUSTMENTS 73
1. Title Insurance. 73
2. Recording Charges 74
3. Mortgage Tax Credit. 74
4. Transfer Taxes. 74
5. Mansion Tax. 75
6. Closing Fees. 76
7. Working Capital and Reserve Contribution. 77
8. Common Charges 77
9. Mortgage and Related Costs. 78
10. Transfer Taxes and Mansion Tax 81
11. Fees for Delay 83
12. Other Fees 83

Q. RIGHTS AND OBLIGATIONS OF SPONSOR 84
1. Construction Loan 84
2. Sponsor's Obligations with Respect to the Building 84
3. Alterations of Unsold Units 93
4. Insurance 94
5. Casualty 95
6. Dissolution 95
7. Successors to Sponsor 95
8. Reservation of Air and Development Rights 96
9. Right of Access 96
10. Miscellaneous 96
11. General 97
12. Construction Dispute 98

R. CONTROL BY SPONSOR 99

S. CONDOMINIUM BOARD 102

T. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE CONDOMINIUM BOARD 105
1. Sales and Leases of Units 105
2. Use of Units 107
3. Mortgage of Units by Unit Owners 108
4. Common Charges: Determination and Assessment 109
5. Common Charges: Collection and Lien for Non-Payment 110
6. Repairs to and Maintenance of Units and Common Elements 111
7. Alterations and Improvements of Units and Common Elements 112
8. Rights of Access 113
9. Compliance with Terms of Declaration, By-Laws and Rules and Regulations 114
10. Examination of Books and Records 114
11. Repair or Reconstruction after Fire or Other Casualty 114
12. Insurance 115
13. Liability of Condominium Board and Unit Owners 116
14. Reports to Unit Owners 117
15. Termination of Condominium 117
16. Units Acquired by Board 117
17. Procedure to Review Real Estate Tax Assessments 118
18. Mechanics' Liens 118
19. Litigation 118
20. Easements and Name of Condominium 118
21. The Declaration and By-Laws 119

U. REAL ESTATE TAXES 120

V. INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM 123
1. Deductibility of Mortgage Interest and Real Estate Taxes 123

2. Taxation of the Condominium 124

W. TAX OPINION OF HOLLAND & KNIGHT LLP 126

X. 339-I OPINION OF HOLLAND & KNIGHT LLP 134

Y. REAL ESTATE TAX OPINION OF BORIS SAKS, ESQ. PLLC 137

Z. WORKING CAPITAL FUND AND APPORTIONMENTS; RESERVE FUND 138

AA. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES 141
1. Management Agreement 141

BB. IDENTITY OF PARTIES 145
1. Sponsor 145
2. Attorneys for Sponsor 145
3. Selling Agent 145
4. Sponsor's Architects/Engineers 146
5. Sponsor's Budget Expert 146
6. Managing Agent 146

CC. REPORTS TO UNIT OWNERS 148

DD. DOCUMENTS ON FILE 149

EE. GENERAL 150

FF. DEVELOPMENT RIGHTS 152

GG. SPONSOR'S STATEMENT OF BUILDING CONDITION 153

TABLE OF CONTENTS

PART II

Exhibit 1	AGREEMENT
Exhibit 2	FORM W-9
Exhibit 3	FORM W-8
Exhibit 4	POWER OF ATTORNEY
Exhibit 5	FORM OF UNIT DEED
Exhibit 6	DESCRIPTION OF PROPERTY
Exhibit 7	FLOOR PLANS
Exhibit 8	DECLARATION OF CONDOMINIUM
Exhibit 9	CONDOMINIUM BY-LAWS
Exhibit 10	INTERIM OCCUPANCY AGREEMENT
Exhibit 11	STORAGE BIN LICENSE PURCHASE AGREEMENT
Exhibit 12	STORAGE BIN LICENSE AGREEMENT
Exhibit 13	CERTIFICATION OF SPONSOR AND PRINCIPALS
Exhibit 14	CERTIFICATION OF SPONSOR'S ARCHITECT
Exhibit 15	CERTIFICATION OF SPONSOR'S BUDGET EXPERT

PART I

A. SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

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

1. **Use of Units**. Hillrose 28 Condominium (the "Condominium") contains 43 Residential Units and 20 Storage Bin Licenses that are being offered for sale under this Offering Plan. The Residential Units may generally be used only for residential purposes and, subject to compliance with the Declaration and the By-Laws, for lawful home occupation as defined in the New York City zoning resolution; and may be leased by the Unit Owners thereof to tenants only for periods of not less than one year. The Unsold Residential Units may be leased by Sponsor, its designee or by an Owner of Unsold Residential Units for any period of time, for any use and on any terms which are consistent with the then existing certificate of occupancy for the Building.

2. **Financial Crimes Enforcement Network Disclosure**. Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded an earlier issued Geographic Targeting Order ("Order") that applies to any corporation, partnership, limited liability company, or other similar business entity ("Covered Purchaser") using cash, a cashier's check, certified check, traveler's check or money order in any form, a funds transfer or virtual currency, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase a Residential Unit in the Borough of Manhattan from Sponsor for a total price in excess of $300,000 (a "Covered Transaction"). The Order provides that in the event a Covered Purchaser enters into a Covered Transaction, the Covered Purchaser shall be required to deliver to the Title Company at Closing all documents and information necessary in order for the Title Company to comply with the requirements set forth in the Order, including without limitation the requirement to file a completed FinCEN Form 8300. Any failure by the Covered Purchaser to deliver such documents and information shall be deemed an Event of Default under the Agreement. Purchasers are advised to refer to the text of the Order itself for further details: https://www.fincen.gov/news_room/nr/files/Real_Estate_GTO-NYC.pdf. See the Section of the Plan entitled "Procedure to Purchase."

3. **Sponsor's Obligations to Sell**. Sponsor will endeavor in good faith to sell all of the Residential Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Residential Units. Sponsor may unconditionally elect to rent rather than sell Residential Units from time to time after the consummation of the Plan. Residents of the Condominium may be comprised of Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant proportion of Residential Unit Owners will not be Residents of the Building and that a significant portion of tenants in the Building may not be Residential Unit Owners, and a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Further, Residents of the Condominium who are not Unit Owners have no investment in their Units and, therefore do not share the same economic interests as Unit Owners in the maintenance and care of the Building's

facilities and amenities, and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e. purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may not gain control and management of the Condominium, until the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws). Sponsor has obtained construction financing from PCCP CREDIT IX REIT-SUB HOLDCO, LLC ("Construction Lender"). No Residential Units may be rented by Sponsor without the consent of Construction Lender for so long as the loan remains in place. However, Sponsor's unconditional right to rent rather than sell Units under the Plan shall not be abrogated to the extent Construction Lender gives its consent to rent Units. Construction Lender has not required a minimum number or percentage of Units which must be under contract before the Plan may be declared effective. Construction Lender will release its lien on each Unit being conveyed and its interest in the Common Elements. There are minimum release prices for each Unit set by Construction Lender that must be paid to Construction Lender at Closing in order for Construction Lender to release its lien from the Unit being sold. See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further detail.

4. **Effectiveness**. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., agreements signed by bona fide Purchasers for fifteen percent (15%) of the Units (7 Units) offered under the Plan). Sponsor may declare the Plan effective after selling a minimum of fifteen percent (15%) of the Units offered for sale in the Building. If all Purchase Agreements are either rescinded or terminated prior to the date of first Unit closing, regardless of whether the Condominium Declaration has been recorded, Sponsor must re-declare the Offering Plan effective. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than a minimum number of sales if Purchasers counted towards effectiveness do not ultimately purchase a Unit. Please refer to the Section entitled "Effective Date" in Part I of the Plan for further details. Sponsor will endeavor in good faith to sell all of the Residential Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Residential Units. See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

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

5. **Financing**. Although a Purchaser may obtain financing from a lending institution or any other source, his or her obligation to purchase a Unit pursuant to his or her Agreement shall

not be contingent on obtaining financing for such purchase. Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to pre-qualify for financing with their lender before signing an Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and it could expire before the Closing Date. In addition, given the current economic climate, a lending institution could withdraw its commitment if, for example, it believes a Purchaser's financial condition has worsened or that the Unit's appraised value has decreased. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the Purchase Price. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

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

The severance and assignment of a portion of the mortgage on the Property, as contemplated herein, would not result in any additional risk to the Purchaser. Any severance/assignment transaction will be initiated only after financing has been procured by Purchaser. In the event the severance and assignment transaction is initiated and fails to take place which results in the loss of Purchaser's financing commitment, then Purchaser will be entitled to an opportunity to obtain new financing, if Purchaser so elects.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Some restrictions include requiring that a certain percentage (up to 42% or more) of the Units in a building be sold before the lender will consider making a loan. Even after the First Closing has occurred, lenders may still impose minimum sales requirements as a condition to making a loan for which commitments have been issued. It may be possible for a Purchaser to experience difficulty obtaining a loan in a building where the percentage of Units purchased is lower than a lender's particular sales minimum. Moreover, in the current economic climate, lenders are imposing higher loan to value requirements, making it more difficult for Purchasers to obtain a loan to finance the purchase of their Unit. See the Sections of the Plan entitled "Procedure to Purchase" and "Closing Costs and Adjustments" for further details.

6. **Fannie Mae and FHA**. To the extent permitted by applicable Law, the provisions of the Declaration and By-Laws may comply with certain requirements of Federal National

Mortgage Association ("Fannie Mae") and the Federal Housing Authority ("FHA"). Sponsor, at its sole cost and expense, may file applications with Fannie Mae and FHA in order to have the Condominium added to a list of "approved" condominiums. There is no guaranty or assurance that Sponsor will complete said applications or satisfy the criteria for approvals, or in the event that either or both of the Fannie Mae and FHA requirements are satisfied, whether the Condominium will continue to satisfy such criteria. Purchasers should further be advised that if FHA approval is granted to the Condominium, no more than thirty percent (30%) of the total Units may be encumbered by FHA securitized, guaranteed or insured loans. It shall not be a basis for a Purchaser to rescind an Agreement if for any reason, Sponsor's application to either or both of Fannie Mae and FHA, is not submitted or approved. In addition, in accordance with the requirements of Fannie Mae and FHA, at least ten percent (10%) of the total operating budget for the first year of Condominium operation, or a lesser amount pursuant to a reserve study, is required to be set aside for a capital repair and replacement reserve fund in order to fund the replacement reserves for capital expenditures and deferred maintenance (the "Reserve Contribution"), as more particularly described in the projected "Budget for First Year of Condominium Operation, Schedule B", in Part I of the Plan. There is no guarantee or assurance that the Reserve Contribution will be provided as a line item in the operating budget after the first year of Condominium operation or that Purchasers will be able to obtain mortgages insured by Fannie Mae and/or FHA. The Board reserves the right, in its sole discretion (including without limitation during the Initial Control Period) to use the Reserve Contribution towards any capital expenditures it deems appropriate. The Reserve Contribution can only be used for the repair and replacement of the Common Elements or the Residential Common Elements, as the case may be. Please refer to the Section entitled "Introduction" in Part I of the Plan.

7. **Purchase Payments**. The agreement to acquire a Residential Unit is a combination Option Agreement and Purchase Agreement (the "Agreement"). At the time an Agreement is executed, a Purchaser is required to make a payment in an amount equal to at least ten percent (10%) of the Purchase Price (the "Initial Option Payment"); and an additional option payment equal to at least five percent (5%) of such Purchase Price (the "Additional Option Payment") is due and payable no later than the earlier to occur of: (x) six months after the date of the Agreement; or (y) 30 days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, but in no event later than the closing of title to the Unit; provided, however, that with respect to Agreements entered into after the Offering Plan has been declared effective, Sponsor reserves the right to require both the Initial Option Payment and the Additional Option Payment due and payable upon execution of the Agreement. The term "Option Payment" or "Payment" as used herein refers to both the Initial Option Payment and, if the same has been paid at the time in question, the Additional Option Payment. At the Closing, the Option Payments will be applied to the Purchase Price of the Residential Unit. In the event the Purchaser fails to close through no fault of the Sponsor, the Sponsor will retain the Payments unless the Attorney General's Regulations or this Plan provide to the contrary. The down payment for the purchase of a Storage Bin is 15% of the Purchase Price of the Storage Bin and the same rules apply to the purchase of a Storage Bin as a Residential Unit.

Foreign governments and persons with diplomatic immunity will be obligated to make an Initial Option Payment in an amount equal to at least fifty percent (50%) of the Purchase Price on the execution of an Agreement. In the event a Purchaser defaults under his or her Agreement and does not cure such default within thirty (30) days after Sponsor gives written notice to the

Purchaser of such default, Sponsor may, at its option, cancel such Agreement and retain, as liquidated damages, the entire Payment made by the Purchaser, together with interest earned thereon, if any. TIME IS OF THE ESSENCE (described below) to a Purchaser as to a Purchaser's obligations pursuant to the Agreement, including, without limitation, for the payment of the balance of the Purchase Price.

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

8. **Default**. The only construction prerequisite to Closing is the issuance of i) a TCO for the Unit or ii) a FCO for the Building. As such, each Purchaser shall be required to close title to their particular Residential Unit once a TCO is issued irrespective of outstanding items of work, provided Sponsor has satisfied the closing conditions set forth in the Section of the Plan entitled "Terms of Sale". In the event that a Purchaser fails to close title on the date set for Closing or otherwise fails to perform any other obligation under his or her Agreement, and such default is not cured within thirty (30) days after Sponsor gives written notice to such Purchaser of the default, Sponsor may, at its option cancel such Agreement and retain as liquidated damages the Payment made by the Purchaser, together with all interest earned thereon and shall be reimbursed by Purchaser (in a separate action) for the cost of removing changes to the Unit requested by the Purchaser and putting the Unit back to the condition described in this Plan, or bring an action against the Purchaser for specific performance, in which event, the Purchaser could be compelled by court order to complete the purchase of the Unit.. Additionally, if a Purchaser fails for any reason to close title to his or her Unit, on the originally scheduled closing date and Sponsor elects not to cancel the Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled closing date, and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.04% of the Purchase Price of the Unit, in question for each day that the Closing is adjourned.

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

Purchasers are further advised that if a Purchaser makes the Option Payment in excess of $250,000 for the purchase of a Unit, such Payment will not be federally insured in excess of

$250,000; and (ii) while the Payment are in the non-interest bearing checking portion of the Master Escrow Account, the Payment may not be fully federally insured even if the Payment does not exceed $250,000. If a Purchaser has accounts at the same bank as Sponsor's account that holds escrowed funds, Purchaser's funds at the escrow bank factor into the $250,000 insurance limit. Funds drawn on out-of-state or foreign banks will not be accepted as payment of the Payment of the Purchase Price for a Unit unless otherwise agreed by Sponsor.

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

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

9. **Control of the Condominium**. The Condominium will have a Condominium Board (the "Board") which will have the powers and duties necessary and incidental to the administration of the affairs of the Condominium. The Board will, after the Initial Control Period, as hereafter defined, consist of elected representatives of the Unit Owners. Sponsor, as the owner of Unsold Units will have control of the Board during the period which continues until the earlier to occur of: (i) the closing of title by Sponsor or its designees of all the Residential Units (ii) five (5) years after the First Closing (the "Initial Control Period"). During the Initial Control Period, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners in accordance with Schedule B and subject to the requirements of Real Property Law Section 339-m. At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each percentage of Common Interests pertaining to the Unit Owner's Unit.

During the Initial Control Period, the Board shall consist of three (3) persons designated by Sponsor, although, Sponsor reserves the right to designate fewer than three (3) persons to the Board. Commencing with the First Annual Meeting, the Board shall consist of seven (7) persons chosen by the Residential Unit Owners (including the Sponsor).

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

The sale or lease of a Residential Unit is subject to a right of first refusal by the Board. Leases of Units, other than Unsold Units, may not be for terms shorter than one (1) year. The Condominium Board does not have the right to approve or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-Residents. However, the Board, to the extent permitted by Law, has the right to reject sales and leases to Purchasers and tenants who themselves (or Residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal.

The By-Laws do not include a provision that after the expiration of the Initial Control Period, a majority of the Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Plan. (See the sections of this Plan entitled "Control by Sponsor" and "Condominium Board" for further discussion.)

10. **Board Members**. The By-Laws do not include a provision that after the expiration of the Initial Control Period, a majority of the Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. At the First Annual Meeting and at all times thereafter, Sponsor may be able to elect members of the Board as a result of its ownership of or interest in Unsold Units. Sponsor shall retain voting control of the Board if Sponsor and its designees are able to cast sufficient votes at such meetings to establish such control. In addition, Sponsor, for so long as Sponsor owns at least one (1) Unit, shall also have the right, at its option, to designate at least one member of the Board. See the Sections of this Plan entitled "Control by Sponsor" and "Condominium Board" for further discussion.

11. **Sponsor Veto Powers**. Although Sponsor and its designees may exercise veto power over some actions of the Board, Sponsor may not exercise veto power over expenses described in Schedule B or over expenses required (i) to comply with applicable Laws or regulations; or (ii) to remedy any notice of violation; (iii) to remedy any work order by an insurer, or (iv) any matter affecting the health and/or safety of the occupants of the Property. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence, for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than twenty five percent (25%) of the Common Interest, whichever is sooner. Until Sponsor and its designees have conveyed title to seventy-five percent (75%) of the Units, but in no event later than five (5) years after the First Closing, the Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, Reserve Contribution or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work

not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as it required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (i) (and no other alternative is available) to enable the Board to comply with Laws, rules or regulations of any governmental authority having jurisdiction over the Condominium or any matter affecting the health and/or safety of the occupants of the Property. See the Section entitled "Control By Sponsor" for further details.

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

13. **Power of Attorney**. Each Purchaser will be obligated to enter into a power of attorney at the closing of title to a Unit. The form of power of attorney, set forth in Part II of the Plan, grants broad powers to the Board to enter into agreements affecting the Common Elements. The power of attorney also grants to Sponsor the right to amend the Declaration with respect to any Unsold Unit. Please refer to the form of power of attorney set forth in its entirety in Part II of the Plan.

14. **Construction**. Prospective Purchasers are advised that all services and amenities will be completed within 24 months of the First Closing. Any disruption or work contemplated herein shall not render the premises uninhabitable for those Purchasers that have closed on their Units. Construction work and disruptions described herein shall not impact the Common Charges payable by Unit Owners, which shall be due unless there is a waiver of Common Charges as described herein. Construction in general is a complicated process requiring the coordination of numerous concurrent tasks and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays or difficulties and necessarily involve noise, disruption and inconvenience. Thus, for a period of time following the First Closing through, including and beyond the closing of title to any particular purchaser's Residential Unit, work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; and (ii) individual Residential Unit Owners within their Units (to perform custom renovations, etc.). During at least the first year of operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of renovation, fitting out of, and moving into, the Units and other portions of the Building which may compromise the security of the Building from time to time. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During at least the first year of Condominium operations, construction workers and related personnel will

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

During the period when Sponsor is completing the construction to the Building, move-ins into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. The first temporary certificate of occupancy may be issued for some but not all of the Units and Sponsor may complete construction of certain Units before others. Purchasers should also note that even if the First Closing occurs on or before January 1, 2021 (or such other date projected as the date of commencement of operation at the time the Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such Units or for the floor on which such Units are located. Accordingly, Purchasers may not be able to close title to their respective Unit(s) for some period of time after signing their respective Agreement and after the First Closing. In such a case, provided that the Sponsor is diligently pursuing completion of construction and issuance

of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full Purchase Price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. See the Section of the Plan entitled "Description of Property and Improvements."

15. **Delay of Closing.** Based upon the construction schedule anticipated as of the initial filing date of this Plan, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of God or other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closings of title to Residential Units to begin on or about January 1, 2021. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date.

Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved from any obligations under the Option Agreement, in the event that the First Closing occurs earlier than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor, or in the event that any of the conditions described above occur, or in the event of non-completion of any item of construction on any projected date, or compensations for the presence of scaffolding on any portion of the Building or any interruption of services in the Building; provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six (6) months or more, Sponsor will amend the Plan to include a revised Condominium budget with current projections, and (i) if such amended budget exceeds the projected Condominium budget set forth herein by twenty-five percent (25%) or more; or (ii) if the First Closing does not occur within twelve (12) months after January 1, 2021, the date set forth in Schedule B — "Projected Budget for First Year of Condominium Operation" as the commencement date for the projected First Year of Condominium Operation, or the Plan is amended to provide for a commencement date that is later than twelve months after January 1, 2021, then in the case of either (i) or (ii) Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Option Agreements, if the Plan has been declared effective) the right to rescind their Option Agreements within fifteen (15) days after the presentation date of the amendment containing such revised budget or amended commencement date or after such twelve (12) month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Payment and any interest accrued thereon returned. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Unit offered hereunder will take place prior to the Plan being declared effective.

Purchasers should note that even if the First Closing occurs on or before January 1, 2021 (or such other date projected as the date of commencement of the operation at the time the Purchase Agreement was entered into) or within the twelve month period thereafter, the Closing of subsequent Units may be substantially delayed beyond such dates if a TCO has not been issued for

such Units or for the floors on which such Units are located. In such case, provided that Sponsor is diligently pursing completion of construction and the issuance of a Certificate of Occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full Purchase Price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. Unless your Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.

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

17. **Certificate of Occupancy**. Sponsor is obligated to procure the permanent certificate of occupancy for the entire building, and shall exercise best efforts to obtain the permanent certificate of occupancy within a two year period while keeping the temporary certificate of occupancy current. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local Codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved Plans and Specifications, and to the requirements of

all applicable Laws, rules and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance or sell Units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two (2) years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the DOB will issue the FCO within such two year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit Owners and the Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

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

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

Purchasers should seriously consider negotiating their closings based on a FCO, not a TCO. If purchasing a Unit covered by a TCO, Purchasers should consult a licensed architect or engineer to determine what work has to be done in order for the Building to receive a FCO. Purchasers are advised to visit the Department of Buildings' website for further recommendations when purchasing a Unit that does not have a FCO. See the Section of the Plan entitled "Rights and Obligations of Sponsor."

18. **Unit Alterations**. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or a mortgagee, to (a) change the layout of, or number of rooms in any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering the boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit, (c) designate a Common Element as part of the Unit or designate all or part of a Unit as a newly created Common Element and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. Please see the Section of the Plan entitled "Changes in Prices and Units" for further details.

In such event, the Common Interest appurtenant to any diminished Unit will decrease and such reduced Common Interest will be allocated to and/or among the newly created and/or configured Units. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes among the Unsold Residential Units and to amend the Plan so as to reflect the same.

Notwithstanding the foregoing, where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to Purchaser, no material change will be made in a Unit's size, layout or proportionate share of aggregate common interest unless (i) the affected Purchaser consents; (ii) the Purchaser is in default beyond all applicable grace and cure periods and has not contested a declaration of default; or (iii) such changes are required to conform with Legal Requirements. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material.

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

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

In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax attorney and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A. Sponsor can only estimate, based on reasonable, professional third party expert assumptions, what the real estate taxes for each Unit will be. Only the New York City tax authorities will make the actual determination upon the filing of tax lots. (See the Sections entitled "Offering Prices and Related Information, Schedule A" and "Real Estate Taxes" in Part 1 of the Plan for further discussion.)

20. **Diplomatic Immunity**. Purchasers who have diplomatic immunity will be required to expressly waive any and all immunity from suit by the Sponsor and the Board. In addition, any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Board an amount equal to two years' estimated Common Charges. See the Section of the Plan entitled "Procedure to Purchase."

21. **Contingency**. The Contingency provided for in the projected budget for the first year of Condominium operation (Schedule B) is intended to provide a fund for unanticipated expenses not included in the budgets and for increases in operating expenses above the amounts projected. Additionally, a Reserve Contribution may be established to conform to Fannie Mae requirements for an amount to be set aside as a reserve for capital repairs and replacements. A Reserve Contribution has been established for this Condominium, as more particularly described in the projected "Budget for First Year of Condominium Operation, Schedule B", in Part I of the Plan. These budget line items may not be sufficient to meet the cost of any major capital repairs, unforeseen expenses or the need for future capital replacements which may be required. If funds are required to meet such costs, it may be necessary to increase Common Charges or institute a special assessment. See the Section of the Plan entitled "Working Capital Fund" for further discussion.

22. **Waiver of Common Charges**. Sponsor is reserving the right to delay the collection of Common Charges until such time into the future (the "Waiver Period"). During any such period of delay, the Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments. Such expenses shall not include individual Unit Owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to update the budget for the Condominium as required by Department of Law regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan as a benefit to subsequent Purchasers. Such amendment shall also disclose the anticipated Waiver Period. Prior to commencing the collection of Common Charges, Sponsor will notify all Unit Owners by written notice of the expiration of the Waiver Period. Notice shall be given to Owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent Purchasers. See the section entitled "Control by Sponsor" and the section entitled "Rights and Obligations of Sponsor" for more information.

23. **Common Interest**. The Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and accordingly based upon a comparison of the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use and the overall dimensions of the particular Unit. Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such

method of allocation of Common Interest may justify a minor increase or decrease in the aggregate Common Interest appurtenant to the Units. In such event, the Common Interest appurtenant to each individual Unit would be adjusted (by a minimal amount) pro rata. Sponsor expressly reserves the right, to effect such a change in the Common Interests and to amend the Plan so as to reflect the same, provided that Sponsor obtains a new §339-i opinion letter providing that the Common Interests are in compliance with RPL §339-i. Unless an affected Purchaser consents, no material change will be made to the percentage of common interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default. Sponsor will not change the Common Interest associated with a Unit that has already closed without the new owner's consent. In no event, however, will the Common Interest of any Unit be increased as a result of any of the foregoing by more than five percent (5%).

24. **Floor Plans**. The Floor Plans set forth in Part II depict the layouts of the Units. The approximate floor area of each Unit has been measured horizontally, on each of one or more floors, from the centerline of the demising and the outside of exterior walls surrounding the Units and including Common Elements wholly within Units, such as columns, mechanical chases and chutes. The measurement of the Units on Floors 17 through 20 include the elevator lobby of such Units and the trash rooms inside the Units. Doors and windows that open from or to a border of a Unit shall be deemed part of the Unit. However, any Common Elements located within a Unit shall not be considered a part of the Unit. Outdoor floor areas of Terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. There is a rebuttable presumption that an area that is diminished by five percent (5%) or less is not material. Because the square footages listed in Schedule A are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and will exceed the actual floor area. Floor area may include columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Each Unit will be measured vertically from the top of the finished floor to the underside of the ceiling above. Ceiling heights are estimates only. The clearance between the top of the floor slab on one floor and the top of the floor slab on the next floor will vary among the Units and certain Units may have less clearance and all or portions of the ceilings in certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Units. Ceiling heights within any given room may also vary. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings. The Terraces may not be used for any type of occupancy, including but not limited to: dining, sleeping, living room, recreation or an office. To do so may result in a violation against the Building issued by the Department of Buildings. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the common elements. Please refer to the Notes to Schedule A in Part I of the Plan the "Description of Property" in Part II of the Plan for further details.

Purchasers are advised that while construction necessitates a sequential numbering of floors for a building, it is common in New York City to designate floor numbers solely for marketing purposes in a manner that is inconsistent with the construction levels. Consequently,

Purchasers should note that a Unit may be located on a floor designated with a higher number than the actual construction level on which it is situated. Purchasers should further note that all references throughout the Plan are to marketing floors, unless the context specifies otherwise or the term "level" is used. The "Description of Property and Improvements" in Part II of the Plan contains a chart which matches marketing floors and construction levels and should be referenced by Purchasers. The Plans and Specifications are based on construction levels rather than marketing floors.

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

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

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

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

date of closing of title to the first Unit (the "First Closing"); or (ii) the projected date of closing of title to the first Unit occurs later than December 31, 2021, which is twelve months after the projected date for the First Closing, although the actual First Closing may occur prior to January 1, 2021. If the Plan is amended to provide for a later projected date for the First Closing, Purchaser will be entitled to an offer of rescission if the First Closing occurs more than twelve (12) months beyond that amended, later date. However, if the First Closing occurs before December 31, 2021, the Sponsor may schedule the closing of title to other Units significantly later than such date. Unless your Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. See the Section of the Plan entitled "Procedure to Purchase."

27. **Closing Costs**. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Holland & Knight LLP ("Sponsor's Counsel"), in connection with the closing of title to Purchaser's Unit: (i) the sum of $4,000 to reimburse Sponsor for its legal fees in handling the sale of the Residential Unit; (ii) if the Purchaser requests the Closing to occur other than at the offices of Holland & Knight LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan; (iii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, Purchaser shall pay a fee of $1,000 to Sponsor's Counsel, payable in advance, for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit if there are multiple assignments); (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel an additional fee of $750 to defray the additional costs associated therewith; (v) if the closing is adjourned solely due to the fault of Purchaser, the Purchaser will be required to pay Sponsor's Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (vi) if any custom work is to be done in the Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the additional cost associated therewith for negotiating and preparing the requisite documents on an hourly basis at Holland & Knight LLP's customary rates; (vii) $250 for the preparation of ACRIS transfer documents required by the City of New York; (viii) Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit; and, (ix) Purchaser shall pay Sponsor's counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under section 1031 of the Internal Revenue Code. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to Closing upon notice to Purchaser.

Purchasers or any other persons entering into an Interim Occupancy Agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon the execution of the Interim Occupancy Agreement. Such legal fees are estimated to be approximately $2,500 assuming that the Purchaser's counsel does not negotiate the terms of the Interim Occupancy Agreement. Any fees above $2,500 will be billed on an hourly basis at Holland &

Knight LLP's customary rates. In connection with the Closing of a Unit subject to an Interim Occupancy Agreement, all other charges or other fees due under an Interim Occupancy Agreement shall be adjusted as of midnight of the day preceding the Closing Date to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Interim Occupancy Agreement for any Unit. Please refer to the Sections of the Plan entitled "Closing Costs and Adjustments" and "Interim Occupancy Agreements" for further details.

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

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

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

31. **No On-Site Superintendent**. The Condominium will not have a Unit for the Superintendent to live on site. There will be one part-time non-resident superintendent, who will work approximately twenty (20) hours per week and in accordance with Administrative Code of the City of New York Section 6-2052. In the event of an emergency, the Superintendent will have to return to the Building, which might delay a response. However, even in buildings with superintendents in residence, the superintendents are not always available on site. Please refer to the Section of the Plan entitled "Footnotes to Schedule B" for further details.

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

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

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

35. **Risk of Loss**. If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss not covered by Sponsor's insurance and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit pursuant to an Interim Occupancy Agreement with Sponsor, at which time such risk to the contents of the Unit not covered by Sponsor's insurance (but not to any portion of the Unit or Common Elements otherwise insured by Sponsor or the Board) shall be assumed by Purchaser, but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair

or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In the event of an occurrence of a fire or other casualty, Sponsor shall notify the Purchaser as to whether or not Sponsor will restore the Unit no later than two (2) months after the date of the occurrence of the fire or other casualty. In addition, 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 Board and other Unit Owners, belong entirely to Sponsor. In the event that Sponsor elects to repair or restore a Unit, Sponsor will restore the Unit and Common Elements to substantially the same condition that the Unit and Common Elements existed in immediately prior to the casualty, and essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street, if affected, will be restored. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Condominium Board"), the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, within thirty (30) days' notice of such election, subject to Sponsor's rights to retain certain funds deposited by Purchaser and expended by Sponsor for Custom Work in the Unit, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, Sponsor shall retain the custom work costs and/or restoration costs, if any, expended by Sponsor together with interest earned thereon, as and for liquidated damages. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

36. **Limitations on Sale**. In order to facilitate the Sponsor's sale of the Units, prior to (a) one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell or lease his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale or lease with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease. In the event that Purchaser violates the foregoing prohibition then any sums received by Purchaser in excess of the Purchase Price paid by Purchaser shall be paid to the Sponsor as liquidated damages. In addition, any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. See the Section of the Plan entitled "Procedure to Purchase."

37. **Insurance**. The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, that are exclusive and/or appurtenant to the Unit. Consequently, all Unit Owners are required to obtain and maintain a personal liability policy if the Unit Owner is an individual against claims for personal injury death or property damage occurring in, on or about such Unit Owner's Unit and the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at

least $3,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are urged to obtain personal property insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. Further, as a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the Condominium By-Laws. Sponsor does not make any representation that the insurance limits set forth in Schedule B will meet the requirements of a lender who finances the purchase of a Unit. If Purchaser's lender requires additional insurance, Purchaser will be obligated to obtain such supplemental insurance at Purchaser's sole cost and expense. Sponsor is advised that the New York City Flood Zone Map is being updated post-Super Storm Sandy. As of the date hereof, the Condominium is not located in a Flood Zone on the New York City Flood Zone Map, which is currently designated as a low risk area. Consequently, it is difficult to estimate flood related insurance premiums as well as to predict the ultimate flood zone designation of the Building. If Purchaser's lender requires any additional flood insurance, Purchaser will be obligated to obtain such supplemental dwelling flood policy at Purchaser's sole cost and expense.

38. **Special Allocation of Certain Common Expenses**. Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339-i(1)(iv) and 339-m of the New York Condominium Act. The costs of operation and maintenance of the Condominium, including both those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole (such as expenses for insurance, repairs and maintenance of the General Common Elements and various service contracts), will generally be borne by the Unit Owners in proportion to their respective Common Interests.

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

40. **Defense Costs**. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending or enforcing Sponsor's rights under the Agreement or, if Purchaser defaults under the Agreement beyond any applicable grace period, in

canceling the Agreement, or in otherwise enforcing Purchaser's obligations thereunder, if Sponsor is deemed the prevailing party in any such dispute. The Agreement also provides, that, except as prohibited by Law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the Plan, the Agreement or the relationship created thereby. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

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

42. **Local Law 11**. Building facades in New York City are inspected pursuant to Local Law 11 of 1998 known as Façade Inspection Safety Program ("FISP"). All exterior walls must be inspected with the exception of walls that are less than twelve inches from the exterior wall of an adjacent building. FISP inspection reports must be filed every five years by a Registered Architect or Professional Engineer. The condition of the Building is classified as Safe, Safe with Repair and Maintenance Items (SWARMP), or Unsafe. A Safe building needs no further action, a SWARMP building must be repaired in the time frame listed by the Engineer or Architect in the report, and an Unsafe building must provide immediate protection of the public and be repaired within 30 days. Any item that jeopardizes safety of pedestrians below is an unsafe condition. The Board will be responsible for managing and paying for the Local Law 11 work. Compliance with Local Law 11 for newly constructed buildings begins five years after obtaining the initial TCO for the Building and inspections are performed during certain "cycles". It is anticipated that the first inspection for this Building will occur in approximately 2025. The estimated cost associated with the compliance is anticipated to be approximately $8,500. The Condominium Board is responsible for complying with Local Law 11 and the costs associated with such inspections and any resultant work. Such costs are not included in Schedule B – First Year Budget.

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

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

45. **Floor Designations**. All references in the Plan and in marketing materials to

"floors" are references to their "marketing" designations and may not correspond to the designation given the floors on the plans submitted to the New York City Department of Buildings.

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

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

48. **Interim Service Period**. Prospective Purchasers are advised that until eighteen months after the First Closing, some of the services and facilities described in the Plan may not be available. However, it is anticipated that at all times after the First Closing, the Residential Lobby will be attended twenty-four (24) hours a day, seven (7) days a week, and there will be at least one (1) elevator servicing every floor on which there are occupied Residential Units. The interim level of staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. During such interim service period when full services and/or facilities are not available, the expenses for such services and/or facilities, as accounted for in Schedule B may not be actually incurred. Therefore, Common Charges payable by the Residential Unit Owners may be reduced accordingly to reflect the corresponding diminished expenses of the Building. (See the Section entitled "Description of Property and Improvements" for further discussion.)

49. **Services**. All determinations with respect to the continuance of any of the services in the Building, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor during the Initial Control Period. (See the Section entitled "Control by Sponsor"). Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property. Neither Sponsor, the Managing Agent nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any services in the Building, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury to person or damage to property occurs as a result of the negligence of Sponsor, the Managing Agent or either of the Board, as the case may be.

50. **Rule Against Perpetuities**. In order to preclude any application of the Rule Against Perpetuities which might otherwise invalidate the Agreement, the Agreement shall expire, unless otherwise previously terminated, on the date that is the earlier to occur of (i) twenty-one

years after the date of the Agreement, or (ii) the time period legally permitted by the Rule Against Perpetuities in the State of New York, in which case the Option Payment and all interest accrued thereon shall be returned to Purchaser. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

51. **Terraces**. Terraces and balconies (collectively, "Terraces") are appurtenant to certain Units, as identified in Schedule A and in the Floor Plans and Description of Property set forth in Part II of the Plan, and are Residential Limited Common Elements available for the exclusive use of a Unit Owner of the Unit to which such Terrace is appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations in effect from time to time. Each such Unit Owner of a Unit containing a Terrace shall be responsible for all ordinary maintenance and cleaning of the Terrace appurtenant to its Unit; however, the costs and expenses of any repairs or replacements, structural or otherwise (unless caused by or attributable to the Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense. In addition, certain Units contain balconies which constitute a part of such Units. (See "Description of the Property and Improvements" and "Rights and Obligations of the Unit Owners and the Board" in Part I of the Plan for further discussion.)

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

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

Notwithstanding the foregoing, where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to Purchaser, no material change will be made in a Unit's

size, layout or proportionate share of aggregate Common Interest unless (i) the affected Purchaser consents; (ii) the Purchaser is in default beyond all applicable grace and cure periods and has not contested a declaration of default; or (iii) such changes are required to conform with Legal Requirements. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material.

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

54. **Rebates to Unit Owners of Surplus of Annual Receipts**. Notwithstanding the various Common Charges required to meet the expenses set forth in the projected Budget for the first year of Condominium operations in connection with the Budget provided in this Plan or until the expiration of the Initial Control Period, if the annual receipts levied against Unit Owners during the first year of condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount will be rebated to the Unit Owners by the Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of condominium operation will be distributed by the Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Unit Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Units by individual Unit Owners. Sponsor makes no warranty or representation that the operating expenses during this period will be less than the actual Common Charges or as to the amount of any credit that may be available as a result of such computation.

Notwithstanding the foregoing, if a refund is contemplated for the first or any subsequent year of Condominium operation, such refund may only be effectuated if an independent certified public accountant, as part of its preparation of the yearly annual certified financial statement for the Condominium has determined that a refund is warranted based on an excess payment of Common Charges by Unit Owners over actual expenses for the Condominium and has determined the amount of such refund as part of its annual review. Sponsor shall continue to update the budget, in accordance with the governing regulations. For purposes of this Plan, an "excess payment of Common Charges" shall mean the actual expenses of the Condominium (or specific sections of the Condominium as applicable) were less than the projected expenses set forth in the Budget of the Condominium (or the applicable section). No refund may be given unless all expenses of the Condominium are paid, including but not limited to, insurance premiums and reserve funds. During the budget year following a year for which a refund was effectuated, no special assessment or increase in Common Charges shall be instituted to pay for any item which was set forth in the previous year's budget and which was refunded to Unit Owners as per the foregoing. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Residential Units by individual Unit Owners.

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

56. **Sponsor's Obligations**. Sponsor reserves the right to sell ten 10 or more of the Units and to designate the purchaser of such blocks of Units as a "sponsor" under this Plan and the Declaration or to not designate the purchaser as a sponsor. A party designated as a "sponsor" or a "sponsor-designee" will have those additional rights and obligations of a "Sponsor" as more fully described in the Plan including the assumption of the status and all of the obligations of Sponsor for those Units under this Plan, applicable Laws or regulations. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments and real estate taxes with respect to Unsold Units. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

57. **Windows**. The Units windows should be covered during the portions of the day when the sun is strongest in order to maintain the temperature of the Units' rooms at comfortable levels and to conserve energy. The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted. The interior glass surfaces of all windows located in any Unit and the exterior glass surfaces of windows, which can be washed from Terraces, shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof as such Unit Owner's sole cost and expense. The exterior of other windows shall be washed by the Condominium and the cost thereof shall be charged to the Residential Unit Owners as a Residential Common Expense. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the owner of such Unit (unless such breakage is caused by the Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Board or such negligent Unit Owner, as the case may be). It is not unusual for there to be distortion in the peripheral portions of large windows. Distortion can be caused by changes in temperature, changes in elevation from where the insulating glass units were fabricated, changes in barometric pressure, windloads, glazing pressure around the periphery of the glass and the heat treatment process used for heat-strengthened and tempered glasses. Distortion is very subjective and the degree of distortion can change due to environmental conditions as listed above.

58. **Wood Floors**. Purchasers are advised that Residential Units will feature finished in place wood flooring. Wood flooring should not be washed with water and should be maintained in accordance with the manufacturer's recommendations. Sponsor makes no representation as to the number of times such floors can be sanded. Sponsor is not responsible for: (i) variations in floor level and slight separation between base and floor; (ii) variations in width, length or tone of wood floor strips or normal shrinking or expansion of wood flooring due to changes in moisture content of wood; or (iii) scratches and dents in flooring. Nearly every wood floor will have some seasonal separation between the individual boards, which is normal. However, excessive shrinkage from humidity can cause more serious, irreparable issues such as cracking, cupping, delamination, and even buckling.

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

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

To reduce (but not eliminate) the possibility of absorption, etching discoloration and/or staining, Sponsor may apply a sealer to the stone surfaces in the Residential Units prior to delivery of such Residential Unit to Purchaser. Such stone surfaces may require sealing and resealing at some point in the future, and any such sealing will help with water absorption and staining which may alter colorations. Purchasers are advised that impregnating sealants and using daily stone cleaners, which have been specially developed for cleaning stone, are recommended for proper maintenance. Purchasers are advised that the application of a sealer to stone surfaces does not in any way guarantee that future absorption, etching, discoloration and/or staining will not occur. Furthermore, it will be each Residential Unit Owner's obligation to maintain the stone surfaces, including the engagement of a professional to reapply the sealer at regular intervals. Purchasers should consult a professional regarding the proper care and maintenances necessary to preserve the appearance of any stone surfaces in their Residential Units under the Option Agreement (including, without limitation, pursuant to Arbitration, as discussed herein) and/or in terminating the Option Agreement in the event of Purchaser's noncompliance with the terms thereof. For more information, please see the Section entitled "Rights and Obligations of Unit Owners and the Boards – Repairs to and Common Charges of Units" in Part I of the Plan.

60. **Interim Occupancy Agreement**. In the event a Purchaser occupies a Residential Unit pursuant to an Interim Occupancy Agreement ("IOA") with Sponsor, and such Purchaser rescinds its Option Agreement due to an amendment to the Plan which discloses a material adverse change to the Plan and offers Purchasers the right to rescind, such Purchaser shall be obligated to

surrender the Residential Unit within thirty (30) days thereafter, free of all occupants and in broom clean condition. If a Purchaser fails to timely vacate the Residential Unit before the First Closing has occurred, the Purchaser shall be liable for use and occupancy in an amount equal to twice the rent under an Interim Occupancy Agreement. If a Purchaser fails to timely vacate the Residential Unit after the First Closing has occurred, the Purchaser shall be liable for twice the costs of carrying the Residential Unit (such as Common Charges and the allocable portion, based on Residential Unit, of debt service on any loan covering Unsold Residential Units) as calculated by Sponsor. In addition, irrespective of when such failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for the following: (i) loss of profit and (ii) all costs and expenses incurred by Sponsor to obtain possession of the Residential Unit, including the cost of litigation and reasonable attorneys' fees and expenses. The provisions reflected herein do not run afoul of applicable housing laws.

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

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

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

62. **Option Agreement**. The agreement that Purchaser will execute in connection with the purchase of Residential Units is referred to as an "Option Agreement." A form of the Option

Agreement is contained in Part II of the Plan. An Option Agreement (as opposed to a purchase agreement) permits Sponsor to defer the reporting of income from the sale of the Residential Units until the year in which the sale closes. Were the agreement to be re-characterized by the Internal Revenue Service ("IRS") or Sponsor as a purchase agreement in connection with Sponsor's income tax filings, there would not be adverse tax or other consequences to Purchaser. The term "Option Agreement" does not mean that Purchaser is receiving any optional upgrades to the Residential Unit, except as may be specifically stated in the Option Agreement. Sponsor must sell to a Purchaser who exercises the option under the Option Agreement (which Purchaser does by electing to close and paying the Exercise Price at Purchaser's Residential Unit Closing), and performs all of Purchaser's obligations under the Option Agreement. The characterization of the agreement as an Option Agreement should have no effect on Purchaser's ability to obtain financing. After an Option Agreement is executed by Sponsor and Purchaser, Sponsor may not enter into any other Option Agreement or Purchase Agreement with respect to a subject Unit with any other party, unless the original Option Agreement is terminated pursuant to its terms.

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

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

See Part I, Section L of the Plan, entitled "Procedure to Purchase and Close," for additional details.

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

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

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

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

Except as prohibited by law, the parties to the Option Agreement waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement, the Offering Plan, or the relationship created thereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. No party to the Option Agreement shall seek or receive consequential or punitive damages against the other.

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

64. **Statute of Limitations**. The Option Agreement provides that Purchaser, as

Residential Unit Owner, shall have a maximum of three years from closing of the acquisition of the Unit to bring a claim against Sponsor, with the exception of (i) causes of action arising out of Sponsor's obligations under the Offering Plan or Martin Act and (ii) enforcement of judgments already obtained. This three year period is shorter than the six year statute of limitations for breach of contract contained in New York Civil Practice Law and Rules §213(2). By executing the Option Agreement, Purchaser shall be deemed to have acknowledged and agreed that said three year period maximum is reasonable. Therefore, Purchasers agree that, notwithstanding anything to the contrary set forth in the Plan, the Option Agreement, at Law, in equity, or otherwise, any action or proceeding brought by, through or on behalf of Purchaser against Sponsor, its principals, affiliates or agents, under or related to this Plan or the Option Agreement, or related to the Building or a Purchaser's Unit, to be valid, must be commenced by the earlier to occur of (x) three (3) years, or (y) the expiration of the otherwise applicable statute of limitations, in either case from the date the claim giving rise to such action or proceeding accrues in accordance with applicable Law. See Part I of the Plan, entitled "Procedure to Purchase" and the Option Agreement itself, for additional information.

65. **Development Rights**. All excess Development Rights otherwise appurtenant to the Property and not used in connection with the Building as described in this Plan as of the recordation of the Declaration will be conveyed to the Sponsor or its assignee (the "Development Rights Owner"). As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by the Development Rights Owner, the Development Rights Owner may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Development Rights reserved by the Development Rights Owner will not be used to add additional floors to the top of the Building. The Development Rights reserved by the Development Rights Owner may be used in the case of a sale or transfer for use in connection with other properties. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected. See the Section entitled "Reservation of Air and Development Rights" for more information.

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

forms and remit payment of the Transfer Taxes required in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency, and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. (Please refer to the "Closing Costs and Adjustments" Section of Part I of the Plan and a copy of the Agreement set forth as an Exhibit in Part II of the Plan.)

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

68. **Construction Disputes**. Prior to bringing any lawsuit, arbitration or administrative proceeding (a "Proceeding") against the Sponsor and/or the Sponsor's consultants, professionals, members, managers, or the Sponsor Principal (collectively, the "Sponsor Parties") relating to the construction of all or part of the Building (including the Units and Common Elements), the party intending to bring the Proceeding must have a report prepared (the "Correction Report") by an independent, licensed, architect or engineer (the "Inspecting Professional"). The Correction Report must identify the specific areas of the Building that are not in compliance with the specific provisions of the Offering Plan, the Plans and Specifications filed with the Department of Buildings, and/or the local construction codes (a "Claim"). The Sponsor shall have a 90 day period after the receipt of the Correction Report to correct any of the Claims or explain why the Claim is incorrect, prior to the Proceedings being brought by the Unit Owners or the Board, other than life or health threatening matters which will be corrected immediately. The Sponsor shall have no responsibility for damages to the Units or the Building arising out of the Unit Owner's, the Managing Agent's or the Board's failure to properly inspect, maintain or repair the Property. The provisions set forth herein shall not apply to nor preclude any Purchaser or Unit Owner from availing themselves of the remedies afforded under the rules and regulations promulgated by the Attorney General of the State of New York. Said provisions are subject to all applicable law. See the Section of the Plan entitled "Rights and Obligations of Sponsor."

69. **Smoking**. Unless and until changed by an amendment of the By-Laws, the Condominium's Smoking Policy is that smoking is not permitted anywhere on the Property, including in Residential Units, except that, subject to law, smoking is permitted on the terraces and balconies appurtenant to the Units, provided that the smoke does not enter into other Units or Common Elements. The Residential Committee or the Board shall have the right to obtain a court order enjoining the occupant of a Unit from smoking on his or her terrace or balcony if the smoke enters into other Units or Common Elements and the Residential Committee or the Board shall have the right to seek the eviction of a tenant, who smokes on a terrace or balcony if the smoke

enters into other Units or Common Elements. In addition to all other remedies available to the Residential Committee or the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Residential Committee and (ii) reimbursement of any fees or expenses incurred by the Condominium to cause the smoke infiltration into the Common Elements or another Unit to cease (including legal fees) in enforcing this provision. See the By-Laws in Part II of the Plan.

70. **Stack Effect.** "Stack Effect" is a phenomenon that can exist in all buildings and is caused by a difference in temperature between the inside and outside of a building, resulting in different air densities. Stack Effect may generate uncontrolled airflows throughout the Building, which could result in, among other things, noise conditions. The Building has been designed to minimize the potential impact of Stack Effect, however Sponsor makes no guarantee or warranty as to the effectiveness of such mitigation measures.

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

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

73. **Safety Devices**. Residential Units will be equipped with certain safety devices including fire and carbon monoxide alarms, which have to be checked regularly to make certain that they are operating properly.

74. **Mold** Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Unless the existence of mold occurs within one (1) month or earlier of Closing (unless there is a latent defect due to faulty construction by Sponsor so that mold could

not be discovered within one (1) month of Closing), and is caused by faulty construction by Sponsor, Sponsor will not be liable to Purchaser with respect to the presence and/or existence of molds, mildew and/or microscopic spores. The provisions of this paragraph shall survive closing of title or the termination of the Option Agreement. See the Option Agreement, set forth as Exhibit 1 in Part II of the Plan, for more information.

75. **Lot Line Windows**. The Building has lot line windows on the North facing windows in the kitchens and bathrooms of Units 701 through 1601, the East facing windows in the bedrooms of Units 301 through 1601, and the West facing windows in the living rooms of Units 204 through 604 which would need to be blocked-in by the Unit Owner if a neighboring building is built at a height at or above these windows. If a lot line window in any of these Units must be blocked-in, the cost to the Unit Owner is expected to be approximately $800 per window. The rooms that the lot line windows serve do not rely on these windows for legally required light and air. Under the applicable building code in the City of New York, lot line windows must meet certain requirements including being built of a shatter-resistant type of glass and being provided with a protective sprinkler head. Also, such windows may not be counted toward the mandatory light and ventilation requirements. All lot line windows were built in full compliance with all applicable building codes and other regulations, and all the Units meet the light and ventilation requirements without taking those windows into account. Please refer to the Section of the Plan entitled "Description of Property" in Part II of the Plan for further details.

Management Agreement. The Condominium Board will enter into a management agreement with FirstService Residential of New York, a company organized under the Laws of the State of New York, and having a New York address at 622 Third Avenue, New York, New York 10017, as the Managing Agent. The principals of the Managing Agent are not affiliated with Sponsor or its principals. The management agreement provides for a term of one (1) year, subject to the right of either party to cancel at the end of any calendar month upon not less than sixty (60) days prior written notice, with or without cause.

76.

77. **Title Indemnity**. Purchaser shall provide to Sponsor, at least five (5) business days prior to Closing, an Indemnity Agreement substantially in the form annexed to the Purchase Agreement as Exhibit A or in such other form as may be acceptable to Sponsor (the "Title Agreement"), in its sole discretion, wherein Purchaser's title underwriter agrees to (x) timely submit the Unit Deed, all New York State and New York City real property transfer tax forms, including the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" ("transfer taxes") and checks for payment of such transfer taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser in connection herewith; and (y) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed and transfer tax forms and remit the payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency.

In the event the Title Agreement is not delivered as set forth above, (x) Purchaser will

indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such Unit Deed and transfer tax forms and remit payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency; and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. This provision is applicable even if Purchaser elects to use First American Title Insurance Company. See the Section of the Plan entitled "Procedure to Purchase" and the Purchase Agreement in Part II of the Plan.

78. **Confidentiality**. Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential, except that Sponsor shall be permitted to disclose that this Agreement has been executed for the Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties respective lawyers, brokers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

79. **Storage Licenses**. The Sponsor will be selling licenses to use the Storage Bins which are on the Cellar Floor of the Building. Subject to their availability, the Purchaser of any Unit will have the right to purchase a Storage Bin License (a "License"). Storage Bins may only be owned by Unit Owners. A Unit Owner who owns a Storage Bin License will only be permitted to sell it to another Unit Owner or the Purchaser of a Unit. There is no certainty that when a Unit Owner sells his or her Unit there will be another Unit Owner, who may want to purchase the Storage Bin License if the Unit Owner's purchaser is not interested in purchasing it, in which event the Unit Owner will have to surrender it to the Board. A temporary certificate of occupancy is not required for the sale of use rights with respect to Storage Bin Licenses. Purchasers may be required to consummate their purchase of use rights with respect to a license simultaneously with their Unit(s)' closing even though a temporary certificate of occupancy has not been issued (and access may not be available) for the areas of the Building designated for the Storage Bins. The unavailability of Storage Bin Licenses shall not give rise to any rescission rights to any Purchaser, provided that no funds will be released from escrow by Escrow Agent to Sponsor attributable to any Storage Bin License until such license is available and has a temporary certificate of occupancy. Sponsor may license the use of certain parts of the Common Elements from the condominium as described herein. However, said license is revocable by the Condominium Board. Such license to Sponsor shall also terminate when Sponsor ceases to own any Units in the Condominium. (See the Section of the Plan entitled "Closing of Title to Units" for further details.)

80. **Storage Bins**. The Storage Bins may only be used for storage purposes, and in no event may the Storage Bins be used as dwelling spaces. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein, and Storage Bins may not be used to store toxic, inflammable or combustible items as defined in the Building Code of the City of New York. Failure of a Residential Unit Owner to comply with the use limitations set forth in the immediately preceding sentence may result in issuance by the New York City Department of

Buildings of a violation against the Building along with imposition of an associated fine, which fine shall be paid by the violating Residential Unit Owner as more particularly set forth in By-Laws. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any purpose permitted by Legal Requirements (as hereinafter defined) or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration. If at any time the licensee of a Storage Bin sells its Residential Unit, it shall simultaneously assign its license of the Storage Bin to another owner of a Residential Unit, and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee. The area in which the Storage Bins are located is not climate controlled. See the "Description of Property and Improvements" Section of Part I of the Plan.

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

82. **Changes Made Pursuant to the Tax Cuts and Jobs Act**. On December 22, 2017 President Trump signed into Law legislation commonly known as the Tax Cuts and Jobs Act (the "2017 Act"). The 2017 Act made changes to the Code that are generally effective for individual taxpayers for the period January 1, 2018 through December 31, 2025 at which point the relevant Code provisions in effect prior to 2018 again become effective. The 2017 Act makes significant changes to pre 2018 Code provisions relating to tax and interest deductions for home ownership. Purchasers should note that for taxable years commencing on or after January 1, 2018 and before January 1, 2026 deductions for property taxes and state and local income taxes are limited to a combined total of $10,000 in any such year. Purchasers should note that the $10,000 tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold. For taxable years commencing on or after January 1, 2026 the $10,000 overall limit on property and state and local income taxes is removed. Prospective Purchasers should refer to the Sections entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium" and "Opinions of Counsel" below for further discussion.

B. INTRODUCTION

1. The Offering Plan

157-161 East 28th Street, LLC, a New York limited liability company ("Sponsor"), hereby presents this offering plan (the "Plan") for the establishment of condominium ownership of certain land consisting of approximately 4,125 square feet on the north side of East 28th Street and the west side of Third Avenue (the "Land"), including a building with nineteen (19) construction floors, inclusive of roof levels and Cellar levels (the "Building") containing 43 Residential Units, which are referred to collectively as the "Residential Units". The Land and the Building are collectively referred to herein as the "Property". The condominium will be known as "Hillrose 28 Condominium" and is called the "Condominium" in this Plan. Sponsor acquired the Land on January 12, 2018. The prior uses of the premises were residential and retail.

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the 43 Residential Units and 20 Storage Bins. The Residential Units will have an entrance on East 28th Street.

Sponsor reserves the unconditional right to rent or lease, rather than sell, the Offered Units after the consummation of the Plan. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. Because Sponsor reserves the unconditional right to rent or lease Units, there is no commitment to sell more Residential Units than the fifteen percent (15%) of such Units necessary to declare the Plan effective and, accordingly, Residential Unit Owners may never gain effective control and management of the Condominium. In the event the Initial Control Period has not ended by the third anniversary of the First Closing, the First Annual Meeting of Unit Owners will take place on the third anniversary of the First Closing, whether or not Sponsor is obligated to relinquish control at said meeting. (See the Sections entitled "Introduction", "Procedure to Purchase", and "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains all of the material terms of the transaction and the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the first year of Condominium operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein in Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge and for copying at reasonable fees at Sponsor's office and at the offices of the Department of Law, 28 Liberty Street, New York, New York. Copies of the Plan and the exhibits may also be borrowed from Sponsor upon payment of two hundred and fifty dollar ($250) deposit, which amount will be fully refunded after the earlier of (i) the prompt return of all borrowed materials in good condition within ten (10) days or (ii) the execution by the borrower of an Agreement

subsequently accepted by Sponsor. All of these documents are important and should be carefully read by prospective Purchaser. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions", unless otherwise indicated.

2. The Condominium

The Sponsor is constructing the Building on the Land, which will be subject to a certificate of occupancy. The Building will contain nineteen (19) floors above grade exclusive of roof levels, including nineteen (19) residential floors exclusive of roof levels and Cellar level. The floors in the Building are named (from bottom to top): Cellar, First Floor or "Lobby", Floors 2-12, 14-16, PH3 or Floor 17, PH2 or Floor 18, PH1 or Floor 19, PH1A or Floor 20 and roof. As more particularly described herein, the Building will include 43 Residential Units on Floors 1-20 a/k/a PH1A and the Residential Common Elements which are located on a portion of the Cellar and the First Floor and Roof.

There will be available to occupants of the Building, certain first class residential services, including, but not limited to, concierge service, doorman, automatic elevators, and cable television and internet service at an additional charge, lounge with a kitchen and security systems.

3. Features of Condominium Ownership

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

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

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his or her Unit(s) with such lender and in such amount as he or she chooses. However, Sponsor makes no representations about whether a Purchaser will be able to finance the purchase of any Unit. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

A Unit Owner may decorate the interior of his or her Unit in any way desired except as otherwise provided in the By-Laws and Rules and Regulations and Law, and will be solely responsible for the cost of maintenance and interior repairs to his Unit after Closing.

Once separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be

subjected to, any lien arising from the non-payment of real estate taxes on other Units. Please refer to the opinion of Holland & Knight LLP, counsel to Sponsor, set forth in full in Part I of the Plan, for a discussion regarding the deductibility for federal, New York State and New York City income tax purposes, of real estate taxes and the interest paid on a mortgage, if any, on a Residential Unit.

The Board does not have the right to approve or disapprove a purchaser of a Residential Unit. With certain exceptions (for example, Sponsor and its designee are not required to give the Board a right of first refusal with respect to any Unsold Units), any sale or lease of a Residential Unit will be subject to a right by the Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Unit on the same terms as were offered to the owner of such Unit. The Board has the right to reject sales and leases to purchasers and tenants who themselves (or Residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers – Sales and Leases of Units". Currently, there is no limit on the number of owners who may purchase for investment (rather than for personal occupancy). Accordingly, there may always be a substantial percentage of owners who are non-Residents.

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

Generally, the cost of operating the Residential Common Elements will be borne by the Residential Unit Owners in proportion to their respective Common Interests.

As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Board determines, the Board will assess Common Charges. Such charges will be assessed against Residential Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board in accordance with the Condominium Act, Sections 339-i and 339-m.

After the closing of title to a Residential Unit, a Residential Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment and personal property situated within his or her Residential Unit, as well as liability insurance with respect to occurrences in or about his or her Residential Unit. The By-Laws require that each Unit Owner maintain such insurance coverage. Purchaser's proof of insurance is not required at closing. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" for a more complete discussion of the foregoing.

In order to facilitate the Sponsor's sale of the Units, prior to (a) one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell or lease his or her Unit(s)

without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale or lease with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease. In the event that Purchaser violates the foregoing prohibition then any sums received by Purchaser in excess of the Purchase Price paid by Purchaser shall be paid to the Sponsor as liquidated damages. In addition, any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor.

There are no limitations on who may purchase Residential Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, an association, a trust or any other entity which is permitted to take title pursuant to New York Law. Notwithstanding the foregoing, Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale for any reason whatsoever, without the consent of either of the Board, any Unit Owner, or mortgagee, to refuse to approve and execute (a) an Agreement for any Unit and (b) an Agreement or Agreements, as the case may be, for more than one Unit to any one person or entity; provided, however, that, in either event, Sponsor shall not discriminate against any person because of his or her race, creed, color, sex, disability, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until an Agreement executed by both Purchaser and Sponsor, has been exchanged and Sponsor has collected the funds constituting Purchaser's required Option Payment thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under Law.

Sponsor has obtained construction financing from Construction Lender. No Residential Units may be rented by Sponsor without the consent of Lender for so long as the loan remains in place. However, Sponsor's unconditional right to rent rather than sell Units under the Plan shall not be abrogated to the extent Construction Lender gives its consent to rent Units. Construction Lender has not required a minimum number or percentage of Units which must be under contract before the Plan may be declared effective. Construction Lender will release its lien on each Unit being conveyed and its interest in the Common Elements. There are minimum release prices for each Unit set by Construction Lender that must be paid to Construction Lender at Closing in order for Construction Lender to release its lien from the Unit being sold.

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

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

4. Offering of Units for Sale

Sponsor hereby offers for sale 43 Residential Units. All equipment and fixtures described in this Plan as being included in a Unit are included in the Offering Price. The prices for each of the Units offered under the Plan are listed in Schedule A entitled "Offering Prices and Related Information, Schedule A". **THE PRICES CONTAINED IN THIS PLAN HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.**

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

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

Sponsor reserves the right to sell ten (10) or more Units in the Condominium and to designate the purchaser of such block(s) of Units as a "sponsor" under this Plan. The party so designated as a "sponsor" or "sponsor-designee" will have those additional rights and obligations (including the obligation to comply with all applicable Legal Requirements) applicable to a "sponsor" or "sponsor-designee" as more fully described in the Plan including the assumption of the status and all of the obligations of Sponsor for those Units under this Plan, applicable Laws or regulations.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or its designee has not sold a substantial percentage of the apartments in the building or group of buildings, which in some cases may be 42% or higher. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original sponsor has an ownership interest of 10% or more. It also may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

Each Purchaser of a Residential Unit will be required to make a contribution to the Working Capital Fund and a contribution into the Reserve Contribution, as more particularly described in

the projected "Budget for First Year of Condominium Operation, Schedule B". The Working Capital contribution and the Reserve Contribution contribution are to be made at the time of Closing of the Unit, and shall each be in an amount equal to one (1) month's Common Charges in effect at the time of closing for each Unit purchased. (See the Section entitled "Working Capital Fund and Apportionments").

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against his or her Unit, interest and amortization payments on the mortgage, if any, which such Purchaser may, at his or her option, obtain, and charges for electricity consumed in his or her Unit.

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

5. **Offering of Storage Bin Licenses**

Sponsor hereby offers Purchasers the opportunity to purchase the rights to one of the 20 Storage Bins pursuant to a license agreement (each such license being a "Storage Bin License," and each such license agreement being a "Storage Bin License Agreement.") The form of the Storage Bin License Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan. The Storage Bins will be 20 square feet. The area in which the Storage Bins are located is not climate controlled.

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

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per square foot per month of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

Sponsor reserves the right to offer as many Storage Bin Licenses as it determines in its sole discretion. Sponsor shall offer the Storage Bin Licenses to Purchasers of Residential Units on a first-come, first-served basis until such time as all of the Storage Bin Licenses have been purchased. Sponsor reserves the right to limit the number of Storage Bin Licenses sold to any one

Purchaser or to make bulk sales, as it determines in its sole discretion. Storage Bin Licenses will only be sold by Sponsor to Purchasers of Residential Units. Prospective Purchasers will be required to deliver a deposit in the amount of fifteen percent (15%) of the purchase price of the Storage Bin License and the same rules apply to the purchase of a Storage Bin as a Residential Unit as set forth in the Storage Bin License rider to the form of Agreement included in Part II of this Plan.

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

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

The unavailability of Storage Bin Licenses shall not give rise to any rescission rights to any Purchaser, provided that no funds will be released from escrow by Escrow Agent to Sponsor attributable to any Storage Bin License until such license is available and has a temporary certificate of occupancy. Sponsor may license the use of certain parts of the Common Elements from the condominium as described herein. However, said license is revocable by the Condominium Board. Such license to Sponsor shall also terminate when Sponsor ceases to own any Units in the Condominium.

6. Recreational Facilities and Air or Transferable Development Rights

The recreational facilities and storage in the Building are bicycle storage, storage bins, and laundry in the Cellar; fitness center on the Cellar and First Floors; and lounge on the First Floor.

All excess Development Rights otherwise appurtenant to the Property and not used in connection with the Building as described in this Plan as of the recordation of the Declaration will be conveyed to the Sponsor or its assignee (the "Development Rights Owner"). As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by the Development Rights Owner, the Development Rights Owner may transfer or sell such Development Rights to

the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Development Rights reserved by the Development Rights Owner will not be used to add additional floors to the top of the Building. The Development Rights reserved by the Development Rights Owner may be used in the case of a sale or transfer for use in connection with other properties. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected.

C. CERTAIN DEFINITIONS

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

"Additional Option Payment" refers to the Second Installment required under the Agreement (as defined in the Agreement).

"Additional Tax" shall have the meaning ascribed thereto in Special Risk 25.

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

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

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

"Board" refers to the Condominium Board.

"Building" refers to the structures and improvements including above and below grade segments, known as "HILLROSE 28 Condominium" located at 181 East 28th Street, New York, New York in which the Units of the Condominiums are located.

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

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

"Cellar" refers to lower level of the Building.

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

"Claim" shall have the meaning ascribed thereto in Special Risk 68.

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

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

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

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

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

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

"Completion Date" shall be the date when the Building is substantially complete and the first TCO for a Residential Unit is issued and is anticipated to be on approximately January 1, 2021.

"Condominium" refers to HILLROSE 28 Condominium.

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

"Condominium Board" refers to the overall board of managers of the Condominium comprised of representatives of the Residential Unit Owners.

"Construction Lender" refers to PCCP CREDIT IX REIT-SUB HOLDCO, LLC.

"Correction Report" shall have the meaning ascribed thereto in Special Risk 68.

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

"Custom Work" and "Custom Work Costs" are defined in Special Risk 39.

"Declarant" or "Developer" refers to 157-161 East 28th Street LLC, a New York limited liability company, which is developing the Property.

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

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

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

"Escrow Agent" refers to Holland & Knight LLP.

"Fannie Mae" refers to the Federal National Mortgage Association.

"FCO" refers to a final certificate of occupancy.

"FHA" refers to the Federal Housing Authority.

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

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

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

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

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

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

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

"Initial Control Period" refers to the period ending the earlier to occur of: (i) the Closing of title by Sponsor or its designees of all the Residential Units or (ii) five (5) years after the First Closing.

"Initial Option Payment" refers to the initial payment of the First Installment (as such term is defined in the Agreement).

"Inspecting Professional" shall have the meaning ascribed thereto in Special Risk 68.

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

"Law" or "Legal Requirements" means the laws, statutes, treaties, rules, codes, ordinances, and regulations of any or all of the federal, state, city, county and local governments and rules, regulations, orders and/or directives of any or all departments, subdivisions, bureaus, agencies or

offices thereof, or of any other governmental, public or quasi-public authorities having jurisdiction over the Condominium, the Property or any part thereof, including Common Elements and the Units, and/or the direction of any public officer pursuant to any such laws, and to the extent a Unit Owner and/or the Board, the Property or any part thereof, including any Unit or any part of the Common Elements, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any such governmental authorities.

"Limited Common Elements" refer to those Common Elements serving some, but not all, of the Unit Owners.

"Lobby" refers to the portion of the Ground Floor of the Building, which is the entrance to the Building.

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

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

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

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

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

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

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

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

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

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

"Proceeding" shall have the meaning ascribed thereto in Special Risk 68.

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

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

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

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

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

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

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

"Rules and Regulations" refer to the rules and regulations of the Condominium, as annexed as Schedule A to the By-Laws, which may be amended from time to time.

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

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

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

"Sponsor" refers to 157-161 East 28th Street LLC, a New York limited liability company, and its successors and assigns.

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

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

"Storage Bin" refers to the storage bins located on each floor of the Residential Section, which will be used for storage by Unit Owners who purchase Storage Bin Licenses.

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

"Sponsor Parties" shall have the meaning ascribed thereto in Special Risk 76.

"TCO" refers to a temporary certificate of occupancy.

"Terraces" refers to the terraces or balconies that are appurtenant to some of the Residential Units.

"Time Being of the Essence" or "Time of the Essence" shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and an Event of Default entitling Sponsor to the remedies set forth in this Plan and the Agreement.

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

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

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

"Unit Deed" refers to the form of unit deed set for as Exhibit 5 in Part II of the Plan.

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

"Unsold Unit" refers to (a) any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or its designee, or a Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor, or one or more of their principals, is a member or (b) any Unit for which there is a signed Agreement but for which Closing has not yet occurred.

"Waiver Period" refers to the time period during the Condominium's initial two (2) fiscal years, during which Sponsor has reserved the right for Sponsor's Board Designees to waive the collection of Common Charges from the Residential Unit Owners for a period of time beginning from the date of the First Closing.

"Waiver Period Operating Expenses" is defined in Special Risk 22.

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

D. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

1. Construction of the Building

The Building contains the Residential Units and Residential Limited Common Elements and the Common Elements.

The Building, including the individual Units therein, is a new construction project which will be completed substantially in accordance with the Plan and Specifications and all applicable zoning and building Laws, regulations, codes and other government requirements. No Asbestos containing material will be present in insulating or fire-proofing material contained in the Building. Following completion of the FCO for the Units and the Building will be issued by the Department of Buildings of the City of New York and copies of the Plans and Specifications for the Building will be filed with the Department of Buildings of the City of New York.

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

Sponsor has engaged C3D Architecture, PLLC ("Sponsor's Architect") as architects for the Building, as mechanical engineer for the Building and as the structural engineer for the Building.

Sponsor reserves the right to amend or modify the Plans and Specifications in any way not material to this offering or in a manner disclosed in this offering, including, without limitation, changing materials, appliances, equipment, fixtures and other construction and design details set forth therein or in the "Description of Property" set forth in Part II of the Plan and to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially equal or better quality, provided that any necessary approval of any governmental authority having jurisdiction thereof is timely obtained. Any or all of the foregoing shall give rise to no right of rescission on the part of any Purchaser and may be made without prior notice or amendment to the Plan. Unless all Purchasers and affected Unit Owners consent in writing, Sponsor shall make no material changes to the size, location of buildings or units other improvements or Common Elements if such changes affect the percentage of common interests or adversely affect the value of any unit to which title has closed or for which a Purchase Agreement has been executed and is in effect.

The location in the Building, and the size, layout and approximate square footages of the Units are shown on the floor plans duplicated in Exhibit 7 of Part II of the Plan. Such floor plans are subject to the rights of Sponsor or its designee to combine two or more Unsold Units, to add additional Units by subdividing Unsold Units or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Units, as further described in Part I, the Section

entitled "Changes in Prices and Units" hereof. Any Floor Plan or sketch shown to a Purchaser, including those set forth in this Plan are only an approximation within reasonable tolerances of the dimensions and layout of each Unit. Where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to Purchaser, no material change will be made in a Unit's size, layout or proportionate share of aggregate common interest unless (i) the affected Purchaser consents; (ii) the Purchaser is in default beyond all applicable grace and cure periods and has not contested a declaration of default; or (iii) such changes are required to conform with Legal Requirements. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material.

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

2. **Residential Units**

Subject to the rights of Sponsor and its designee to change the number of Residential Units, there will be a total of 43 Residential Units situated on the First Floor through 20th Floor a/k/a PH1A of the Building. Detailed descriptions of the Residential Units including a finish schedule are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A for further details.

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

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

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

Unit Owner use his Residential Unit for a use violative of the By-Laws or the deed restrictions which are described in this Plan. Residential Units cannot be leased for terms shorter than one year.

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

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

3. **General Common Elements**

Generally, the General Common Elements consist of all Common Elements other than the Residential Limited Common Elements and include, among other things, the following: (a) the Land; (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings (except to the extent included as the Residential Common Elements, or Residential Limited Common Elements), beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building, (c) corridors and all fire staircases, landings and stairs which are not Residential Common Elements, or Residential Limited Common Elements or part of any Unit; (d) meter rooms, electrical rooms, gas meter room, pump room, domestic hot water room, and janitorial toilet and sink; (e) general illumination fixtures and security systems; (f) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building serving all of the Residential Units; (g) the water tower; and (h) the emergency generator room and a storage room. A detailed description of the General Common Elements is set forth in the Declaration.

Generally, the Common Elements include, among other things, the following: (a) elevators (including their shafts, pits, machinery and appurtenant facilities); (b) the exterior glass surfaces of windows; (c) the entrance and Lobby, vestibule, package room, toilette, elevator lobby, security system, concierge station, service vestibule and service corridor and the mailroom on the Ground floor of the Building; (d) passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Unit Owners; (e) electric panels, closets, feeders and risers serving the Building; (f) the service vestibule and trash chutes servicing each of the Floors; (g) all mechanical space and other rooms, areas and spaces located in the Building; (h) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit of the Residential Units; and (i) the residential amenities located on the Cellar Floor and First Floor.

4. **Residential Limited Common Elements**

The Residential Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Residential Unit Owners. Terraces and balconies (collectively, "Terraces") are appurtenant to certain Units, as identified in Schedule A and in the Floor Plans and Description of Property set forth in Part II of the Plan, and are Residential Limited Common Elements available for the exclusive use of a Unit Owner of the Unit to which such Terrace is appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations in effect from time to time. Each such Unit Owner of a Unit containing a Terrace shall be responsible for all ordinary maintenance and cleaning of the Terrace appurtenant to its Unit; however, the costs and expenses of any repairs or replacements, structural or otherwise (unless caused by or attributable to the Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense. In addition, certain Units contain balconies which constitute a part of such Units.

5. **Services and Facilities**

Generally, all services normally associated with the operation and maintenance of a luxury residential condominium will be provided to Residential Unit Owners at no cost other than Common Charges; these services and facilities are described below. There will be a variety of other services offered which will be available to Residential Unit Owners at their option. Notwithstanding the foregoing, however, the Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

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

a. Entrance

The Building will have entrances on East 28th Street.

b. Doorman

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

c. Elevator Service

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

d. Cable Television Service

A cable television system will be available for the use of the Residential Unit Owners. The charges for primary connections and subsequent monthly fees related to the service will be determined by, and payable by the Unit Owner directly to the cable company. At the present time the two primary cable television providers are Charter Communications Holding Company (d/b/a "Spectrum") and Verizon Communications (the "Cable Companies"). Additional cable service (i.e., Home Box Office or Showtime) will also be available from the Cable Companies providing

the service for an additional charge on the same basis. A cable outlet will be located in each living room and bedroom. Sponsor makes no representation that cable television service will be available to any Residential Unit Owner upon its initial occupancy of a Residential Unit. Sponsor will enter into agreements with the Cable Companies the right to install wires, cables and other components of their systems (the "Cable Facilities") in the Building's internal conduit system and granting the Cable Companies easements for the installation, repair or replacement of the Cable Facilities and certain rights to relocate the Cable Facilities which shall remain the property of the Cable Companies (the "Cable Agreement"). The Condominium will own and maintain the internal conduit system in which the Cable Facilities are located. The Condominium will be subject to and bound by the terms of the agreements with the Cable Companies.

No roads will be constructed by Sponsor. The Residential Units will have an entrance on East 28th Street, which is a public road.

e. Electrical Systems Telephone Service and Internet Access

Electrical service will be metered and separately billed to each Unit Owner by Con Ed. Local and long distance telephone, internet and cable service will be provided by Verizon or other telephone service provider and separately billed to each Unit Owner. Each Residential Unit will be prewired for data and telephone service. All charges for hi-speed internet service (including activation, installation and subscription charges) will be paid by each Unit Owner who subscribes directly to the hi-speed internet service provider.

f. Mail & Packages

All incoming mail for the Residential Units will be delivered by the United States Postal Service, who will place it in mailboxes on the First Floor. Doormen will be available to accept packages on behalf of Residential Unit Owners and there will also be a cold storage room for limited food deliveries or other items requiring refrigeration.

g. Laundry

Each Residential Unit will contain a washer and dryer. There will also be a separate laundry room located in the Cellar of the Building.

h. Refuse Disposal

There will be one (1) refuse chutes on each floor serving the Residential Units leading directly to the Compactor Room on the Cellar.

i. Bicycle Storage

Bicycle Storage will be provided in the Cellar of the Building.

j. Storage

Storage bins will be available in the Cellar of the Building.

6. **Amenities.**

The anticipated amenities include the following: Laundry, Lounge and Fitness Center.

7. **Storage Bins.**

Sponsor hereby offers Purchasers the opportunity to purchase the rights to one of the 20 Storage Bins pursuant to a license agreement (each such license being a "Storage Bin License," and each such license agreement being a "Storage Bin License Agreement.") The form of the Storage Bin License Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan. The Storage Bins will be 20 square feet. The area in which the Storage Bins are located is not climate controlled.

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

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per square foot per month of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

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

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

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

The unavailability of Storage Bin Licenses shall not give rise to any rescission rights to any Purchaser, provided that no funds will be released from escrow by Escrow Agent to Sponsor attributable to any Storage Bin License until such license is available and has a temporary certificate of occupancy. Sponsor may license the use of certain parts of the Common Elements from the condominium as described herein. However, said license is revocable by the Condominium Board. Such license to Sponsor shall also terminate when Sponsor ceases to own any Units in the Condominium.

8. **General Provisions Concerning Services and Facilities**.

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

In all likelihood, the nature of the services listed above, the hours during which they are provided and the rates charged for same will change from time to time, in the discretion of the Board, the Managing Agent or other party providing the service. However, all services required by Law will be provided at all times. Neither Sponsor, the Managing Agent, the Selling Agent, nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any of such services, including, but not limited to, any services provided by any outside company or person, other than Building personnel, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury or damage occurs as a result of the gross negligence or willful misconduct of Sponsor, the Managing Agent, the Selling Agent, or the Board, as the case may be.

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

Prospective Purchasers are advised that all services and facilities described in the Plan will be completed within 24 months of the First Closing. Availability of services and facilities shall not impact the Common Charges payable by Unit Owners, which shall be due unless there is a waiver of Common Charges as described herein. However, it is anticipated that at all times after the First Closing, the Lobby will be attended 24 hours per day, seven days per week, and there will be at least one elevator servicing every floor on which there are occupied Residential Units. The interim level staffing will at all times during this period be commensurate with the levels of occupancy

from time to time and adequate to properly maintain the Building. Purchasers are also advised that during such period and beyond, various systems, including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may be incomplete and may be disrupted temporarily and from time to time.

Purchasers are further advised to note that construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors, and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption, construction dust, debris and inconvenience. Any disruption or work contemplated herein shall not render the premises uninhabitable for those Purchasers that have closed on their Units. Construction work and disruptions described herein shall not impact the Common Charges payable by Unit Owners, which shall be due unless there is a waiver of Common Charges as described herein. For a period of time following the First Closing through, including and beyond the closing of title to any particular purchaser's Residential Unit, work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; and (ii) individual Residential Unit Owners within their Units (to perform custom renovations, etc.). Construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of renovation, fitting out of, and moving into, the Units and other portions of the Building which may compromise the security of the Building from time to time. Elevators and personnel may be taken out of service and diverted to facilitate renovation and exterior hoists may be in place during at least the year following the First Closing and from time to time thereafter, as needed, in connection with construction being performed in Units by the Unit Owners thereof. Sponsor may not fully complete the decoration or finishing of the Lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions may create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Unit Owners may not be available until such other portions of the Building are completed and fully operational. Further, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service periods or periods of potential disruption of the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

9. Security Procedures

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

No representation or warranty is made and no assurance is given that the security systems and procedures of the Building and of the Condominium will prevent personal injury or damage

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

E. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is located in Midtown South, within the Murray Hill neighborhood of Manhattan in the City of New York, on 28th Street between Third Avenue and Lexington Avenue. No adjoining tax lots are currently undeveloped.

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

2. Shopping, Commercial and Recreational Facilities

The Building is located in the neighborhood of Murray Hill, which is surrounded by residential apartments, commercial offices, and restaurants. Currently, there is a new growth of residential apartments in the area. There is a wide variety of commercial establishments located near the premises including pharmacies, grocery stores, banks, and other stores. Numerous attractions are located within easy access to the Condominium including Madison Square Park, Madison Square Garden, the Flatiron Building, and the Empire State Building. The Condominium is also near many fine dining restaurants, active nightlife, and shopping boutiques.

3. Schools

Numerous private schools, public schools and parochial schools are easily accessible from the Condominium. The public schools in the area include P.S. 116 Mary Lindley Murray located at 210 East 33rd Street; J.H.S. 104 Simon Baruch located at 330 East 21st Street; Baruch College Campus High School located at 55 East 25th Street; Manhattan Academy for Arts & Language located at 111 East 33rd Street; and School of the Future High School located at 127 East 22nd Street. Certain public school programs require that parents apply for admission for their children. Private schools in the area include Fusion Academy - Park Avenue located at 450 Park Avenue South, 9th Floor; Churchill School & Center located at 301 East 29th Street; and Avenues: The World School located at 259 10th Avenue. Private schools in the area for children with special needs include Rebecca School located at 40 East 30th Street; and Winston Preparatory School located at 126 West 17th Street.

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

4. Transportation

New York City is served by three major airports - LaGuardia Airport, John F. Kennedy

International Airport and Newark Liberty International Airport. Passenger railroad service is provided from Pennsylvania Station located at Seventh Avenue and West 33rd Street, and Grand Central Station located at Lexington Avenue and 42nd Street. Transportation to and from the Building, and through New York City, is available by taxi, limousine, and private automobile. Public transportation via subways and buses is also readily available. Subway lines 4 and 6 are available at the 28th Street subway station, and subway lines N, Q, R and W are available at the 28th Street - Broadway subway station. In addition, the area is serviced by the following bus lines: M101, M102, M103, SIM6 and SIM11. The PATH train is accessible at the World Trade Center Transportation Hub.

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

These services are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Unit Owners to The City of New York. The nearest police station is the Thirteenth Precinct located at 230 East 21st Street. The nearest fire station is Engine 16, Ladder 7 located at 234 East 29th Street. Water charges for the Units will be metered and paid by Unit Owners as a Common Expense of the Condominium. The zip code for the Building will be 10016 which, as of the date hereof, is serviced by the Madison Square USPS Post Office located at 149 East 23rd Street.

6. **Medical Facilities**

The area is served by numerous hospitals and medical facilities located within an approximate two-mile radius of the Condominium including NYU Hospitals Center located at 550 First Avenue; Bellevue Hospital Center located at 462 First Avenue; and Beth Israel Medical Center – Petrie Division located at 281 First Avenue.

7. **Religious Facilities**

Local houses of worship include, but are not limited to, the following: Parish of Our Lady of the Scapular and Saint Stephen's located at 151 East 28th Street; The Remnant Presbyterian Church located at 206 East 29th Street; Church of the Good Shephard located at 240 East 31st Street; St. John the Baptist Greek Orthodox Church located at 143 East 17th Street; Congregation Talmud Torah Adereth El located at 135 East 29th Street; Metropolitan Synagogue located at 40 East 35th Street; and Brotherhood Synagogue located at 28 Gramercy Park South.

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

8. **Zoning**

The Property is located in the R8B zoning district. The Building is located on Block 884 and Lot 36. The R8 zoning district is a high density residential district. See Article II of the NYC Zoning Resolution for more information about uses in R8 districts, available at: http://www1.nyc.gov/assets/planning/download/pdf/zoning/zoning-text/art03c02.pdf?r=d.

9. **Future Developments**

Neither Sponsor nor the principal of Sponsor own, in whole or part, or have an option or right to acquire, in whole or part, any adjacent areas which are not fully developed. As of the date hereof, neither Sponsor or its principal are involved in development projects that have been approved by the Department of Buildings or authority having jurisdiction that will be adjacent to or directly across the street from the property. In the event that Sponsor or its principal do become involved in any such development projects, Sponsor shall disclose such changes in an amendment to the Plan within 30 days after the information is known.

F. OFFERING PRICES AND RELATED INFORMATION, SCHEDULE A

SCHEDULE A

OFFERING PRICES AND PROJECTED MONTHLY CHARGES

HILLROSE 28 CONDOMINIUM

FOR THE FIRST YEAR OF CONDOMINIUM OPERATION COMMENCING JANUARY 1, 2021 ENDING DECEMBER 31, 2021

Unit	(1) Number of Rooms and Baths	(2) Approximate Interior Square Footage	(2) Approximate Exterior (Limited Common Element) Square Footage	(3) Offering Plan Prices	(4) Percentage of Common Elements	(5) Projected Annual Common Charges	Projected Monthly Common Charges	(6) 1st Year Projected R.E. Taxes	1st Year Proj. Monthly R.E. Taxes	Total Monthly Carrying Charges
Garden 1	1/1	871	130	$1,650,000.00	1.9328%	17,602.09	1,466.84	18,806.39	1,567.20	3,034.04
201	1/1	756		$1,450,000.00	1.6173%	14,728.74	1,227.39	15,736.45	1,311.37	2,538.77
202	STUD/1	450		$985,000.00	0.9632%	8,771.51	730.96	9,371.64	780.97	1,511.93
203	1.1	697		$1,325,000.00	1.4918%	13,586.10	1,132.18	14,515.64	1,209.64	2,341.81
204	1.1	741	123	$1,450,000.00	1.6527%	15,051.19	1,254.27	16,080.96	1,340.08	2,594.35
301	1/1.5	890		$1,660,000.00	1.9060%	17,357.46	1,446.46	18,545.03	1,545.42	2,991.87
302	1/1	545		$995,000.00	1.1665%	10,623.28	885.27	11,350.10	945.84	1,831.12
303	1/1.5	898		$1,650,000.00	1.9221%	17,504.04	1,458.67	18,701.64	1,558.47	3,017.14
304	1/1	729	123	$1,450,000.00	1.6263%	14,810.85	1,234.24	15,824.18	1,318.68	2,552.92
401	1/1.5	890		$1,675,000.00	1.9060%	17,357.46	1,446.46	18,545.03	1,545.42	2,991.87
402	1/1	627		$1,300,000.00	1.3417%	12,218.91	1,018.24	13,054.91	1,087.91	2,106.15
403	1/1.5	898		$1,665,000.00	1.9221%	17,504.04	1,458.67	18,701.64	1,558.47	3,017.14
404	1/1	729	123	$1,465,000.00	1.6263%	14,810.85	1,234.24	15,824.18	1,318.68	2,552.92
501	1/1.5	890		$1,690,000.00	1.9049%	17,348.11	1,445.68	18,535.03	1,544.59	2,990.26
502	1/1	627		$1,315,000.00	1.3420%	12,221.64	1,018.47	13,057.83	1,088.15	2,106.62
503	1/1.5	898		$1,680,000.00	1.9221%	17,504.04	1,458.67	18,701.64	1,558.47	3,017.14
504	1/1	729	123	$1,480,000.00	1.6263%	14,810.85	1,234.24	15,824.18	1,318.68	2,552.92
601	1/1.5	890		$1,705,000.00	1.9049%	17,348.11	1,445.68	18,535.03	1,544.59	2,990.26
602	1/1	627		$1,330,000.00	1.3420%	12,221.64	1,018.47	13,057.83	1,088.15	2,106.62
603	1/1.5	898		$1,700,000.00	1.9221%	17,504.04	1,458.67	18,701.64	1,558.47	3,017.14
604	1/1	729	123	$1,495,000.00	1.6261%	14,809.24	1,234.10	15,822.46	1,318.54	2,552.64
701	1/1.5	890		$1,725,000.00	1.9049%	17,348.11	1,445.68	18,535.03	1,544.59	2,990.26
702	1/1	639		$1,365,000.00	1.3677%	12,455.55	1,037.96	13,307.74	1,108.98	2,146.94
703	2/2.5	1469	331	$3,150,000.00	3.3213%	30,247.11	2,520.59	32,316.56	2,693.05	5,213.64
801	2/2	1129		$2,225,000.00	2.4165%	22,006.76	1,833.90	23,512.42	1,959.37	3,793.26
802	2/2.5	1267	791	$3,650,000.00	3.1357%	28,556.35	2,379.70	30,510.12	2,542.51	4,922.21
901	2/2	1129		$2,275,000.00	2.4165%	22,006.76	1,833.90	23,512.42	1,959.37	3,793.26
902	2/2.5	1267	365	$2,650,000.00	2.9079%	26,481.74	2,206.81	28,293.57	2,357.80	4,564.61
1001	2/2	1129		$2,325,000.00	2.4165%	22,006.76	1,833.90	23,512.42	1,959.37	3,793.26
1002	2/2.5	1267	365	$2,700,000.00	2.9079%	26,481.74	2,206.81	28,293.57	2,357.80	4,564.61

SCHEDULE A

OFFERING PRICES AND PROJECTED MONTHLY CHARGES

HILLROSE 28 CONDOMINIUM

FOR THE FIRST YEAR OF CONDOMINIUM OPERATION COMMENCING JANUARY 1, 2021 ENDING DECEMBER 31, 2021

Unit	(1) Number of Rooms and Baths	(2) Approximate Interior Square Footage	(2) Approximate Exterior (Limited Common Element) Square Footage	(3) Offering Plan Prices	(4) Percentage of Common Elements	(5) Projected Annual Common Charges	(5) Projected Monthly Common Charges	(6) 1st Year Projected R.E. Taxes	(6) 1st Year Proj. Monthly R.E. Taxes	Total Monthly Carrying Charges
1101	2/2	1129		$2,375,000.00	2.4165%	22,006.76	1,833.90	23,512.42	1,959.37	3,793.26
1102	2/2.5	1267	365	$2,750,000.00	2.9079%	26,481.74	2,206.81	28,293.57	2,357.80	4,564.61
1201	2/2	1129		$2,425,000.00	2.4165%	22,006.76	1,833.90	23,512.42	1,959.37	3,793.26
1202	2/2.5	1267	365	$2,800,000.00	2.9079%	26,481.74	2,206.81	28,293.57	2,357.80	4,564.61
1401	2/2	1129		$2,475,000.00	2.4165%	22,006.76	1,833.90	23,512.42	1,959.37	3,793.26
1402	2/2.5	1267	365	$2,850,000.00	2.9079%	26,481.74	2,206.81	28,293.57	2,357.80	4,564.61
1501	2/2	1129		$2,525,000.00	2.4165%	22,006.76	1,833.90	23,512.42	1,959.37	3,793.26
1502	2/2.5	1267	365	$2,900,000.00	2.9077%	26,480.42	2,206.70	28,292.16	2,357.68	4,564.38
1601	2/2	1129		$2,595,000.00	2.4165%	22,006.76	1,833.90	23,512.42	1,959.37	3,793.26
1602	2/2.5	1267	365	$2,975,000.00	2.9079%	26,481.74	2,206.81	28,293.57	2,357.80	4,564.61
PH3	3/3	1914	937	$5,375,000.00	4.5981%	41,874.24	3,489.52	44,739.19	3,728.27	7,217.79
PH2	2/2.5	1779	479	$4,875,000.00	4.0640%	37,010.92	3,084.24	39,543.13	3,295.26	6,379.50
PH1	4/4	3114	1,105	$9,950,000.00	7.2564%	66,083.62	5,506.97	70,604.93	5,883.74	11,390.71
Totals		**44,984.38**	**6,945.94**	**$100,050,000.00**	**100.0000%**	**910,695.00**	**75,891.25**	**973,003.00**	**81,083.58**	**156,974.83**

Note: As disclosed in the plan, Purchasers are required to pay the New York City and New York State real estate transfer taxes due on the purchase of a unit. Absent this provision, these transfer taxes would be a seller obligation

Note: Nonhabitable space (the elevator lobby and trash room) is allocated to the Residential Units on Floors 17 through 20 and is calculated into the square footage of such Residential Units. Nonhabitable space appurtenant to a Residential Unit may not be legally used as a bedroom or living room and to do so may result in a building code violation being issued for the Building.

Schedule A-1
Hillrose 28 Condominium

Schedule A-1: Purchase Prices for Storage Bins and Related Information

Storage Bin #	Storage Bin Square Footage	Purchase Price	License Fee Per Month	License Fee Per Year
1	20	$50,000	$ 20.00	$ 240.00
2	20	$50,000	$ 20.00	$ 240.00
3	20	$50,000	$ 20.00	$ 240.00
4	20	$50,000	$ 20.00	$ 240.00
5	20	$50,000	$ 20.00	$ 240.00
6	20	$50,000	$ 20.00	$ 240.00
7	20	$50,000	$ 20.00	$ 240.00
8	20	$50,000	$ 20.00	$ 240.00
9	20	$50,000	$ 20.00	$ 240.00
10	20	$50,000	$ 20.00	$ 240.00
11	20	$50,000	$ 20.00	$ 240.00
12	20	$50,000	$ 20.00	$ 240.00
13	20	$50,000	$ 20.00	$ 240.00
14	20	$50,000	$ 20.00	$ 240.00
15	20	$50,000	$ 20.00	$ 240.00
16	20	$50,000	$ 20.00	$ 240.00
17	20	$50,000	$ 20.00	$ 240.00
18	20	$50,000	$ 20.00	$ 240.00
19	20	$50,000	$ 20.00	$ 240.00
20	20	$50,000	$ 20.00	$ 240.00
TOTAL	400	$1,000,000	$ 400.00	$ 4,800.00

NOTES TO SCHEDULE A

1. Amounts are projected on the assumption that the first year of operation will be during the year from January 1, 2021 to December 31, 2021. The actual first year of Building operation may begin earlier or later than that year and is currently projected to commence on approximately January 1, 2021. Plans depicting layouts of Residential Units in this Schedule A appear in Part II of the Plan. Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

   The number of bedrooms and bathrooms for each Unit was determined by Sponsor's architect in accordance with industry practice for condominiums and does not necessarily conform to the zoning room count or the method used by the Real Estate Board of New York.

   The following Units have access to Terraces (Limited Common Element): Garden 1, 204, 304, 404, 504, 604, 703, 802, 902, 1002, 1102, 1202, 1402, 1502, 1602, PH3, PH2 & PH1.

2. Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation of the square foot area and layout of the Unit in question. Where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to Purchaser, no material change will be made in a Unit's size, layout or proportionate share of aggregate common interest unless (i) the affected Purchaser consents; (ii) the Purchaser is in default beyond all applicable grace and cure periods and has not contested a declaration of default; or (iii) such changes are required to conform with Legal Requirements. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material. An increase in the size of a room or Unit will not on its own give rise to a right of rescission.

   The approximate floor area of each Unit has been measured horizontally, on each of one or more floors, from the centerline of the demising and the outside of exterior walls surrounding the Units and including Common Elements wholly within Units, such as columns, mechanical chases and chutes. The measurement of the Units on Floors 17 through 20 include the elevator lobby of such Units and the trash rooms inside the Units. Doors and windows that open from or to a border of a Unit shall be deemed part of the Unit. However, any Common Elements located within a Unit shall not be considered a part of the Unit. Unit measurements are not based upon measurements from interior surfaces of interior walls, thus the actual area comprising the Unit is significantly less than the area listed in Schedule A.

   Each Unit is measured vertically from the top of the finished floor to the underside of the ceiling above.

Outdoor areas have been measured horizontally from the outline of the façade wall and the outline of the parapet wall or edge of the balcony slab. The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield significantly lesser actual useable floor area for each Unit). The stated method of measurement used is applicable to all Units. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums.

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

4. The respective Percentage Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(l)(iv) of the New York Condominium Act, is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

5. The estimates contained in this schedule were computed by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be during the year from January 1, 2021 to December 31, 2021, and are based on such Condominium Budget Expert's estimate of the receipts and expenses of the Building for the projected year. The actual first year of Condominium operation may be earlier or later than such year and is currently anticipated to commence on or about January 1, 2021. If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected first year of condominium operation, Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended Budget projections exceed original Budget projections by twenty-five (25%) percent or more, Sponsor will offer all purchasers the right to rescind their Agreements for a period of fifteen (15) days after the date of the

presentation of the amendment setting forth the right to rescind.

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

Notwithstanding the various Common Charges required to meet the expenses set forth in the projected Budget for the first year of Condominium operations in connection with the Budget provided in this Plan or until the expiration of the Initial Control Period, if the annual receipts levied against Unit Owners during the first year of condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount will be rebated to the Unit Owners by the Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of condominium operation will be distributed by the Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Unit Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Units by individual Unit Owners. Sponsor makes no warranty or representation that the operating expenses during this period will be less than the actual Common Charges or as to the amount of any credit that may be available as a result of such computation.

Notwithstanding the foregoing, if a refund is contemplated for the first or any subsequent year of Condominium operation, such refund may only be effectuated if an independent certified public accountant, as part of its preparation of the yearly annual certified financial statement for the Condominium has determined that a refund is warranted based on an excess payment of Common Charges by Unit Owners over actual expenses for the Condominium and has determined the amount of such refund as part of its annual review. Sponsor shall continue to update the budget, in accordance with the governing regulations. For purposes of this Plan, an "excess payment of Common Charges" shall mean the actual expenses of the Condominium (or specific sections of the Condominium as applicable)

were less than the projected expenses set forth in the Budget of the Condominium (or the applicable section). No refund may be given unless all expenses of the Condominium are paid, including but not limited to, insurance premiums and reserve funds. During the budget year following a year for which a refund was effectuated, no special assessment or increase in Common Charges shall be instituted to pay for any item which was set forth in the previous year's budget and which was refunded to Unit Owners as per the foregoing.

As discussed below in the Section entitled "Control by Sponsor" and in the Special Risk entitled "Control by Sponsor", Sponsor is reserving the right to delay the collection of Common Charges until such time into the future (the "Waiver Period"). During any such period of delay, the Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments. Such expenses shall not include individual Unit Owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to update the budget for the Condominium as required by Department of Law regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan as a benefit to subsequent Purchasers. Such amendment shall also disclose the anticipated Waiver Period. Prior to commencing the collection of Common Charges, Sponsor will notify all Unit Owners by written notice of the expiration of the Waiver Period. Notice shall be given to Owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent Purchasers.

6. It is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the first year of Condominium operation will total approximately $973,003, based on an opinion prepared by Boris Saks, Esq. (Sponsor's real estate tax counsel), dated May 17, 2019 which assumes (a) an estimated taxable assessed valuation attributable to the entire Property during the course of construction of $6,300,000 for the 2020/2021 fiscal year, (b) an estimated taxable assessed valuation upon completion attributable to the entire Property of $9,000,000 for the 2021/2022 fiscal tax year and (c) a projected tax rate of 12.719%. In the opinion letter, for the initial budget year, the estimated assessed values for the entire building were allocated based on the common interests so that an assessed value of $6,300,000 was attributable to the Residential Units for a portion of 2020/2021 and an apportioned assessed value of $9,000,000 was attributable to the Residential Units for a portion of 2021/2022. Purchasers should note that the real estate taxes for the first year of Condominium operation are less than the taxes will be for the second year of Condominium operation benefits and the first tax year after completion of construction since the first year's tax estimate includes six (6) months of assessed valuation of the Property prior to the completion of the Building which is a substantially lower valuation. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the first tax year after completion of construction and second year of operation, and subsequent years, will be higher than the taxes during the first year of operation. The approximate date of completion of construction and reassessment is January 2021. It is estimated in the

opinion of letter of Boris Saks, Esq, that for the first post construction tax year of 2021/2022 the residential real estate taxes will be $1,144,710.

SPONSOR AND THEIR REAL ESTATE TAX COUNSEL MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY OR THE REAL ESTATE TAXES WILL BE AS PROJECTED OR THAT THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

The estimate of the taxes for each Residential Unit has been determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by multiplying the estimated assessed value for the Residential Units by their percentage Common Interest. Please refer to the Section of the Plan entitled "Real Estate Taxes" and the opinions of Holland & Knight LLP and Boris Saks, Esq. as set forth in Part I of the Plan for further discussion regarding real estate taxes for the residential portion of the Property.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Prior to the issuance of separate tax lots, the real estate tax estimates for each Residential Unit will be determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by dividing the Common Interest of each Residential Unit by the total Common Interests of all Residential Units. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's percentage interest in the Common Elements rather than Purchase Price, or some combination of the two, and if so, Residential Units having the same percentage interest may pay different real estate taxes.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) that the New York City tax assessor will allocate individual Residential Unit assessments on the basis of each Residential Unit's percentage interest in the Common Elements; (ii) that the taxable assessed value of the partially completed Property during the fiscal tax year 2020/2021 will be $$6,300,000 and $9,000,000 will be the total taxable assessed value for 2021/2022; or (iii) that the tax rate will be 12.719% per $100 of assessed value.

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

No warranty, guarantee or assurance is given that:

(i) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of

the average real estate tax rate that will be in effect during such First Year of Condominium Operation and the date of completion of construction of the Building) will approximate the actual amount;

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

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

Until the Units are separately assessed, each Unit Owner will pay to the Board his or her Unit's pro rata share of the Property's real estate taxes for the period in question pursuant to Section 6.1.3 of the By-Laws. This proration will likely be made by first allocating the Property's taxes among the Units on basis of proportionate Common Interest. The Board will pay such real estate taxes to the Department of Finance of The City of New York or directly to Sponsor if Sponsor has paid such real estate taxes. If any Unit Owner fails to pay his or her pro rata share as set forth above, the Board will be entitled to assess late charges and/or place a lien on such Unit as if such unpaid share were Common Charges. (See the Section entitled "Collection and Lien for Non-Payment of Common Charges" in Part I of the Plan for further discussion.)

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

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

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

commencing on or after January 1, 2018 and before January 1, 2026 deductions for property taxes and state and local income taxes are limited to a combined total of $10,000 in any such year. Purchasers should note that the $10,000 tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold. For taxable years commencing on or after January 1, 2026 the $10,000 overall limit on property and state and local income taxes is removed. Prospective Purchasers should refer to the Sections entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium" and "Opinions of Counsel" below for further discussion.

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

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per square foot per month of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

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

The Storage Bins may only be used for storage purposes, and in no event may the Storage Bins be used as dwelling spaces. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein, and Storage Bins may not be used to store toxic, inflammable or combustible items as defined in the Building Code of the City of New York. Failure of a Residential Unit Owner to comply with the use limitations set forth in the immediately preceding sentence may result in issuance by the Department of Buildings of a violation against the Building along with imposition of an associated fine. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any purpose permitted by Legal Requirements (as hereinafter defined) or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration.

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

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

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

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

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

HILLROSE 28 CONDOMINIUM

Projected Common Charges

	Footnote #	Residential	Total
Revenues:			
Common Charges	1	$ 910,695	$ 910,695
License Income-Storage Bins	1	$ 4,800	$ 4,800
Net Revenues		**$ 915,495**	**$ 915,495**
Direct Cost:			
Total Building Labor & Related Benefits	2	$ 377,352	$ 377,352
Management fees	3	$ 50,000	$ 50,000
Legal & Accounting	4	$ 6,000	$ 6,000
Adminstration Expense	5	$ 17,000	$ 17,000
Insurance	6	$ 71,625	$ 71,625
Utilities- Gas & Electric Common areas	7,8	$ 159,804	$ 159,804
Building Water & Sewer	9	$ 59,094	$ 59,094
Building Supplies & Service Contracts	10	$ 99,000	$ 99,000
Repairs & Maintenance	11	$ 18,000	$ 18,000
Superintendant's Unit	12	$ 32,820	$ 32,820
Contingency	13	$ 19,800	$ 19,800
Reserve Contribution	14	$ 5,000	$ 5,000
		$ 915,495	**$ 915,495**

NOTES TO SCHEDULE B

EAST 28th STREET CONDOMINIUM
HILLROSE 28 CONDOMINIUM
181 East 28th STREET
NEW YORK, NEW YORK

FOOTNOTES TO CONDOMINIUM BUDGET

(1) **Common Charges** - $ 915,495 – All amounts are projections for the first twelve (12) months of Condominium operation, which is assumed (for budget purposes), will begin January 1, 2021 through December 31, 2021 ("**Projected First Year Budget**"). All amounts are estimates and approximations. While they are believed to be reasonable, they are not assured or guaranteed. The actual first year of condominium operation may be earlier or later.

Common Expenses will be borne by all Unit Owners and allocated based upon each Unit Owner's allocable percentage of Common Interest as set forth in Schedule A in Part I of 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 (except for Special Work Funds to the extent used) 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).

The projected receipts includes $4,800 as indicated in Schedule A-1: Purchase Price for Storage Bins and related information. The Projected Receipts do not include any interest or investment income that may be received by the Condominium from investment of the Working Capital/Reserve Fund.

Budget forecasts are inherently uncertain as to how operating expenses will be affected by many variable factors as well as unforeseen events. The projected Common Charges in this Projected First Year Budget are good faith estimates, but cannot be, and are not, assured or guaranteed. In all likelihood, the actual operating expenses will vary from their estimates.

(2) **Labor and Related Benefits** - $377,352 - The Building staff will consist of a Superintendent Manager (see footnote 12), 4 doormen, porter, all full-time (all non-union). The projected level of staffing for the Building complies with all applicable housing and labor laws.

The Projected First Year Budget for Superintendent is as follows:

Annual Salary			$ 65,000
Total Payroll			65,000
Related Benefits:			
FICA Employer	7.65%		4,973
Federal and NY State Unemployment ($456/annum/employee)			456
MTMCT Tax	0.34%		221
Disability Insurance			60
Worker's Compensation ($4.22/$100 of salary)			2,743
Health Insurance			9,000
Total Labor & Related Benefits		$82,453	

The base wages and projected vacation, holiday, sick days, contingency, payroll taxes and benefits are as follows:

4 Doormen (8,640 Hrs. @ 20 per Hr.)		$172,800	
1 Porter		40,000	
Overtime, Vacation, Bonus, Temps, etc.		7,500	
Total Payroll		$220,300	
Related Benefits:			
FICA Employer	7.65%	16,853	
Federal and NY State Unemployment ($456/annum/employee)		2,280	
MTMCT Tax	0.34%		749
Disability Insurance			420
Worker's Compensation ($4.22/$100 of salary)		9,297	
Benefits (Health, Pension, Annuity)			45,000
Total Labor & Related Benefits		$294,899	

Total Building Labor & Related Benefits	$377,352

The Building staff shall be borne by all Unit Owners and allocated based upon each Unit Owner's allocable percentage of Common Interest as set forth in Schedule A in Part I of the Plan.

Residential Unit Owners	377,352 (100%)
Total	$377,352

(3) **Management Fee** - $50,000 – The budget expense is based upon the proposed management agreement with FirstService Residential. The fee will be $50,000 for the First Year of Condominium Operations subject to 4% increases per annum compounded. Please refer to the Section of the Plan entitled "Management Agreement" set forth in Part I of the Plan for further details.

The Management Fee reflects the prevailing costs for similar services in comparable buildings and is based on the size of the building and number of Condominium Units.

The Management Fee shall be borne by all Unit Owners and allocated based upon each Unit Owner's allocable percentage of Common Interest as set forth in Schedule A in Part I of the Plan.

Residential Unit Owners	$50,000 (100%)
Total	$50,000

(4) **Legal and Accounting** - $6,000 – The Condominium will incur auditing fees in connection with the preparation of the Condominium's first year's audited financial statements and its Federal, State, and City income tax returns.

The projection is based upon a proposal for said accounting services made by Cris Alcamo, Certified Public Accountant, having an office at 400 Broome Street, New York, New York 10013.

The Condominium is not anticipated to retain an attorney during the First Year of Condominium Operation. Any expense incurred for legal service for this Projected First Year Budget is anticipated to be minimal in amount.

Accounting Fees	$5,000
Legal Fees	1,000
Total	$ 6,000

These profession fees are for the entire Condominium and shall be borne by all Unit Owners and allocated based upon each Unit Owner's allocable percentage of Common Interest as set forth in Schedule A in Part I of the Plan.

Residential Unit Owners	6,000 (100%)
Total	$ 6,000

(5) **Administrative Expenses** - $17,000 – Administrative Expenses are costs anticipated to be incurred in the running of the Condominium. Administrative Expenses for the First Year of the Condominium Operation are budgeted as follows:

Telephone	$ 5,000
Permits/Licenses/Fees	1,000
Office Supplies	3,000
Dues & Subscriptions	1,000
Computer/Data Processing	3,000
Uniforms	3,000
Bank Charges, Misc. Sundry expenses	1,000
Total	$17,000

These administrative expense are for the entire Condominium and shall be borne by all Unit Owners and allocated based upon each Unit Owner's allocable percentage of Common Interest as set forth in Schedule A in Part I of the Plan.

Residential Unit Owners	$17,000 (100%)
Total	$ 17,000

(6) **Insurance** - $71,625 – This budgeted amount includes property, liability and Umbrella insurance, Directors and Officers insurance and Boiler and Machinery insurance for the Condominium. Insurance for each Condominium Unit is maintained by the respective Owner. Insurance coverage for the First Year of Condominium Operation is projected on the basis of estimated insurance premiums provided by Vanguard Surety & Construction Risk Management., 101 Sunnyside Blvd. Suite 100, Plainview, New York 11803, in a letter dated May 9, 2019 and the liability insurance coverage for the First Year of Condominium Operation is adequate given the size of the Building. The total estimated premiums are $71,625.

When construction of the Building is completed, by Vanguard Surety & Construction Risk Management will provide a Special Cause of Loss Property Insurance Policy (All Risk) that will include coverage for fire and casualty under an agreed amount replacement cost endorsement which will also include an 80% Co-Insurance Clause that will be waived by the above agreed amount endorsement so that the Condominium will not be a coinsurer. Therefore, there is no co-insurance penalty clause.

General Liability

- Carrier: 'A' Rated, Admitted Paper
- $1,000,000 Occurrence / $2,000,000 Aggregate with First Dollar Coverage
    - $10,000 premium (based on 43 residential units)

Umbrella Liability

- Carrier: 'A' Rated, Admitted Paper
- $50,000,000 Each Occurrence / $50,000,000 General Aggregate
    - $7,000 premium (minimum premium)

Directors & Officers Liability

- Carrier: 'A' Rated, Admitted Paper
- $1,000,000 Occurrence / $2,000,000 Aggregate
    - $6,000 premium (minimum premium if a condo association and coverage needed)

Property (including Boiler & Machinery)

- Carrier: 'A' Rated; Admitted Paper
- $37,404,028 of Total Insured Value (TIV)
    - (0.13 rate per $100 of TIV) = $48,625 premium
- Deductible - $5,000
- Earthquake - $1,000,000 ($50,000 Deductible)
- Flood - $1,000,000 ($50,000 Deductible)
- Ordinance or Law Full limits (coverage A);
    - 10% applicable to (coverage B/Demo) & coverage C (Increased cost of construction)
- Business Income Included
- Cause of loss - Special Form / All Risk
    - Coinsurance – Waived
    - Valuation: Replacement Cost Value

Total Conceptual Cost as of 05/09/2019: $71,625 (with Directors & Officers Coverage)

The building will be insured with a limit (amount of Insurance) in the total sum of $37,404,028. The Condominium Board will be named as insured under the Special Cause of Loss (All Risk) Property Insurance Policy. At the time of a covered loss, the insurance company will pay up to the limit of the policy (37,404,028 on the building) for partial or total loss at replacement cost without depreciation and without a co-insurance penalty, subject to the policy deductible. Fire, casualty and general liability insurance will be on the terms that provide: (i) that each Unit Owner is an additional insured party; (ii) there will be no cancellation without notice to the Board of Managers; (iii) a waiver of subrogation; (iv) a waiver of invalidity because of the acts of the insured and Unit Owners; (v) waiver of pro-rata reduction if Unit Owners obtain additional coverage:.

Unit Owners will be obligated under the terms of the Condominium Documents to purchase certain property and liability insurance covering their respective Condominium Units and personal property, at their own cost and expense.

Purchasers are referred to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board of Managers" set forth in Part I of the Plan and a copy of the By-Laws set forth as an Exhibit in Part II of the Plan.

The insurance premium for insurance coverage of the Condominium shall be borne by all Unit Owners and allocated based upon each Unit Owner's allocable percentage of Common Interest as set forth in Schedule A in Part I of the Plan.

Residential Unit Owners	$71,625	(100%)
Total	$71,625	

(7) **Electricity** – Common Elements - $102,351.50 - Includes the cost of electricity for the Common Elements and does not include the cost of electricity to individual Condominium Units. Each Unit Owner will be responsible for electricity cost to his or her own Condominium Unit. Electricity for the Common Elements is purchased from Consolidated Edison. The individual Units will be directly metered and billed on a monthly basis by Consolidated Edison. Mansour Engineering has estimated that the total consumption of electricity for the Common Elements will be 502,718 kilowatt hours per year.

Description	Projected Usage	Average Cost of Electricity	Projected Cost
Energy Charge	502,708 KWH	$0.17	$85,462.06
Sales Tax at 8.875 % of Energy Charge			$ 7,584.76
			$93,046.82
Inflation factor: (10% of $93,046.82= 9,304.68)			9,304.68
Total			$102,351.50

The Common charge covers all the common building loads which are used by the condominium residents. The common building loads include items such as elevators, building pump motors, roof exhaust fans lighting for all the common areas including basement, 1st floor lobby, corridors, stairways and utility rooms, HVAC units for the common areas and lobby, boilers, cooling tower, roof tank heaters and compactor.

It is believed that the projected expense should be increased by 10% to cover any reasonable increase in the cost of electricity during the First Year of Condominium Operation. However, no warranty is made that the projection for electricity will be in accordance with the actual cost of the same during the First Year of Condominium Operation.

For information on estimated electricity used in the individual Residential Condominium Units, which will be the responsibility of the respective Residential Unit Owners, please refer to the letter from Mansour Engineering dated May 22, 2019 , which is included as an Exhibit in Part I of the Plan.

The electricity for Common Elements of the Condominium shall be borne by all Residential Unit Owners and allocated based upon each Residential Unit Owner's allocable percentage of Common Interest as set forth in Schedule A in Part I of the Plan.

Residential Unit Owners	$102,351.50 (100%)
Total	$ 102,351.50

(8) **Gas** - $57,451.90 – Gas for Space heating Boilers and roof top unit cost are as follows:

3,790 MBH/hr. x 3 hr. /day 30 days/month x 6 months/yr. = 2,046,600 MBH/year or 20,466 therms/yr.
100 MBH- 1 therm
The gas cost for space heating is based on $1.53 per therm (National Grid gas rate for residential occupancy)

Cost of gas for space heating: 20,466 therm/per yr x $1.53 per therm= $31,313/yr.

Domestic hot water heater unit cost:

800 MBH/hr. x 3 hr. /day x 30 days/month x 12 months/yr.
864,000 MBH/year or 8,640 therms/yr.
100 MBH = 1 therm
The gas cost for space heating is based on $1.53 per therm (National Grid gas rate for residential occupancy).

Cost for domestic hot water heating; 8,640 therm/yr. x $1.53 per therm- $13,219/yr.

Cooking Cost: 43 apartments x 65 MBH/1hr/dayx30 days/monthx12 Months/yr. =
503,100 MBH/year or 5,031 therms/yr.
100 MBH=1 Therm
The gas cost for cooking is based on $1.53 per therm (National Grid gas rate for residential occupancy).
Cost for cooking: 5,031 therm/yr. x 1.53 per therm= $7,697/yr.

TOTAL ANNUAL COST: $31,313 + $ 13,219+ $7,697 = $52,229 or 4,352 per month
Inflation factor: (10% of $52,229= 5,222.29) 5,222.29

Total $57,451.90

The gas expense for the Condominium shall be borne by all Residential Unit Owners and allocated based upon each Residential Unit Owner's allocable percentage of Common Interest as set forth in Schedule A in Part I of the Plan.

Residential Unit Owners	57,452 (100%)
Total	$ 57,452

The building utilizes LED Lighting and high efficiency appliances including boiler with 96 % efficiency.

It is believed that the projected expense should be increased by 10% to cover any reasonable increase in the gas cost during the First Year of Condominium Operation

Mansour Engineering, 200 East 32nd Street, Suite 35D, New York, N.Y. 10016 has estimated that the total annual consumption of gas for space heating boilers and domestic hot water usage and cooking gas based in their letter dated May 22, 2019.

(9) **Water and Sewer** - $59,094 – Mansour Engineering 200 East 32nd Street, Suite 35D, New York, N.Y. 10016 in their ;letter dated May 22, 2019 has estimated that the total annual consumption of water for the First Year of Condominium Operation will be 3,978,500 gallons.

The NYC Water Board currently charges $10.10 per hundred cubic feet of water and sewer (approximately 748 gallons).

There will be one water meter servicing the entire building.

Mansour Engineering estimate the daily water consumption to be 100 gallons per person for annual water consumption of:

109 persons x 100 gallons x 365 days= 3,978,500 gallons- 5,319 HCF

Total Annual Charge= 5,319 HCF x $10.10/HCF= $53,722.

Inflation factor: (10% of $53,722= 5,372.20)

Total	$59,094

The actual cost of water and sewer services will depend, in part, on the level of water consumption and the rates and formulas for these services set by The City of New York. Consumption will largely be affected by the amount of water usage in the individual Condominium Units. It is believed that the projected expense should be increased by 10% to cover any reasonable increase in the water & sewer cost during the First Year of Condominium Operation

The water and sewer expense for the Condominium shall be borne by all Residential Unit Owners and allocated based upon each Residential Unit Owner's allocable percentage of Common Interest as set forth in Schedule A in Part I of the Plan.

Residential Unit Owners	$59,094 (100%)
Total	$59,094

(10) **Service Contracts and Supplies** - $99,000 – Contracts for the following services have been estimated for the First Year of Condominium Operation. The budgeted amounts are based upon the experience of the Sponsor's budget expert, Penmark Property Advisors, LLC, located at 1225 Franklin Avenue Suite 325, Garden City, New York 11530, in operating similar buildings. Any references to service contracts in the Plan are estimates based on discussions with potential providers of service contracts. No contracts have been signed at this time.

Name of Contractor	Nature of Service	Term of Agreement	Estimated Cost
To be determined	Elevator Maintenance	Annual	$ 36,000
To be determined	HVAC	Annual	24,000
To be determined	Exterminator (a)	Annual	3,000
To be determined	Water Treatment	Annual	15,000
To be determined	Fire Protection (a)	Annual	6,000
Total Service Contracts			84,000
Building/Janitorial Supplies (a)			15,000
Total Service Contracts and Supplies			$99,000

(a) General Common Element expense

The expense for service contracts and supplies for the Condominium shall be borne by all Unit Owners and allocated based upon each Unit Owner's allocable percentage of Common Interest as set forth in Schedule A in Part I of the Plan.

Residential Unit Owners	$ 99,000
Total	$ 99,000

(11) **Repairs & Maintenance** - $18,000 – The budgeted figure is based on an estimation of repairs to the Common Elements (other than those portions of the Condominium Units that are the responsibility of the Unit Owners to maintain), including but not limited to, the roof, the plumbing and electrical systems, painting, landscaping and of elements of the H.V.A.C. system exclusively servicing the Condominium Common Area. Also, there are additional costs associated with laundry room, elevator inspection, local Law 11 compliance No amount is included for items covered by construction warranties or to cover the cost of any major capital expenditures. The budgeted amount is based on the Sponsor's experience in operating buildings of comparable size and quality. The budgeted figure does not include repairs, painting, maintenance, or supplies for individual Condominium Units, all of which are the responsibility of the respective Unit Owners.

List of anticipated repair and maintenance costs

Roof Repairs	$1,500
Pest Control	$3.000

Plumbing Costs	$2,500
Electrical Repairs	$1,000
Painting	$2,000
Landscaping	$2,000
Elevators	$2,000
Laundry Rooms	$1,000
Local Law 11 compliance	$2,000
HVAC Repairs	$1,000
Total	$18,000

The Sponsor will enter into agreements with the vendors of the aforementioned items as needed.

The agreements may be entered into either before or after the first closing, depending on its necessity.

Unit Owners will pay a fee to use the laundry appliances in the laundry room.

The costs of repairs and maintenance to the Residential Common Elements is assumed to be $18,000 and has been allocated among the Residential Unit Owners based upon their percentage of Common Interest.

Residential Unit Owners	$18,000
Total	$ 18,000

(12) **Superintendent Unit** – $32,820, – The Superintendent will reside in a Rental Unit ("Superintendent's Unit") in a nearby building. The address of the apartments is 398 3rd Avenue Apartment 3c, The location of the building is on Third Avenue between 28 and 29th street, which is within a few hundred feet from the Hillrose 28 Condominium. The rent will be payable directly to the Owner, 398 Third Avenue Realty, LLC. Sponsor and Owner are not affiliated. The Sponsor has an existing one year lease agreement dated July 1, 2018 which has already been renewed to June 30, 2020. The Sponsor intends to assign this lease to the Hillrose 28 Condominium Board following its formation. The Superintendent has not been identified at this time. The electricity is separately metered and the costs for electricity are included in Unit Owner Common Charges.

The cost of rent for the unit is $2,500 per month ($30,000 per year. The total estimated annual consumption of electricity will be 13,913 kilowatt hours (KWH) at an average cost of $0.20/KWH including delivery charge, a 10% inflation factor and 4% sales tax or $2,820.
The total cost will be borne by all other unit owners.

The allocable share of Rent and Electricity is estimated and computed as follows:

Rent	30,000
Electricity	2,820
Total	$32,820

The Rent and the costs for utilities for the Superintendent's Unit shall be borne by all Residential Unit Owners and allocated based upon each Residential Unit Owner's allocable percentage of Common Interest as set forth in Schedule A in Part I of the Plan.

Residential Unit Owners	32,820 (100%)
Total	$ 32,820

(13) **Contingency** - $19,800 – This fund may be used at the discretion of the Condominium Board toward unforeseen expenses or other appropriate Condominium expenses not included in this Projected First Year Budget. The purpose of the Contingency is intended to provide for any unanticipated expenses or unanticipated increase in projected expenses.

The contingency shall be borne by all Unit Owners and allocated based upon each Unit Owner's percentage of Common Interest as set forth in Schedule A in Part I of the Plan.

Residential Unit Owners	$19,800
Total	$19,800

(14) **Reserve Contribution - $5,000**

The funds collected under this line item are for deposit into an account established by the Board of Managers to hold the Replacement Reserve Fund which is being established for the Condominium for the renewal or replacement of building components or systems or the remedy of major building defects.

The Reserve Contribution is provided to conform with Fannie Mae requirements of 10% of the annual operating budget or an amount based upon a property condition assessment and property condition report (the "Reserve Study") be set aside as a reserve for replacement. A Reserve Study was conducted to project the capital repair and replacement reserve for thirty (30) years. The amount of the Reserve Contribution was established per the Reserve Study.

The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may, in its discretion, decide in future years to increase or decrease the reserve fund line item in the Condominium's Annual Budget. While the Sponsor is in control of the Board, Sponsor will not use Reserve Fund monies to reduce common charges. Since the Building is being newly constructed, it is anticipated that the reserve fund as it accumulates will be sufficient to pay for the

replacement of any capital items likely to be needed within the first five (5) years of Condominium operation.

No representation or warranty is made that the Working Capital Fund or Reserve Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium Operation.

Neither the Department of Law nor any government agency has passed upon the adequacy of the Reserve Fund.

The projected Reserve Fund common charge for the First Year after taking into account the One Month common charge as describe above is $5,000.00

Residential Unit Owners	5,000
Total	$5,000

Total Projected Expenses - $ 915,495 – This projection set forth in this Projected First Year Budget assumes that the First Year of Condominium Operation will cover the period from January 1, 2021 through December 31, 2021.

Residential Unit Owners	910,695
License Income-Storage Bins	4,800
Total	$915,495

IN THE OPINION OF PENMARK PROPERTY ADVISORS, LLC, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF CONDOMINIUM OPERATION OF THE PROPERTY, ASSUMING THE FIRST YEAR COMMENCES JANUARY 1, 2021. THE PROJECTED FIRST YEAR BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTY OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES, OTHER INCOME OR ESTIMATED EXPENSES FOR THE FIRST YEAR OR ANY SUBSEQUENT YEAR OF CONDOMINIUM OPERATION WILL BE AS SET FORTH IN SAID THE PROJECTED FIRST YEAR BUDGET, AND IT IS LIKELY THAT ACTUAL COMMON CHARGES, AS WELL, AS, INCOME AND EXPENSES WILL VARY FROM THE AMOUNTS SHOWN IN THE PROJECTED FIRST YEAR BUDGET.

SPONSOR HAS RESERVED THE RIGHT TO MODIFY, RENEW AND REPLACE EXISTING SERVICE MAINTENANCE, EMPLOYMENT, CONCESSIONAIRE AND OTHER AGREEMENTS AND INSURANCE POLICIES, AND TO ENTER INTO NEW AGREEMENTS AND POLICIES THAT WILL BE BINDING ON THE CONDOMINIUM ON THE FIRST CLOSING DATE. HOWEVER, NO SERVICE OR MAINTENANCE CONTRACT WILL BE MADE WHICH WOULD MATERIALLY INCREASE THE ESTIMATED COMMON CHARGES SET FORTH IN THIS PROJECTED FIRST YEAR BUDGET UNLESS THE PLAN IS AMENDED.

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

Mansour Engineering
200 East 32nd Street, Suite 35D
New York, NY 10016
516-330-0925

May 22, 2019

Mr. Alex Forkosh
Iceberg Developing Corp.
400 Broome Street
New York, NY 10013

Re: 181 East 28th Street, NYC

Dear Mr. Forkosh:

The following are our estimated costs for the condominium building's yearly common charges, based on the architectural drawings we received:

1. Water & Sewer Charges

   Water and Sewer Charges for the metered building are assessed by NYC Water Board based on the actual amount of usage.

   The NYC Water Board currently charges $10.10 per hundred cubic feet of water and sewer (approximately 748 gallons).
   There will be one water meter servicing the entire building.

   We estimate the daily water consumption will be about 100 gallons per person for annual water consumption of:

   109 persons x 100 gallons x 365 days = 3,978,500 gallons = 5,319 HCF

   TOTAL ANNUAL CHARGE: 5,319 HCF x $10.10/HCF = $53,722 or $4,477 per month

2. Electricity

   A. Common Charge = $93,047/year, or $7,754/month

      The common charge covers all the common building loads which are used by the condominium residents. The common building loads include items such as elevators, building pump motors, roof exhaust fans, lighting for all the common areas including basement, 1st floor & lobby, corridors,

stairways and utility rooms, HVAC units for the common areas and lobby, boilers, cooling tower, roof tanks heaters and compactor.

The common charge is based on an estimated electrical usage of 502,718 KWHR, with current electric rate of $0.17/KWHR and 8.875% sales tax.

B. Individual Apartment = $ See Hereinafter:

Each residential unit's electric consumption was calculated based on 1.0 watts/square foot of power and lighting for 40 hours per week. The load for appliances consists of typical household appliances such as oven, hood, refrigerator, dishwasher, microwave, clothes washer and dryer, television and other small appliances. The air conditioning and heating usage is for 750 hours per year for each system.

Unit: 100

a.	Lighting:	1,640 KWHR
b.	Appliances:	2,129 KWHR
c.	A/C/Heating:	6,147 KWHR
d.	Total:	9,196 KWHR

Total projected annual cost: $1,686

Unit: 201

a.	Lighting:	1,449 KWHR
b.	Appliances:	2,129 KWHR
c.	A/C/Heating:	6,147 KWHR
d.	Total:	9,725 KWHR

Total projected annual cost: $1,653

Unit: 202

a.	Lighting:	810 KWHR
b.	Appliances:	2,129 KWHR
c.	A/C/Heating:	2,715 KWHR
d.	Total:	5,654 KWHR

Total projected annual cost: $961

Unit: 203

a.	Lighting:	1,305 KWHR
b.	Appliances:	2,129 KWHR
c.	A/C/Heating:	4,461 KWHR

d. Total: 7,895 KWHR

Total projected annual cost: $1,342

Unit: 204

a. Lighting: 1,343 KWHR
b. Appliances: 2,129 KWHR
c. A/C/Heating: 6,147 KWHR
d. Total: 9,619 KWHR

Total projected annual cost: $1,635

Typical Calculation for Units: 301, 401, ..., to 701

a. Lighting: 1,642 KWHR
b. Appliances: 2,129 KWHR
c. A/C/Heating: 6,147 KWHR
d. Total: 9,918 KWHR

Total projected annual cost: $1,686

Typical Calculation for Units: 302, 402, ... to 702

a. Lighting: 1,148 KWHR
b. Appliances: 2,129 KWHR
c. A/C/Heating: 4,461 KWHR
d. Total: 7,738 KWHR

Total projected annual cost: $1,315

Typical Calculation for Units: 303, 403, 503 and 603

a. Lighting: 1,582 KWHR
b. Appliances: 2,129 KWHR
c. A/C/Heating: 6,147 KWHR
d. Total: 9,858 KWHR

Total projected annual cost: $1,676

Typical Calculation for Units: 304, 404, 504 and 604

a. Lighting: 1,343 KWHR
b. Appliances: 2,129 KWHR
c. A/C/Heating: 6,147 KWHR
d. Total: 9,619 KWHR

Total projected annual cost: $1,635

Unit: 703

a.	Lighting:	2,675 KWHR
b.	Appliances:	2,129 KWHR
c.	A/C/Heating:	10,608 KWHR
d.	Total:	15,412 KWHR

Total projected annual cost: $2,620

Typical Calculation for Units: 801, 901, ... to 1601

a.	Lighting:	2,053 KWHR
b.	Appliances:	2,129 KWHR
c.	A/C/Heating:	6,147 KWHR
d.	Total:	10,329 KWHR

Total projected annual cost: $1,756

Typical Calculation for Units: 802, 902, ... to 1602

a.	Lighting:	2,302 KWHR
b.	Appliances:	2,129 KWHR
c.	A/C/Heating:	10,608 KWHR
d.	Total:	15,039 KWHR

Total projected annual cost: $2,557

Unit: 1700

a.	Lighting:	3,078 KWHR
b.	Appliances:	2,129 KWHR
c.	A/C/Heating:	10,608 KWHR
d.	Total:	15,815 KWHR

Total projected annual cost: $2,689

Unit: 1800

a.	Lighting:	2,832 KWHR
b.	Appliances:	2,129 KWHR
c.	A/C/Heating:	10,608 KWHR
d.	Total:	15,569 KWHR

Total projected annual cost: $2,647

Unit: PH

a.	Lighting:	4,630 KWHR
b.	Appliances:	2,129 KWHR
c.	A/C/Heating:	12,294 KWHR
d.	Total:	19,053 KWHR

Total projected annual cost: $3,239

The above cost estimates are based on the current Con Edison electricity rates for Service Classification No. 1 (residential) at an average cost of $0.17 per KWHR.

3. Gas Usage Common Charges

A. Gas for Space heating boiler and roof top unit cost:

3,790 MBH/hr x 3 hr/day x 30 days/month x 6 months/yr. = 2,046,600 MBH/year or 20,466 therms/yr.
100 MBH = 1 therm
The gas cost for space heating is based on $1.53 per therm (National Grid gas rate for residential occupancy)

Cost of gas for space heating: 20,466 therm/yr x $1.53 per therm = $31,313/yr

B. Domestic hot water heater unit cost:

800 MBH/hr x 3 hr/day x 30 days/month x 12 months/yr. = 864,000 MBH/year or 8,640 therms/yr.
100 MBH = 1 therm
The gas cost for domestic hot water heating is based on $1.53 per therm (National Grid gas rate for residential occupancy)

Cost for domestic hot water heating: 8,640 therm/yr x $1.53 per therm = $13,219/yr

C. Cooking Cost:

43 apartments x 65 MBH/hr x 0.5 hr/day x 30 days/month x 12 months/yr. = 503,100 MBH/year or 5,031 therms/yr.
100 MBH = 1 therm

The gas cost for cooking is based on $1.53 per therm (National Grid gas rate for residential occupancy)

Cost for cooking: 5,031 therm/yr x $1.53 per therm = $7,697/yr

D. TOTAL ANNUAL COST: $31,313 +$13,219 + $7,697 = $52,229 or $4,352 per month

The building utilizes LED lighting and high efficiency appliances including boiler with 96% efficiency.

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

Very truly yours,

Bénjamin Mansour, P.E.

I. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

PENMARK
PROPERTY ADVISORS, LLC

July 11, 2019

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street - 21st Floor
New York, New York 10005

Re: Condominium Offering Plan
Hillrose 28
181 East 28th Street
New York, NY 10016

Dear Sir/Madam:

157-161 East 28th St. LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained Penmark Property Advisors, LLC ("Firm") to calculate 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 35 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. The Firm understands that a copy of this letter is intended to be incorporated into the Offering Plan.

PENMARK PROPERTY ADVISORS, LLC
250 EAST 87th STREET, STE 28G, NEW YORK, NY 10128
T: 212 702 8732 C: 516 316 8102 PENMARKPROPERTYADVISORS.COM

PENMARK

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

Very truly yours,

PENMARK PROPERTY ADVISORS, LLC

By: _____
Name: Leslie Bogen Winkler
Title: Manager

PENMARK PROPERTY ADVISORS, LLC
250 EAST 87th STREET, STE 28G, NEW YORK, NY 10128
T: 212 702 8732 C: 516 316 8102 PENMARKPROPERTYADVISORS.COM

J. CHANGES IN PRICES AND UNITS

Purchase Prices for all Offered Units are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the Board, Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Offered Unit, except that no such change with respect to any Offered Unit for which an Agreement is then in effect may be made without the consent of the Purchaser. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease Purchase Prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the Purchase Price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. If any such change is made, a Purchaser of a Unit affected thereby may pay more or less than other Purchasers under the Plan for similar Units, but this will not affect any prior or subsequent sale of Units which are not the subject of such change.

Sponsor reserves the right to negotiate with each Purchaser, the terms and conditions of the Agreement, including but not limited to: Purchase Price; the amount of the Option Payment; contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; work to be performed in the Unit or the revision of floor plans and the allocation and payment of costs therefor; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; and extensions of time periods within which to perform obligations under the Agreement. Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers without further amendment to this Offering Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under an Agreement. However, no such negotiated changes shall act to abrogate Sponsor's obligations, nor waive the rights afforded Purchaser under applicable laws and regulations.

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, (c) designate a General Common Element as part of a newly created Unit or Limited Common Element or designate all or part of a Unit as a newly created Unit, Common Element, Limited Common Element, and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to any of (a) - (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements

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

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

It should be noted that as long as the layout and dimensions of a Unit are not insubstantially or materially different than the Unit Plans, a Purchaser will not be excused from purchasing his Unit and will not have any claim against Sponsor as a result of any insubstantial or immaterial change.

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

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

K. INTERIM OCCUPANCY AGREEMENTS

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, prior to the date of closing title to a Residential Unit, and after consummation of the Plan, to rent or lease, rather than sell, such Unit to Purchasers and others. As a result, a Purchaser of a Residential Unit may be acquiring a Residential Unit that has been previously occupied or used, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at the closing vacant and free and clear of all leases, tenancies and rights of occupancy. In addition, because Sponsor reserves the unconditional right to rent or lease Units, there is no commitment to sell more Residential Units than the fifteen percent (15%) of such Units necessary to declare the Plan effective and, accordingly, Residential Unit Owners may never gain effective control and management of the Condominium, and the First Annual Residential Meeting may never occur. (See the Sections entitled "Introduction", "Procedure to Purchase", and "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.) However, once an Agreement for a Residential Unit is fully executed and for so long as the Agreement is in effect, such Unit may only be leased to its Purchaser. No Purchaser shall have the right to occupy or use any Unit prior to the closing unless Sponsor agrees to permit such occupancy under an Interim Occupancy Agreement or other written rental agreement.

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

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

In the event of any amendment to the Plan which discloses a material adverse change to the Plan and offers the Purchaser a right to rescind, if a Purchaser who is a tenant under an Interim Occupancy Agreement duly elects to rescind, the Purchaser's Option Payment will be returned subject to the terms of the Plan and the Interim Occupancy Agreement made with such Purchaser shall be cancelled and possession of the Unit must be surrendered within thirty (30) days thereafter free of all occupants and in broom clean condition. A Purchaser shall be liable to Sponsor for any and all damages, costs and expenses incurred by Sponsor by reason of any failure to vacate within a 60-day period. If such failure to timely vacate occurs prior to the First Closing, the Purchaser

shall be liable for use and occupancy in an amount equal to twice the rent under the Interim Occupancy Agreement. If such failure to vacate occurs after the First Closing, the Purchaser shall be liable for twice the costs of carrying the Unit (such as Common Charges, real estate taxes and the allocable portion, based on such Unit's Common Interest, of debt service on any loan covering the Unsold Units) as calculated by Sponsor. In addition, irrespective of when failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all costs and expenses incurred by Sponsor to obtain possession of the Unit, including the cost of litigation and reasonable attorneys' fees and expenses. In the event the Plan is abandoned, a Purchaser who has entered into an Interim Occupancy Agreement will have no right to remain in occupancy as a tenant after the abandonment of the Plan.

Sponsor and its designee reserve the right, without prior notice or amendment to the Plan, to use Unsold Units on any floor of the Building as sales and rental offices and model apartments for the Building. In the event Sponsor or its designee thereafter elects to sell any such Unsold Units, Sponsor or its designee may require the purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the Purchase Price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to the Purchaser of the Residential Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the Purchase Price for such Residential Unit and such items to be included are specifically stated to be included in an addendum to the Agreement for such Unit.

Purchasers are advised that the risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit pursuant to an Interim Occupancy Agreement or written agreement with Sponsor, at which time such risk to the contents of the Unit (but not to any portion of the Unit or Common Elements otherwise insured by Sponsor or the Condominium Board) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. Purchaser shall only be liable for the costs and expenses outlined herein only to the extent the same is not considered an unenforceable penalty and is permitted by law. The provisions of this paragraph are in compliance with applicable housing laws.

See the form of Interim Occupancy Agreement included in Part II of the Plan.

L. PROCEDURE TO PURCHASE

1. General Information

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

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

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

A Purchaser shall deliver to Selling Agent, together with the four (4) signed original counterparts of the completed Option Agreement, the following: a completed and signed copy of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by Law (the forms currently required by Law are reproduced as Exhibits 2 and 3 in Part II of this Plan); and the Payment(s) as set forth below. Each Purchaser shall in all events be deemed to represent and warrant that the Payments and all sums deposited by Purchaser pursuant to the Option Agreement are such Purchaser's own funds and that no other party has any right thereto.

The obligations of a Purchaser under an Option Agreement are not conditioned on obtaining financing. Any prospective Purchaser who executes an Option Agreement and does not obtain financing may lose his or her Payment if he or she is unable to otherwise raise the monies for the balance of the Purchase Price. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of an Option Agreement. No representation is made by the Sponsor as to the availability or cost of such financing.

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

If an Agreement is not accepted by Sponsor within the aforesaid thirty (30) day period, the Agreement shall be deemed to have been rejected and canceled and all sums theretofore deposited thereunder, without interest, shall be promptly returned to the prospective Purchaser. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without

prior notice or prior amendment to the Plan and without the consent of the Board, to refuse to approve and execute (a) an Agreement for any Unit, except as prohibited by Law, and (b) an Agreement(s) for more than one Unit to any one person or entity.

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

At the time of execution of an Agreement, a Purchaser is required to make a payment in an amount equal to the sum of ten percent (10%) of the Purchase Price (or 50% of the Purchase Price if the Purchaser has diplomatic immunity) and within six (6) months thereafter, or thirty (30) days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, if it is earlier, an additional five percent (5%) of the Purchase Price (collectively the "Option Payment"). In the event the Purchaser defaults, the Sponsor shall have the right to retain the Option Payment. Agreements entered into after the Offering Plan has been declared effective, Sponsor reserves the right to require both the Initial Option Payment and the Additional Option Payment due and payable upon execution of the Agreement. All Option Payment checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the Option Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Agreement to be canceled and of no further force or effect.

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

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

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

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

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

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

In order to facilitate the Sponsor's sale of the Units, prior to (a) one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell or lease his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale or lease with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease. In the event that Purchaser violates the foregoing prohibition then any sums received by Purchaser in excess of the Purchase Price paid by Purchaser shall be paid to the Sponsor as liquidated damages. In addition, any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor.

It is anticipated that the First Closing will occur on approximately January 1, 2021. In the event the projected commencement date of Condominium operation is twelve (12) months or later than the anticipated date of the First Closing, or the Plan is amended to provide for a commencement date that is later than twelve (12) months after January 1, 2021, Sponsor will offer all Purchasers the right to rescind their Agreements and have their Option Payments refunded to them. In the event that the projected commencement date of Condominium operation is six (6) months later than the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. If the Common Charges in the revised budget increase by twenty-five (25%) percent or more, Sponsor will offer all Purchasers the right to rescind their Agreements and have their Option Payments refunded to them. Any Purchaser electing rescission will have their Option Payments and any interest earned thereon returned; within thirty (30) days' notice of such election, provided however, that Sponsor may retain any escrow funds expended for Custom Work at the request of the Purchaser as well as be reimbursed (through a separate action) for the cost of any work necessary to restore the Unit to its condition prior to such work having been performed. Rescission need not be offered to any Purchaser who is in default under such Purchaser's Agreement, beyond the expiration of any applicable grace period, provided that Sponsor shall only retain the Option Payment of a Purchaser in accordance with the escrow and trust fund requirements of General Business Law Sections 352-e(2b) and 352-h and the Attorney General's regulations promulgated pursuant thereto as described in the subsection of the Plan entitled "Escrow and Trust Fund Requirements" in this Section of the Plan.

At the time of execution of an Agreement, Purchaser is not required to sign a power of attorney to the Condominium Board. Notwithstanding the foregoing, at the closing of title and simultaneously with the delivery of the deed conveying a Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

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

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges in proportion to the Purchaser's Common Interest, real estate taxes and

assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to his or her Unit, whether or not he or she has taken possession of his Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to his Unit or the Building has been completed.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit prior to Closing, at which time any risk not covered by insurance shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) within two (2) months after the date of the occurrence of such fire or casualty, to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit, or, if the casualty occurs after the First Closing and the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Condominium Board"), the Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, within thirty (30) days' notice of such election, subject to Sponsor's rights to retain certain funds deposited by Purchaser for Custom Work in the Unit, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

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

2. **Escrow and Trust Fund Requirements**

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

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

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

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

j. Escrow Agent

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

k. Escrow Account

The Escrow Agent has established a master escrow account at JP Morgan Chase (the "Bank") at its branch located at 242 Park Avenue, New York, New York entitled "Holland & Knight LLP - HILLROSE 28 Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Option Payments will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Option Payment and the Agreement. If an Option Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Option Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Option Payments transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of May, 2019 is approximately .20%. Interest shall begin to accrue upon placing the Option Payment into the individual interest bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Option Payment will remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts. At such time as the Option Payment is released, the Option Payment will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the

Master Escrow Account so that checks may be drawn thereon. The Bank is covered by federal bank Option Payment insurance to a maximum of $250,000 per individual deposit. The following are special risks of this offer: (i) if a Purchaser makes an Option Payment in excess of $250,000 for the purchase of a unit, such Option Payment will not be federally insured in excess of $250,000; and (ii) while the Option Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Option Payment may not be fully federally insured even if the Option Payment does not exceed $250,000. In addition, if Purchaser makes an Option Payment of less than $250,000 but maintains other accounts at the same bank, those accounts could be used to count toward the $250,000 limit.

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

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

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

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow savings account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Agreement, or (ii) Purchaser is entitled to a return of the Option Payment. All interest will be credited to Sponsor only in the event Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts, which varies. Interest will begin to accrue after deposit within: (i) one (1) business day, if the Option Payment is cash or cash equivalent, or (ii) three (3) business days, if the Option Payment is other than cash or cash equivalent, of the transfer of the Option Payment from the checking account portion of the Master Escrow Account into the sub-escrow savings account portion of the Master Escrow Account.

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

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

1. Notification to Purchaser

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

The Escrow Agent is obligated to send notice to the Purchaser once the Option Payment is placed in the Master Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the first portion of the Option Payment, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the Agreement and Option Payment to Escrow Agent or may apply to the Attorney General for relief. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Option Payment was timely deposited in the Master Escrow Account in accordance with the New York State Department of Law's regulations concerning Option Payments and requisite notice was timely mailed to Purchaser.

m. Escrow Revisions

Before funds are transferred to any new escrow account, or if the Escrow Agent is replaced, the Plan must be amended to provide the same full disclosure with respect to any new account, the Escrow Agent and the escrow agreement as was originally provided. A bon, letter of credit or other security maybe substituted for any escrow account only after the Department of Law approves in writing the use of such alternate form of security, pursuant to the provisions of Section 20.3(o)(4) of Title 13 NYCRR.

n. Release of Funds

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

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

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

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

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

(iii) in a final decision by JAMS. See "Dispute Resolution."

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

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

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

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

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

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

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

Sponsor may agree to modify the floor plans and finishes of certain Residential Units or to do Custom Work or provide extras to the Residential Units as requested by individual Purchasers

as negotiated by Sponsor and Purchaser. Purchaser shall bear the cost of such modification to floor plans and finishes in advance and Sponsor shall be reimbursed (in a separate action) by Purchaser for the cost of removing the Custom Work if the Purchaser fails to close. All funds received by Sponsor from Purchasers for such modified or additional work in Units, as aforesaid, shall be initially placed in escrow and shall be paid to Sponsor by the escrow agent to be used by Sponsor to pay for such work. Accordingly, in the event a Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any funds used for Custom Work or extras, unless Purchaser is entitled to rescission because of Sponsor's withdrawal or abandonment of the Plan or other acts of Sponsor.

o. Waiver Void

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

3. **Date of the First Closing; Closing Notices**

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

4. **Default**

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

of all or any portion of its Option Payment (or any interest thereon). The payment of the Option Payment (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

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

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

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

5. **Prohibition Against Advertising, Selling or Leasing**

In order to facilitate the Sponsor's sale of the Units, prior to (a) one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell or lease his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale or lease with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease. In the event that Purchaser violates the foregoing prohibition then any sums received by Purchaser in excess of the Purchase Price paid by Purchaser shall be paid to the Sponsor as liquidated damages. In addition, any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor.

6. **Risk of Loss**

If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume

the risk of loss not covered by Sponsor's insurance and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit within two (2) months after the date of the occurrence of such fire or casualty then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

However, if Sponsor notifies the Purchaser in writing that it does not elect to repair or restore the Unit, or if the Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser its entire Option Payment, together with interest earned thereon, within thirty (30) days' notice of such election, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Option Payment(s), together with interest earned thereon.

7. Financing

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

8. Transfer Taxes and Mansion Tax

Under the Option Agreement, Purchaser will be required to pay the New York State Real Estate Transfer Tax applicable to the transaction (the "State Transfer Tax"). The State Transfer Tax as of July 1, 2019 is $2.00 per $500, or fractional portion thereof, of the consideration for the Residential Unit transferred at Closing plus an additional $1.25 per $500, or fractional portion thereof, of the consideration for the Residential Unit transferred at Closing when the consideration

for the entire conveyance is $3,000,000 or more. As of the date of this Plan, the State of New York imposes no administrative fee with respect to filing New York State Form TP-584 in connection with the State Transfer Tax. However, Purchasers will be obligated to pay any such administrative fee or other filing charge as the State of New York may impose in the future with respect to such filing.

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

However, because Transfer Taxes will have been paid by Sponsor upon Sponsor's assignment of its right, title and interest of the Severed Lease to the Residential Unit Condominium, Purchaser will receive a credit against some or all of the Transfer Taxes that would otherwise be payable. To the extent Purchaser receives such credit, Purchaser will be obligated to reimburse Sponsor in the amount of same.

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

Without a contract provision making purchasers responsible for payment of the Transfer Taxes, payment of the Transfer Taxes ordinarily is the obligation of a seller. New York City and New York State take the position that where a contract of sale for real property provides, as does the Option Agreement, that the purchaser pays the Transfer Taxes, the Purchase Price for the property is that much higher than the amount stated in the contract itself. The State Transfer Tax and the RPT Tax have thus been calculated by New York City and New York State in situations where a purchaser pays the Transfer Taxes, first by computing the RPT Tax and the State Transfer Tax on the Purchase Price listed in the contract of sale or Option Agreement, and then adding this aggregate tax amount to the Purchase Price listed in the contract of sale or Option Agreement, as applicable, to derive a "grossed up" Purchase Price. The RPT Tax and State Transfer Tax are then recalculated based upon this "grossed up" Purchase Price. Purchasers accordingly will be obligated to pay the RPT Tax and the State Transfer Tax calculated pursuant to this "grossing up" procedure, and also will be obligated to pay the RPT Tax at such higher rate as may be applicable when and if Purchaser is purchasing two or more Residential Unit simultaneously. It is possible a similar gross-up calculation will be imposed for other costs and amounts paid by Purchaser, such as if taxing authorities take the position they would be Sponsor costs absent a contractual provision making them a Purchaser's obligation. Accordingly, a gross-up calculation will be employed with respect to document preparation and related fees paid to Sponsor's Counsel by Purchaser as

discussed above.

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

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

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

PURCHASERS ARE FURTHER ADVISED THAT NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE TAKES THE POSITION, THAT FOR PURPOSES OF THE MANSION TAX, CONSIDERATION INCLUDES NOT ONLY THE PURCHASE PRICE FOR THE RESIDENTIAL UNIT LISTED IN THE OPTION AGREEMENT, BUT ALSO THE AGGREGATE OF ANY TRANSFER TAXES PAYABLE BY PURCHASER UNDER THE OPTION AGREEMENT. THUS, FOR INSTANCE, A RESIDENTIAL UNIT PRICED AT $985,000 UNDER AN OPTION AGREEMENT WHERE A PURCHASER PAYS THE TRANSFER TAXES WOULD SUBJECT THE PURCHASER TO LIABILITY FOR THE MANSION TAX AS THE AGGREGATE OF THE PURCHASE PRICE PLUS THE TRANSFER TAXES EXCEEDS $1 MILLION. Purchasers of Residential Units where the consideration (including the Purchase Price itself, plus the aggregate Transfer Taxes and possibly other costs and amounts payable by Purchaser as discussed above) is $1 million or more, currently will be obligated to pay the Mansion Tax at closing. The foregoing discussion is not a

representation or warranty that New York State will continue to compute the Mansion Tax owed to it in accordance with the foregoing policies, practices, formulas or rates. If the Mansion Tax rate is increased by New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Option Agreement hereunder.

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

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

9. **Unit Owner Power of Attorney**

At the Closing and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge the Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan as Exhibit 4 to: (a) the persons who shall from time to time constitute the Condominium Board, designating such Board as the Purchaser's attorney-in-fact, for the purpose of acquiring or leasing in the name of the Condominium Board or its designee on behalf of all Unit Owners any Unit and to otherwise deal with the Condominium and the Common Elements, all in accordance with the provisions of the Declaration and the By-Laws; and after any such acquisition or leasing of any Unit, to manage, convey, sell, lease, sublease, mortgage or otherwise deal with any such Unit so acquired or leased, as the case may be, all in accordance with the provisions of the Declaration and By-Laws. Failure by any Purchaser to deliver such document at closing shall constitute an event of default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement; and (b) Declarant, for the purpose of amending the Declaration and effectuating the rights granted to Declarant under the Declaration and the By-Laws and this Plan and consenting on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot for the purpose of transferring to or from Sponsor, or its successors or assigns, all or any portion of the Air Rights.

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

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

Any Purchaser that is a foreign government, a resident representative of a foreign

government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall expressly and voluntarily waive such immunity and consent to any suit action or proceeding arising out of or relating to the Agreement being brought in any state or federal court in the State of New York. Any such purchaser shall designate C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, 13th Floor, New York, New York, 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Agreement.

11. **Dispute Arbitration.**

Any dispute between Sponsor and Purchaser relating to the disposition of the Payments received by Sponsor and held by Escrow Agent shall be resolved by binding Arbitration. The Arbitration forum shall be JAMS. The Arbitration shall be conducted in accordance with JAMS Streamlined Arbitration Rules and Procedures (the "JAMS Streamlined Rules"). The JAMS Streamlined Arbitration Rules and Procedures may be accessed at: http://www.jamsadr.com/rules-streamlined-arbitration.

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

The Arbitration will take place at JAMS headquarters, currently located at 620 Eighth Avenue, New York, New York. If the Unit is located outside of New York County, the arbitration shall take place at a venue within the county in which the Unit is located selected by the Arbitrator.

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

The parties shall bear the costs of their own expenses and witness preparation. The parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. At the conclusion of the hearing. the Arbitrator shall make his or her determination

and shall award to the prevailing party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing party shall be reimbursed for their share of the JAMS administrative expenses, and therefore the Purchaser shall pay the Arbitrator's fees if Sponsor is deemed the prevailing party in any such dispute.

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

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

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

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

The agreement that Purchaser will execute in connection with the purchase of Residential Units is referred to as an "Option Agreement." A form of the Option Agreement is contained in Part II of the Plan. An Option Agreement (as opposed to a purchase agreement) permits Sponsor to defer the reporting of income from the sale of the Residential Units until the year in which the sale closes. Were the agreement to be re-characterized by the Internal Revenue Service ("IRS") or Sponsor as a purchase agreement in connection with Sponsor's income tax filings, there would not be adverse tax or other consequences to Purchaser. The term "Option Agreement" does not mean that Purchaser is receiving any optional upgrades to the Residential Unit, except as may be specifically stated in the Option Agreement. Sponsor must sell to a Purchaser who exercises the option under the Option Agreement (which Purchaser does by electing to close and paying the Exercise Price at Purchaser's Residential Unit Closing), and performs all of Purchaser's obligations under the Option Agreement. The characterization of the agreement as an Option Agreement should have no effect on Purchaser's ability to obtain financing. After an Option Agreement is executed by Sponsor and Purchaser, Sponsor may not enter into any other Option Agreement or Purchase Agreement with respect to a subject Unit with any other party, unless the original Option Agreement is terminated pursuant to its terms.

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

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

13. **Statute of Limitations to Claim Sponsor Breach of Option Agreement**

The Option Agreement provides that Purchaser, as Residential Unit Owner, shall have a maximum of three years from closing of the acquisition of the Unit to bring a claim against Sponsor, with the exception of (i) causes of action arising out of Sponsor's obligations under the Offering Plan or Martin Act and (ii) enforcement of judgments already obtained. This three year period is shorter than the six year statute of limitations for breach of contract contained in New York Civil Practice Law and Rules §213(2). By executing the Option Agreement, Purchaser shall be deemed to have acknowledged and agreed that said three year period maximum is reasonable. Therefore, Purchasers agree that, notwithstanding anything to the contrary set forth in the Plan, the Option Agreement, at Law, in equity, or otherwise, any action or proceeding brought by, through or on behalf of Purchaser against Sponsor, its principals, affiliates or agents, under or related to this Plan or the Option Agreement, or related to the Building or a Purchaser's Unit, to be valid, must be commenced by the earlier to occur of (x) three (3) years, or (y) the expiration of the otherwise applicable statute of limitations, in either case from the date the claim giving rise to

such action or proceeding accrues in accordance with applicable Law.

14. **Financial Crimes Enforcement Network Disclosure**

Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded an earlier issued Geographic Targeting Order ("Order") that applies to any corporation, partnership, limited liability company, or other similar business entity ("Covered Purchaser") using cash, a cashier's check, certified check, traveler's check or money order in any form, a funds transfer or virtual currency, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase a Residential Unit in the Borough of Manhattan from Sponsor for a total price in excess of $300,000 (a "Covered Transaction"). The Order provides that in the event a Covered Purchaser enters into a Covered Transaction, the Covered Purchaser shall be required to deliver to the Title Company at Closing all documents and information necessary in order for the Title Company to comply with the requirements set forth in the Order, including without limitation the requirement to file a completed FinCEN Form 8300. Any failure by the Covered Purchaser to deliver such documents and information shall be deemed an Event of Default under the Agreement. Purchasers are advised to refer to the text of the Order itself for further details: https://www.fincen.gov/news_room/nr/files/Real_Estate_GTO-NYC.pdf.

15. **Delivery of Closing Documents**

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

16. **Title Indemnity**.

Purchaser shall provide to Sponsor, at least five (5) business days prior to Closing, an Indemnity Agreement substantially in the form annexed to the Purchase Agreement as Exhibit A or in such other form as may be acceptable to Sponsor (the "Title Agreement"), in its sole discretion, wherein Purchaser's title underwriter agrees to (x) timely submit the Unit Deed, all

New York State and New York City real property transfer tax forms, including the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" ("transfer taxes") and checks for payment of such transfer taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser in connection herewith; and (y) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed and transfer tax forms and remit the payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency.

In the event the Title Agreement is not delivered as set forth above, (x) Purchaser will indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such Unit Deed and transfer tax forms and remit payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency; and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Purchaser acknowledges, however, that the Filing Deposit is not a maximum payment in the event the Unit Deed and transfer tax forms are not filed and/or the payment of the required transfer taxes are not paid in a timely manner.

17. **Storage Bins**.

The form of the Storage Bin License Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan. The Storage Bins will be 20 square feet. The area in which the Storage Bins are located is not climate controlled.

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per square foot per month of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

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

At or prior to delivery of the Storage Bin License to a Purchaser, Sponsor hereby reserves the right, with or without prior notice to such Purchaser, to substitute the Storage Bin designated

in such Purchaser's Agreement (the "Original Storage Bin") or in the Storage Bin rider therefor for an alternate Storage Bin (the "Substituted Storage Bin"), provided that such Substituted Storage Bin is equally sized or larger than the Original Storage Bin and provided further that any monthly license fees payable by such Purchaser to the Condominium in connection with such Substituted Storage Bin are comparable per square foot to those payable in connection with the Original Storage Bin. Any exercise of Sponsor's rights to designate a Substituted Storage Bin shall not result in an increased deposit or Purchase Price due for such Storage Bin License under the Agreement and shall not afford a Purchaser any abatement in Purchase Price or excuse a Purchaser from its obligations under its Agreement.

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

The unavailability of Storage Bin Licenses shall not give rise to any rescission rights to any Purchaser, provided that no funds will be released from escrow by Escrow Agent to Sponsor attributable to any Storage Bin License until such license is available and has a temporary certificate of occupancy. Sponsor may license the use of certain parts of the Common Elements from the condominium as described herein. However, said license is revocable by the Condominium Board. Such license to Sponsor shall also terminate when Sponsor ceases to own any Units in the Condominium.

M. ASSIGNMENT OF PURCHASE AGREEMENTS

An Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under an Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Counsel, four signed assignments of the Agreement (to be prepared by Sponsor's Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as two (2) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN, as applicable, which must be delivered to the Selling Agent or Sponsor's Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000 made payable to "Holland & Knight LLP" (for services rendered in connection with the assignment), if the assignment is to an affiliate of the Purchaser or the value of the time involved by Sponsor's counsel if the assignment is to a third party, not less than 20 days prior to the date scheduled for the Purchaser's closing. In the event such fee is not collected prior to the Closing, it is payable at the Closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Furthermore, if Purchaser is requesting to assign the Agreement to an entity, then the Purchaser shall furnish to Sponsor's Counsel, all organizational documents containing proof that the proposed assignee entity is authorized to assume the Agreement and close on the Unit. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing any Unit(s) for sale or resale with any broker or otherwise advertising, promotion or publicizing the availability of such Unit(s) for sale shall remain if effect.

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

N. EFFECTIVE DATE

Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., purchase agreements signed by bona fide purchasers including investors for at least 15% of the Units (7 Units) offered under the Plan). The Plan must be declared effective when Agreements have been executed by prospective purchasers and accepted by Sponsor with respect to 35 Units or eighty percent (80%) of the Units offered for sale. The Plan may be declared effective at an earlier date, at Sponsor's sole election, when bona fide Agreements (including those executed by investors) have been executed and accepted by Sponsor with respect to fifteen (15%) percent of the Units being offered for sale under the Plan.

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

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

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

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

In the event the Plan is withdrawn or abandoned, the Plan will be abandoned by a duly filed amendment and all Option Payments, together with interest earned thereon and Custom Work Costs, if any, will be returned to Purchasers within five (5) days following such withdrawal or

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

O. TERMS OF SALE

1. Preconditions for Closing

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

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

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

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

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

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

(vi) the assignment by Sponsor to Purchaser of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in his Unit, and the assignment by Sponsor to the Condominium Board of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures

installed in the General Common Elements, Residential Common Elements or Residential Limited Common Elements, as the case may be. (Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Unit);

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

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

Title to each unit and its appurtenant interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those described in the Plan and the proposed unit deed. Title exceptions that will affect the property after closing are described in the Agreement on Exhibit 1. Title exceptions may include any additional state of facts a subsequent survey would show, provided that such additional state of facts does not render title unmarketable.

Purchasers must order a title report within ten (10) days of receiving a fully executed Agreement and Purchasers must deliver any title objections to Sponsor's attorney at least twenty (20) days prior to the Closing or any such objections shall be deemed waived. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) a licensed title insurance company or First American Title Insurance Company, having an address at 633 Third Avenue, New York, New York 10021 (Tel: (212) 850-0649) (the "Title Company"), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

Sponsor is not obligated to repair any damage from a casualty or other cause that occurs before the closing of a Purchaser's Unit. If Sponsor elects to repair any such damage, Purchaser's Agreement will remain in full force and effect, Purchaser shall not have the right to reject title or receive a credit against or an abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies

Purchaser that it does not elect to repair or restore the Unit, the Agreement shall be deemed canceled and Sponsor shall return to Purchaser all sums deposited by Purchaser under the Agreement, together with interest earned thereon, if any, except if Purchaser is in default under the Agreement, Sponsor shall retain any such sums as and for liquidated damages, within thirty (30) days' notice of such election.

A Closing will take place only concurrently with the issuance of a TCO for a specific Unit until the issuance of a TCO or FCO for the entire Building.

All personal property located within a Unit as of the date the Agreement is executed or located within the Common Elements on the date the Declaration is filed, is not included in the conveyance, unless the Agreement or the Declaration, as the case may be, specifically includes it.

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

2. **Acceptance of Deed**

The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan, provided that if Purchaser finds that Sponsor's improvements have not been completed as described in the Plan then Sponsor and the Purchaser in question will agree to include on the inspection statement a list of incomplete work to be completed in the Unit by Sponsor following the Closing Date, but all such obligations to complete work in the Unit shall cease once the work has been completed. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement. A Purchaser shall provide written notice that such Purchaser wishes to inspect the Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. A Purchaser who fails to inspect such Unit prior to the Closing shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Notwithstanding anything contained herein, Sponsor is obligated to build and complete the Condominium in accordance with the building plans and specifications identified in the Plan.

3. **Condition of Unit**

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

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

4. **Tax-Deferred Exchanges**

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

5. **Risk of Loss**

If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss not covered by Sponsor's insurance and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit within two (2) months after the date of the occurrence of such fire or casualty, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

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

P. CLOSING COSTS AND ADJUSTMENTS

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

1. **Title Insurance**.

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

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

FEE AMOUNT	PREMIUM
First $35,000 or less	$342.00
From $35,001 to $50,000	$5.39 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 OVER $1,000,000

FEE AMOUNT	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 $1,000,001 to $5,000,000	$3.48 per Thousand
From $5,000,001 to $10,000,000	$3.09 per Thousand

Mortgage Title insurance rates are outlined on the schedule below.

MORTGAGE RATE SCHEDULE

FEE AMOUNT	PREMIUM
First $35,000 or less	$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

Note: Title insurance rates and fees for recording documents are uniform, and will be the same regardless of the title company used.

2. **Recording Charges**.

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

3. **Mortgage Tax Credit**.

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

The severance and assignment of a portion of the mortgage on the Property, as contemplated herein would not result in any additional risk to the Purchaser. Any severance/assignment transaction will be initiated only after financing has been procured by Purchaser.

4. **Transfer Taxes**.

The New York City Real Property Transfer Tax ("RPT Tax"), which currently, for the purchase of a single Unit is one percent (1%) of the Purchase Price of a Unit $500,000 or less (1.425% of the Purchase Price if over $500,000), and the New York State Real Estate Transfer Tax ("NYS Tax"), which is $2.00 per $500, or fractional portion thereof, of the consideration for the Residential Unit transferred at Closing plus an additional $1.25 per $500, or fractional portion thereof, of the consideration for the Residential Unit transferred at Closing when the consideration for the entire conveyance is $3,000,000. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to tax. Therefore, the steps to compute the tax are:

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

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

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

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

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

Example:

Purchase Price = $3,200,000.00

(1) $3,200,000 x 1.425%	=	$45,600.00
(2) $3,200,000 x .65%	=	$20,800.00
(3) $3,200,000 + $66,400	=	$3,266,400.00 ("Adjusted Purchase Price")
(4) $3,266,400.00 x 1.425%	=	$46,546.20
(5) $3,266,400.00/$500.00 x $2.00 (rounded up to nearest $500)	=	$21,231.60
(6) $3,266,400.00 x 1.5%	=	$48,996.00 (the "Mansion Tax" – see below)

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

5. **Mansion Tax**.

If the Purchase Price of the Unit is $1,000,000 or more, the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax", will be payable by Purchaser. Purchase Price and transfer taxes payable by purchaser are added together by NYS Department to arrive at total consideration. Therefore, a residential unit priced at $985,000, where purchaser pays transfer tax, would subject purchaser to liability for Mansion Tax

as the aggregate of price plus tax would exceed $1,000,000.

The Mansion Tax is currently payable by Purchaser as follows:

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

6. **Closing Fees**.

a. The legal fees of Sponsor's Counsel in the amount of $4,000.00. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's Counsel, in connection with the closing of title to Purchaser's Unit: If the Purchaser requests the Closing to occur other than at the offices of Sponsor's Counsel or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan. In addition, if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, Purchaser shall pay a fee of $1,000 to Sponsor's Counsel, payable in advance for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit), (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel an additional fee of $750 to defray the additional costs associated therewith, (v) if the closing is adjourned solely due to the fault of Purchaser, the Purchaser will be required to pay Sponsor's Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing, (vi) $250 for the preparation of ACRIS transfer documents required by the City of New York, and (vii) Purchaser shall pay Sponsor's counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under section 1031 of the Internal Revenue Code, and,

(viii) if any custom work is to be done in the Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the additional cost associated therewith for negotiating and preparing the requisite documents on an hourly basis at Sponsor's Counsel customary rates. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

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

7. **Working Capital and Reserve Contribution**.

A contribution to the Working Capital Fund in an amount equal to one (1) month's Common Charges then in effect for the Residential Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time.

A contribution to the Reserve Contribution in an amount equal to one (1) month's Common Charges then in effect for the Residential Unit pursuant to the budget in accordance with Schedule A attached hereto, as the same may be amended from time to time.

8. **Common Charges**.

In addition to the contribution to the Working Capital Fund and Reserve Contribution by the Purchaser of a Residential Unit as described in paragraph (7) above, Purchaser will pay to the Board the Common Charges for the Residential Unit for the first full month following the month in which title closes. If Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), Purchaser shall pay to the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the Residential By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of the Residential By-Laws, the Residential Committee may use, apply, or retain

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

9. **Mortgage and Related Costs.**

If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording tax, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages under $500,000 is $2.05 for each $100 of principal and such tax for mortgages in the amount of $500,000 or greater is $2.175 for each $100 of principal. This tax is reduced for Residential Units in both instances by $30.00 if the mortgage principal exceeds $10,000. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources. As previously stated, if a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of Sponsor. Alternatively, Sponsor may require in its sole discretion a Purchaser who is financing the purchase of said Unit with a Purchase Money Mortgage, to cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage. The severance and assignment of a portion of the mortgage on the Property, as contemplated herein would not result in any additional risk to the Purchaser. Any severance/assignment transaction will be initiated only after financing has been procured by Purchaser.

Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

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

Example: A numerical example of the mandatory and elective closing costs set forth in this Section of the Plan for a hypothetical Unit with a Purchase Price of $3,200,000 and a

mortgage of $2,560,000 (80% financing) based on rates in effect in July, 2019 are set forth below (all amounts are approximate). The elective costs are indicated as such. All other costs are mandatory.

1. Premium for simultaneous fee and mortgage title insurance is $14,366.97. [Elective cost]

2. Fee to record Unit Deed (assuming 8 pages + 1 cover page) and Unit Owner's Power of Attorney (assuming 6 pages + 1 cover page) at a rate of $42 for each instrument plus $5 per page plus a recording charge for the RP5217 NYC form plus the title insurer's service charge is approximately $369.

3. Purchaser's mortgage recording tax (at a rate of 2.05% of the mortgage – if less than $500,000 – or 2.175% of the mortgage – if $500,000 or more), minus $30 and minus .25% payable by the mortgage lender before deducting the statutory credit against the mortgage tax credit payable to Sponsor is $49,250. [Elective cost]

4. Mortgage recording fee (assuming 20 pages, including 1 cover page) at the rate of $42 per instrument, $5 per page, and a $40 service fee to title company is approximately $182.00. [Elective cost]

5. Municipal charge to record the mortgage tax credit affidavit is $25. [Elective cost]

6. Other projected potential mortgage loan costs (assuming: "points" of 1% of mortgage amount, appraisal of $250, lender's legal fee of $750, UCC-1 filing fee of $70 and $200 allowance for miscellaneous expenses) are approximately $33,242.00. [Elective cost]

7. New York State transfer tax (also called the documentary stamps) at the rate equal to the Adjusted Purchase Price (see Example above) x .65% (rounded up to the nearest $500) is $21,231.60.

8. New York City transfer tax (at the rate of 1.425% of an Adjusted Purchase Price of more than $500,000) is $46,546.20.

9. "Mansion Tax" of 1.5% of the Adjusted Purchase Price (if the Adjusted Purchase Price is $3,000,000 to $5,000,000) is $48,996.00.

10. Purchaser's payment of Sponsor's base Legal Fees is $4,000.

11. Working Capital Fund payment equal to one (1) month's projected Common Charges is $2,047.43.

12. Contribution to the Reserve Contribution equal to one (1) month's projected Common Charges is $2,047.43.

13. Next month's Common Charges is $2,047.43.

13. Allowance for title closer gratuity is $250.00. [Elective cost]

Estimated and Approximate Total: $224,601.10

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

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

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

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

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Common Charges for the month in which title closes, and (c) accrued rent and any other charges pursuant to an Interim Occupancy Agreement or use and occupancy agreement, if any, covering Purchaser's Unit. In the event the Units have not been separately assessed for real estate tax purposes the Unit Owners will pay a pro rata share (in the proportion that such Units' Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges. (Please refer to Schedule A for an estimate of real estate taxes payable during the first year of Condominium operation). The Condominium Board will pay such taxes either to the Finance Administration of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay his pro rata share as set forth above, the Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners and the Boards of Managers – Common Charges: Collection and Lien for Non-Payment" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority. Real estate taxes will be included as Common Charges until the Units are separately assessed. Following separate assessment of the Units, the Unit Owners will be reimbursed for any overpayment of taxes, or assessed for an underpayment, as described in the By-Laws.

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

his or her Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

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

10. Transfer Taxes and Mansion Tax

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

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

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

Without a contract provision making purchasers responsible for payment of the Transfer Taxes, payment of the Transfer Taxes ordinarily is the obligation of a seller. New York City and New York State take the position that where a contract of sale for real property provides, as does the Agreement, that the purchaser pays the Transfer Taxes, the Purchase Price for the property is that much higher than the amount stated in the contract itself. The State Transfer Tax and the RPT Tax have thus been calculated by New York City and New York State in situations where a purchaser pays the Transfer Taxes, first by computing the RPT Tax and the State Transfer Tax on

the Purchase Price listed in the Agreement, and then adding this aggregate tax amount to the Purchase Price listed in the Agreement, as applicable, to derive a "grossed up" Purchase Price. The RPT Tax and State Transfer Tax are then recalculated based upon this "grossed up" Purchase Price. Purchasers accordingly will be obligated to pay the RPT Tax and the State Transfer Tax calculated pursuant to this "grossing up" procedure, and also will be obligated to pay the RPT Tax at such higher rate as may be applicable when and if Purchaser is purchasing two or more Residential Unit simultaneously. It is possible a similar gross-up calculation will be imposed for other costs and amounts paid by Purchaser, such as if taxing authorities take the position they would be Sponsor costs absent a contractual provision making them a Purchaser's obligation. Accordingly, a gross-up calculation will be employed with respect to document preparation and related fees paid to Sponsor's Closing Agent by Purchaser as discussed above.

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

Purchasers are advised that New York State imposes an additional transfer tax upon Purchasers. If the Purchase Price of the Unit is $1,000,000 or more, the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax", will be payable by Purchaser. Purchase Price and transfer taxes payable by purchaser are added together by NYS Department to arrive at total consideration. Therefore, a residential unit priced at $985,000, where purchaser pays transfer tax, would subject purchaser to liability for Mansion Tax as the aggregate of price plus tax would exceed $1,000,000. The Mansion Tax is currently payable by Purchaser as follows:

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

PURCHASERS ARE FURTHER ADVISED THAT NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE TAKES THE POSITION, THAT FOR PURPOSES OF THE MANSION TAX, CONSIDERATION INCLUDES NOT ONLY THE PURCHASE PRICE FOR THE RESIDENTIAL UNIT LISTED IN THE AGREEMENT, BUT

ALSO THE AGGREGATE OF ANY TRANSFER TAXES PAYABLE BY PURCHASER UNDER THE AGREEMENT. THUS, FOR INSTANCE, A RESIDENTIAL UNIT PRICED AT $985,000 UNDER AN AGREEMENT WHERE A PURCHASER PAYS THE TRANSFER TAXES WOULD SUBJECT THE PURCHASER TO LIABILITY FOR THE MANSION TAX AS THE AGGREGATE OF THE PURCHASE PRICE PLUS THE TRANSFER TAXES EXCEEDS $1 MILLION.

Purchasers of Residential Units where the consideration (including the Purchase Price itself, plus the aggregate Transfer Taxes and possibly other costs and amounts payable by Purchaser as discussed above) is $1 million or more, currently will be obligated to pay the Mansion Tax at closing. The foregoing discussion is not a representation or warranty that New York State will continue to compute the Mansion Tax owed to it in accordance with the foregoing policies, practices, formulas or rates. If the Mansion Tax rate is increased by New York State on or after the date of this Plan, same shall not give rise to a right of rescission on the part of any Purchaser who has executed an Agreement hereunder.

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

11. **Fees for Delay**

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

12. **Other Fees**

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

Q. RIGHTS AND OBLIGATIONS OF SPONSOR

1. Construction Loan

Sponsor has obtained construction financing from Construction Lender. No Residential Units may be rented by Sponsor without the consent of Lender for so long as the loan remains outstanding. However, Sponsor's unconditional right to rent rather than sell Units under the Plan shall not be affected to the extent Construction Lender gives its consent to rent Units. Construction Lender has not required a minimum number or percentage of Units which must be under contract before the Plan may be declared effective. Construction Lender will release its lien on each Unit being conveyed and its interest in the Common Elements. There are minimum release prices for each Unit set by Construction Lender that must be paid to Construction Lender in order for Construction Lender to release its lien from the Unit being sold.

2. Sponsor's Obligations with Respect to the Building

Subject to the terms and conditions of the Plan, Sponsor shall have the following obligations and all Purchasers upon execution of their respective Agreements will be deemed to have accepted, approved and agreed to abide and be bound by the following: (i) Sponsor will diligently, expeditiously and at its sole cost and expense, perform or cause to be performed such work, and will supply or cause to be supplied all materials, necessary to complete construction of the Building substantially in accordance with the Plans and Specifications. Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of any insubstantial variations from the Plans and Specifications or the description of the Building or a Unit set forth in the Plan. Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details), provided, however, that: (ii) any materials, appliances, equipment and fixtures which Sponsor may substitute shall be similar products of Equal or Better Quality; and (iii) Sponsor shall not (1) materially change the size or location of the Units, other improvements or Common Elements or (2) make any changes that affect the percentage of common interests or materially adversely affect the value of any Unit to which title has closed or for which an Agreement has been executed and is in effect, unless all affected Unit Owners and contract vendees consent in writing to such change. Equal or Better Quality shall mean comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Notwithstanding the foregoing, any such changes, if material (for example, variations in square footage in excess of 5%), shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. No such change will be made if the same would materially adversely affect any Purchaser under an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless (i) the affected Purchaser consents, (ii) the Purchaser is in default, or (iii) such changes are required to conform with Legal Requirements. No material change will be made in the size or location of any Units' other improvements or Common Elements if such changes affect the percentage of Common Interests or materially adversely affect the value of any Unit to which title has closed or for which an Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change. However,

as long as the layout and dimensions of a Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Unit by reason of a minor, non-material deviation or change and will not have any claims against Sponsor as a result thereof.

Sponsor or its representatives will correct, repair or replace all defects in the construction of the Building and its appurtenances and the Residential Units, or in the installation or operation of any appliances, fixtures or equipment in the same, or will cause the same to be corrected, repaired or replaced, only if such defects are due to improper workmanship or material substantially at variance with the Plans and Specifications, and Sponsor is notified by the Board or the affected Unit Owner in writing of such defect: (i) as to the Common Elements, within six (6) months from the earlier of the issuance of a temporary Certificate of Occupancy for the portion of the Building subject to such defect or the date of substantial completion of the portion(s) of the Common Elements which is claimed to be defective; or (ii) as to any Unit, on or prior to the date of closing for such Unit, except that if any such defect in a Unit can be detected only by occupancy of the Unit, Sponsor will correct such defect if notified in writing by the Unit Owner within six (6) months from the earlier of the closing of title to such Unit or the commencement date of an Interim Occupancy Agreement for such Unit. However, notwithstanding the foregoing, Sponsor will not be responsible for correcting any defects in construction or installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen or others are assigned to the Condominium Board or any Unit Owner(s); or for any condition resulting from normal wear and tear or natural deterioration or from normal settling or shifting of the Building, or for defects of an insubstantial nature, such as, without limitation, partial or total demise of any trees, shrubs, or other landscape improvements, nail pops, ridging on gypsum board/sheet rock walls, lumber shrinkage, doors or windows sticking due to weather, door warpage, scratches in formica or porcelain surfaces, bath and kitchen title grouting cracks, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discolorations or shrinkages, normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, ceiling imperfections, separation in joints of kitchen tile or wood flooring, warping, cupping or creaking of wood flooring or any nicks, scratches, gouges, imperfections or discolorations thereof, floors out of level, variations in width, length or tone of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settling (including, without limitation, concrete or drywall cracks which do not impair the structural soundness of the Building), normal plumbing, heating and air conditioning noises, or carpet discoloring and stretching; or for paint touch-ups or for repair of chips, mars, breaks or other defects in windows, and window sashes, sliding glass doors, lighting fixtures and globes, interior painted surfaces, sinks, tubs, bowls, shower doors, kitchen cabinets, counter tops, vanity tops and bases, medicine cabinets, doors, mirrors, saddles, appliances, woodwork, doors, hardware, flooring and appliance cabinets, salting or color variation in exterior colored mortar and deep colored brick, ponding and/or controlled drainage on the roof surface, or cracks in any pressure treated wood or redwood used or intended for use outside the Building. Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but Sponsor shall not be obligated

to replace such stone, formica or porcelain surfaces. Except as expressly set forth herein, Sponsor has no obligation to make any repairs of any kind. In no event shall Sponsor be liable for special or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligations under the Plan shall be to repair or, at Sponsor's option, replace (or cause to be repaired or replaced) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), in accordance with the terms and conditions set forth in this paragraph, provided, however, that nothing contained herein is intended to relieve Sponsor of liability for actual damages resulting from property damage or personal injury arising as a result of negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in this Plan.

Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of (i) any insubstantial variations from the Plans and Specifications or the description of any portion of the Building or a Unit set forth in this Plan or (ii) variations from the Plans and Specifications or the description of any portion of the Building or a Unit set forth in this Plan which are neither in violation of applicable Codes, nor require the approval of any governmental authority having jurisdiction, provided such variations are of substantially similar or better quality than as set forth in the Plans and Specifications or description in this Plan. Any such variation affecting the Building which is material will be disclosed in a duly filed amendment to this Plan.

Each Unit and the fixtures and personal property contained therein, are being sold and delivered as described in this Plan, at the time of transfer of title to such Unit, unless Sponsor and the Purchaser of such Unit otherwise agree in writing. The Purchaser of a Unit shall inspect such Unit prior to the closing date and shall execute at such time an inspection statement acknowledging the Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Agreement for such Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the inspection statement a list of the incomplete work to be completed in the Unit by Sponsor following the closing for such Unit, but all such obligations to complete work in the Unit shall cease once the work has been completed. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement except for work necessary to cure violations and to obtain a FCO.

Under the present construction schedule, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, government restrictions, acts of god or other events beyond its reasonable control, it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any one Unit Owner and specialized work, if any, which Sponsor agrees to perform in individual Units at the request of Purchasers, a first TCO could be issued on the Completion Date and the Building will be substantially completed by the Completion Date, subject to Unavoidable Delays. Sponsor, however, makes no warranty or representation as to the date of substantial completion or the issuance of the first TCO. Purchasers should also note that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date.

Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved from any obligations under the Agreement in the event the closing of a Unit does not occur on a specific date. In the event that the first year of operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised Budget with current projections and if: (i) such amended budget exceeds the projected Budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected first year of operation, or the Plan is amended to provide for a commencement date that is later than twelve months after January 1, 2021, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements not less than 15 days after the presentation date of the amendment containing such revised budget or amended commencement date or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Option Payment and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable Law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

During the period when Sponsor is completing construction of the Building, move-ins into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. The TCO may be issued for some but not all of the Residential Units and Sponsor may complete construction of certain Residential Units before others. Purchasers should also note that even if the First Closing occurs on approximately January 1, 2021 (or such other date projected as the date of commencement of operation at the time the Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Units may be substantially delayed beyond such dates if a TCO has not been issued for such Units or for the floor on which such Units are located. Accordingly, Purchasers may not be able to close title to their respective Residential Unit(s) for some period of time after signing their respective Agreements and after the closing of the first Unit. In such a case, provided that the Sponsor is diligently pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full Purchase Price for the Unit.

(iv) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a FCO covering the entire building but with only a TCO, and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local Codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved Plans and Specifications, and to the requirements of all applicable Laws, rules and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance,

refinance or sell Units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two (2) years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that the DOB will issue the FCO within such two year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit Owners and the Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

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

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

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

(viii) In the event that a closing takes place prior to the issuance of a FCO for the Unit, Sponsor shall maintain all deposits and funds in the special escrow account required by Section 352-e(2)(b) of the New York General Business Law unless the Sponsor's engineer or architect certifies that a lesser amount will be necessary to complete the work necessary to obtain a FCO for the Unit, in which case the sum exceeding the amount so certified by the Sponsor's engineer or architect may be released from escrow. Alternatively, Sponsor may deposit with the Escrow Agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified, in which event same will be reflected by duly filed amendment to the Plan. Any amount held in escrow, in excess of the amount certified as reasonably necessary to complete the work needed to obtain the FCO, can be released from escrow from time to time upon the receipt by Escrow Agent of a request by Sponsor.

(ix) Each Unit and the fixtures and personal property contained therein are being sold and delivered as described in this Plan, at the time of transfer of title to such Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Unit, and the fixtures and personal property contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if the Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially

completed, then Sponsor and the Purchaser in question will immediately thereafter agree to include on the inspection statement a list of incomplete work to be completed in the Unit by Sponsor following the Closing for the Unit in question but all such obligations to complete work in the Unit shall cease once the work has been completed. The failure of Sponsor to complete such work shall not be a ground for Purchaser delaying the Closing. Sponsor shall have no obligation to complete any work described herein which is not specifically designated on the inspection statement by the Purchaser, except for work necessary to cure violations and to obtain a TCO or FCO. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement except for work necessary to cure violations and to obtain a FCO. Notwithstanding anything contained herein, Sponsor is obligated to build and complete the condominium in accordance with the building plans and specifications identified in the Plan.

(x) Following the recording of the Declaration, Sponsor will deliver, assign or otherwise grant to the Board, on behalf of all Residential Unit Owners, or the Condominium Board, on behalf of all Unit Owners, as the case may be, the right to proceed under any assignable warranties and other undertakings received by Sponsor from contractors, materialmen or others in connection with the construction and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Unit of a Purchaser shall be assigned to such Purchaser on the date of closing of title to his Unit. Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Unit provided, however that the warranties for the appliances in each Unit will commence from the date the Unit is first occupied for residency.

(xi) Sponsor shall not be obligated to correct, repair, or replace any and all defects relating to construction of the Residential Units, the General Common Elements, the Residential Common Elements and the Residential Limited Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (GBL Article 36-B) is not applicable to this offering because such Law is applicable to units in buildings of five stories or less. However, Sponsor's obligations to construct the premises must be in accordance with all applicable codes and filed Plans and Specifications.

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

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

(xiv) Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction and equipping of the Building in accordance with the

New York Lien Law, for work performed and fixtures, material and equipment supplied or installed during construction thereof and will cause any and all mechanics' liens arising out of such construction and equipping, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens.

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

(xvi) Following the issuance of a FCO for the Building, Sponsor will deliver to the Condominium Board a complete set of mechanical, electrical and plumbing drawings for the entire Building.

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

(xviii) Sponsor is reserving the right to delay the collection of Common Charges until such time into the future (the "Waiver Period"). During any such period of delay, the Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments. Such expenses shall not include individual Unit Owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to update the budget for the Condominium as required by Department of Law regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan as a benefit to subsequent Purchasers. Such amendment shall also disclose the anticipated Waiver Period. Prior to commencing the collection of Common Charges, Sponsor will notify all Unit Owners by written notice of the expiration of the Waiver Period. Notice shall be given to Owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent Purchasers.

(xix) All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B– "Projected Budget for First Year of Operation of the Residential Units". In all instances the Residential Unit Owners will remain responsible for the payment of their allocable share of real estate taxes. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Residential Unit Owners terminate the Waiver Period.

(xx) Sponsor will pay all Common Charges (or as applicable, operating expenses), special assessments and real estate taxes allocated to any Unsold Unit in accordance with the provisions of the By-Laws. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Sponsor will fund its financial obligations from proceeds

from the sales of offered Units, rental income from Unsold Units, and financing. No bond or other security will be posted by Sponsor with respect to this obligation.

(xxi) Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see the Section entitled "Rights and Obligations of the Board") the cost of which insurance has been reflected in the Projected Budget set forth in Schedule B.

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

(xxiii) Sponsor is obligated to deliver to the Condominium Board a set of "as-built" plans for the Building and all books of account and records pertaining to the Building's operation which are in Sponsor's possession on the First Closing.

(xxiv) Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer to an investor of ten (10) or more Units or twenty (20%) percent of the Units in the Condominium, whichever is less, in connection with Sponsor's liquidation of its interest in the Residential Units, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under this Plan, applicable Law or regulations.

(xxv) All representations under the Plan, all obligations pursuant to the GBL and such additional obligations under the Plan which are to be performed subsequent to the Closing of each Unit will survive delivery of the deed.

(xxvi) The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit, at which time any such risk not covered by Sponsor's insurance shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or

destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit, or, if the casualty occurs after the First Closing and the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Board of Managers"), the Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, within thirty (30) days' notice of such election, subject to Sponsor's rights to retain certain funds deposited by Purchaser and expended by Sponsor for Custom Work in the Unit, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Sponsor will endeavor in good faith to sell all of the Residential Units in a timely manner however, there is no certainty as to the period of time required to sell all of the Residential Units. If Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor shall be bound by Sponsor's representations regarding its commitment to sell Residential Units. The Sponsor may retain ownership of the Residential Units and may, decide to rent certain Residential Units from time to time. Therefore, it is likely, but there is no guaranty, that the Residential Unit Owners will obtain control of the Board at the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws).

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

The foregoing sets forth the entire obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Agreements or to include any financial limitation on Sponsor's liability for failure to perform its obligations under the Plan. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures other than as set forth in the Plan.

Obligations of Sponsor hereunder shall be enforceable by the Condominium Board on behalf of all Unit Owners. Sponsor shall have no obligation to any Purchaser of a Unit other than the Purchasers to whom Sponsor sold Units. By operation of Law, Sponsor appointed Board Members have a fiduciary duty to the Unit Owners. In addition, obligations of Sponsor shall be enforceable by individual Unit Owners if either: (i) the Condominium Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of notice of such claim by any Unit Owner to the Condominium Board; or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid ninety(90) day period.

Except as set forth above or as required by Law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan which are to be performed after closing, shall survive the delivery of the respective Unit deeds. In the event Sponsor is not financially able to perform its obligations under the Plan, sales will cease and the Plan will be amended to offer rescission to purchasers, if any.

Sponsor has not yet obtained construction financing for the project as more fully set forth in the Section of the Plan entitled "Description of the Property and Improvements" and anticipates obtaining a FCO for the Building within two (2) years after the First Closing provided, however, that the FCO cannot be obtained until all the Residential Units are completed. Sponsor will endeavor in good faith to sell all of the Residential Units unless otherwise specified in the Plan.

Notwithstanding anything to the contrary contained in the Plan, the sponsor's obligation, regardless of any limitations in any warranty provided to a Purchaser or the Condominium Board or otherwise set forth in the Plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications, and that any conflict between the disclaimers and the sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

3. **Alterations of Unsold Units**

In order to meet the possible varying demand for number and type of different Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements and subject to the Declaration and By-Laws) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to: (i) make alterations, additions, improvements, replacements and/or repairs whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit(s); (ii) change the use (subject to compliance with all Laws, including, without limitation, the certificate of occupancy for such Unit) or layout of, or number of rooms in, any Unsold Unit(s) from time to time; (iii) change the size and/or number of Unsold Unit(s) by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting an Unsold Unit or any portion thereof to a Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating the use of any portion of the Limited Common Elements adjacent or appurtenant thereto (but only to the extent that such Limited Common Elements are not required to be maintained as Limited Common Elements based upon such alterations); (iv) whether in respect of subdivisions or combinations of the Unsold Units or otherwise, designate all or any part of an Unsold Unit or a Common Element as part of a newly created or expanded Unsold Unit or Common Element (v) if appropriate, reapportion among the Unsold Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such

change; and (vi) use any Unsold Unit(s) as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental Laws and regulations as to any such use. Any such change described in subsections (ii) through (v) in the immediately preceding paragraph and additionally any material adverse change in the size or quality of any of the Common Elements shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements unless Sponsor, in the amendment disclosing such change, offers the affected Purchaser(s) who are not otherwise in default under their Agreements, the right, for at least fifteen (15) days after the Presentation Date, to rescind their Agreement(s) and receive a prompt refund of their Option Payment(s), together with all interest earned thereon. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan.

Notwithstanding the foregoing, no material adverse change will be made in a Unit's size, layout or percentage of Common Interest if an Agreement has been countersigned by Sponsor and returned to the Purchaser, provided that the Purchaser is not in default thereunder, unless (a) the affected Purchaser consents to such changes or (b) such changes are required to conform with Legal Requirements. In the event material adverse changes are made pursuant to (b) of the immediately preceding sentence which materially and adversely affect the percentage of Common Interest allocable to a Unit or the size or quality of Common Elements, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) who are not otherwise in default under their Agreements, the right, for at least fifteen (15) days after the Presentation Date, to rescind their Agreement(s) and receive a prompt refund of their Option Payment(s), together with all interest earned thereon.

The Common Interest of a Unit may change if there is a change in the floor space or additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements, for exclusive or shared use and the overall dimensions of a particular Unit.

Furthermore, an initial purchaser of an Unsold Unit shall have the right, without the approval of the Condominium Board, to make any alterations, additions, improvements or repairs in or to such Unit, provided that such purchaser obtains all necessary approvals required by Law, obtains insurance, as required and that Sponsor has consented to the same in writing at or prior to the closing of title to such Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion.

4. **Insurance**

Sponsor will initially procure on behalf of the Condominium Board, to take effect on or before the date of the First Closing, the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By Laws (see "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I below), the cost of which insurance has been reflected in the Budget set forth as Schedule B in Part I. To the extent any policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Condominium Board for the Condominium in respect of any period following the First Closing,

the Condominium Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

5. **Casualty**

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

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

6. **Dissolution**

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

7. **Successors to Sponsor**

Sponsor reserves the right to sell ten (10) or more Units twenty percent (20%) or more of the total number of units in the Condominium and to designate the purchaser of such block(s) of Units as a "sponsor" under this Plan. The party so designated as a "sponsor" or "sponsor-designee" will have those additional rights and obligations (including the obligation to comply with all applicable Legal Requirements) applicable to a "sponsor" or "sponsor-designee" as more fully described in the Plan including the assumption of the status and all of the obligations of Sponsor

for those Units under this Plan, applicable Laws or regulations.

8. **Reservation of Air and Development Rights**

All excess Development Rights otherwise appurtenant to the Property and not used in connection with the Building as described in this Plan as of the recordation of the Declaration will be conveyed to the Sponsor or its assignee (the "Development Rights Owner"). As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by the Development Rights Owner, the Development Rights Owner may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Development Rights will not be used subsequent to the First Closing to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Development Rights will be used in the Property after the First Closing solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Development Rights in excess of those used in connection with any renovation of the Building in accordance with the Plan. In the event such Development Rights are transferred to the owner(s) of adjoining properties, a Residential Unit Owner's views and exposure to light may be affected.

9. **Right of Access**

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

10. **Miscellaneous**

Sponsor and/or its designee (and their respective successors and assigns) shall have an easement for so long as Sponsor continues to own at least one Unsold Residential Unit in the Building: (i) to erect, use, lease, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of any roof of the Building that is not occupied as of the date hereof for any other Building installations or as a common recreational area for the Unit Owners; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such

equipment room; in each case, without the consent of, or charge by, the Board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to any roof or the aforesaid mechanical equipment room shall be the obligation solely of Sponsor and not of the Condominium and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor and not of the Condominium. In connection with such easements and related rights, Sponsor and its designee (and their respective successors and assigns) and the respective tenants and licensees shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall be subject to such easement. The Unit Owners will not have any interest in the rents, profits or revenues from the rental, use or sale of any such space pursuant to the aforementioned easements and rights. The use of the condominium's Common Elements in this manner may only be effected through the issuance of revocable license by the Condominium Board.

Sponsor and its designee(s) shall have the right, for so long as Sponsor continues to own at least one Unsold Unit or the tenth (10th) anniversary of the First Closing, whichever occurs sooner, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions (e.g., with respect to any sales programs for Unsold Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.

11. **General**

Sponsor's representations, warranties and covenants under the Plan and under the GBL, which are required to be performed subsequent to the closing of title to a Unit will survive the delivery of the deed to such Unit only for the time periods set forth in this Plan or as otherwise required by Legal Requirements. The obligations of Sponsor to pay Common Charges and to perform its other duties as a Unit Owner with respect to any Unsold Units will survive for as long as Sponsor owns the same.

Sponsor agrees to indemnify the Condominium Board and the Unit Owners against, hold them harmless from and defend on their behalf any suits, proceedings, or claims arising out of any default by Sponsor in performing its obligations under this Plan or any breach of any representation expressly made by Sponsor in this Plan and resulting: (a) as to any Unit, from any occurrence taking place prior to the closing of title to such Unit; or (b) as to the Common Elements, from any occurrence taking place prior to the First Closing. However, Sponsor will not be liable for, or obligated to defend, any suits, proceedings or claims arising out of any occurrence taking place from and after the respective dates set forth above, except those arising out of any negligence or violation of Article 23A of the New York State General Business Law by Sponsor or as explicitly stated in this Plan.

The obligations of Sponsor hereunder shall be enforceable by the Condominium Board on behalf of all Unit Owners. Obligations of Sponsor shall be enforceable by individual Unit Owners if either: (i) the Condominium Board fails to take reasonable action to enforce such obligations

within ninety (90) days following the giving of notice of such claim by any Unit Owner to the Condominium Board; or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid ninety (90) day period.

Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. Sponsor's ability to perform its obligations under the Plan will depend on its financial condition from time to time. No warranty is made that Sponsor will be financially able to perform all or any of such obligations.

Until Sponsor no longer controls the Condominium Board, Sponsor will cause the Condominium Board to maintain the Building in substantially the same manner and condition as on the Presentation Date of this Plan (subject to ordinary wear and tear) and in accordance with the Legal Requirements, subject in all respects to Sponsor's right to change the Units and/or the Common Elements as set forth herein.

12. Construction Dispute

Prior to bringing any lawsuit, arbitration or administrative proceeding (a "Proceeding") against the Sponsor and/or the Sponsor's consultants, professionals, members, managers, or the Sponsor Principal (collectively, the "Sponsor Parties") relating to the construction of all or part of the Building (including the Units and Common Elements), the party intending to bring the Proceeding must have a report prepared (the "Correction Report") by an independent, licensed, architect or engineer (the "Inspecting Professional"). The Correction Report must identify the specific areas of the Building that are not in compliance with the specific provisions of the Offering Plan, the Plans and Specifications filed with the Department of Buildings, and/or the local construction codes (a "Claim"). The Sponsor shall have a 90 day period after the receipt of the Correction Report to correct any of the Claims or explain why the Claim is incorrect, prior to the Proceedings being brought by the Unit Owners or the Board, other than life or health threatening matters which will be corrected immediately. The Sponsor shall have no responsibility for damages to the Units or the Building arising out of the Unit Owner's, the Managing Agent's or the Board's failure to properly inspect, maintain or repair the Property. The provisions set forth herein shall not apply to nor preclude any Purchaser or Unit Owner from availing themselves of the remedies afforded under the rules and regulations promulgated by the Attorney General of the State of New York. Said provisions are subject to all applicable laws.

R. CONTROL BY SPONSOR

Sponsor as the owner of Unsold Units will, at its option, have control of the Board during the period which continues until the earlier to occur of: (i) the closing of title by Sponsor or its designees of all the Residential Units or (ii) five (5) years after the First Closing (the "Initial Control Period"). During the Initial Control Period of the Board, Sponsor would be able to control maintenance, facilities and services to be provided to Unit Owners and would determine the Common Charges to be paid by all Unit Owners and the enforcement of Sponsor's obligations by said Board(s). Within thirty (30) days after the end of the Initial Control Period, the Board will call a special meeting of the Unit Owners (the "First Annual Meeting"), to be held not less than ten (10) days nor more than forty (40) days after such date, at which time the Unit Owners will elect members to the Board and the members of the Board on behalf of the Building.

During the Initial Control Period, the Board shall consist of three (3) persons designated by Sponsor. During the Initial Control Period, Sponsor reserves the right to designate fewer than three (3) persons to the Board.

Commencing with the First Annual Meeting, the Board shall consist of seven (7) members elected by the Unit Owners including the Sponsor. The number of Board members and the number or composition of Board members may not be changed except in accordance with the procedures described in the By-Laws.

At the First Annual Meeting and at all times thereafter, Sponsor may be able to elect members of the Board as a result of its ownership of or interest in Unsold Units. Sponsor shall retain voting control of the Board if Sponsor and its designees are able to cast sufficient votes at such meetings to establish such control. In addition, Sponsor, for so long as Sponsor owns at least one (1) Unit, shall also have the right, at its option, to designate at least one member of the Board.

The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Condominium Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. Residential Unit Owners may never gain control of the Condominium Board because Sponsor has the unlimited right to rent. However, in the event the Initial Control Period has not ended by the third anniversary of the First Closing, the First Annual Meeting of Unit Owners will take place on the third anniversary of the First Closing, whether or not Sponsor is obligated to relinquish control at said meeting.

Until Sponsor or its designee has conveyed title to seventy-five percent (75%) of all the Units, but in no event later than five (5) years after the First Closing, whichever shall first occur, the Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit, (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency for repairs or surplus fund, (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, (d) enter into any service or maintenance contract for work not covered by contracts in existence

on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, (e) borrow money on behalf of the Condominium or on behalf of the Building, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Board to comply with Laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

During the Initial Control Period, Sponsor may not exercise veto power over expenses described in the Section entitled "Budget for First Year of Condominium Operation, Schedule B" (the "Budget") or over expenses required (i) to comply with applicable Laws or regulations; or (ii) to remedy any notice of violation; (iii) to remedy any work order by an insurer, or iv) any matter affecting the health and/or safety of the occupants of the Property. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than twenty five percent (25%) of the Common Interest, whichever is sooner.

Sponsor is reserving the right to delay the collection of Common Charges until such time into the future (the "Waiver Period"). During any such period of delay, the Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments. Such expenses shall not include individual Unit Owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to update the budget for the Condominium as required by Department of Law regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan as a benefit to subsequent Purchasers. Such amendment shall also disclose the anticipated Waiver Period. Prior to commencing the collection of Common Charges, Sponsor will notify all Unit Owners by written notice of the expiration of the Waiver Period. Notice shall be given to Owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent Purchasers.

All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B – "Projected Budget for First Year of Operation of the Residential Units". Purchasers should note that Schedule B – "Projected Budget for First Year of Operation of the Residential Units" will not be in effect until the expiration of the Waiver Period. In all instances the Residential Unit Owners will remain responsible for the payment of their allocable share of real estate taxes. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Residential Unit Owners terminate the Waiver Period.

If Sponsor shall exercise its right to waive collection of Common Charges as set forth above, Sponsor shall file an amendment to the Plan prior to the First Closing indicating that collection of Common Charges will not commence with the beginning of the First Year of

Condominium Operation and further indicating the anticipated length of the Waiver Period. Sponsor will notify all Unit Owners in writing the expiration of the delay period at least thirty (30) days prior to the commencement of collection of Common Charges and will disclose such fact in the following Amendment to the Offering Plan. During any such Waiver Period, Sponsor will timely pay all expenses of the operation of the Condominium, including but not limited to insurance premiums and reserve fund payments required by lenders, if any. Upon expiration of any such Waiver Period and the commencement of assessment of Common Charges against the Units, there will not be any assessment over and above the amount of such Common Charges against Units or Unit Owners for any item set forth in the approved budget that is in effect at the time of commencement of assessment of Common Charges. During any such Waiver Period, Sponsor shall remain obligated to update the operating budget for the Condominium when and as needed, as provided in the New York State Department of Law regulations as to the same.

To the extent there are members of the Board appointed by Sponsor, such Board members may be required to refrain from voting on any issue before the Board which involves the decision to sue Sponsor, pursuant to *Park River Owners Corp. v. Bangser Klein Rocca & Blum, 269 A.D.2d 313, 423 N.Y.D2d 465* (1st Dept. 2000); McKinney's Consolidated Laws of the State of New York, General Business Law, Volume 19, pocket part, page 193; and BCL 713(a)(1).

S. CONDOMINIUM BOARD

The affairs of the Building shall be governed by the Board, which during the Initial Control Period, shall consist of three (3) persons designated by Sponsor. During the Initial Control Period, Sponsor reserves the right to designate fewer than three (3) persons to the Board.

Within thirty (30) days after the end of the Initial Control Period, the Board will call for the First Annual Meeting of Unit Owners, such meeting to be held not less than 10 days nor more than 40 days after such date. However, in the event the Initial Control Period has not ended by the third anniversary of the First Closing, the First Annual Meeting of Unit Owners will take place on the third anniversary of the First Closing, whether or not Sponsor is obligated to relinquish control at said meeting. At the First Annual Meeting, the incumbent Board members shall resign and the Unit Owners shall elect a new Board consisting of seven (7) members. (See the Section entitled "Control by Sponsor.") Thereafter, at each annual meeting, members of the Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified.

Special meetings of the Unit Owners can be called by the President of the Board, by a majority of the Board, or by a petition signed by 25% in Common Interests of Unit Owners.

Except for Board members designated by Sponsor or its designee, all members of the Board must be either Unit Owners or certain interested parties (e.g. directors, shareholders of Unit Owners) as described in the By-Laws. No member of the Board shall continue to serve on the Board if, during his or her term of office, said member shall cease to be a Unit Owner or an interested party. All Board members shall serve without compensation. The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Residential members of the Condominium Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

The Board shall collectively have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium.

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

Annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Unit Owners shall elect the seven (7) Residential members of the Condominium Board, subject to any rights of Sponsor to designate or elect Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Board shall mail a notice of each annual or special meeting of the Building to all Unit Owners of record. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration,

at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than fifty (50%) percent of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (or his proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast a vote equal to its percentage interest in the Common Elements.

The initial members of the Board will be Alex Forkosh, David Podosky and Stephen Forkosh, who are affiliated with the Sponsor or its principles. The Board may appoint additional officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Board are to be executed by any officer thereof or by such other person or persons as may be designated by the applicable Board. However, any significant expenditure by the Board must be countersigned by two members of the Board.

The term of office of the members of the Board shall be for one year or until their successors are elected. Members of the Board shall serve without compensation. Any member of any Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

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

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

All officers, Board members and employees of the Condominium will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium. The amount and cost of the bonds has been provided for in the projected budget for the first year of Condominium operation contained in Schedule B. The By-Laws provide to the extent permitted by applicable Law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium, or the Limited Common Element (except in their capacities as Unit Owners). Board members shall have no liability to Unit Owners except that a Board member shall be liable for his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member and each

Board member, as the case may be, against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

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

Notwithstanding any provision contained in the By-Laws to the contrary, no amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of the affected Owner(s), with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of any Units or affecting the rights, privileges, easements, licenses or exemptions granted to any Owners, (b) without the prior written consent of Sponsor or its designee or the owner of any Unsold Units with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Unit, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Unit or (c) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit.

T. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE CONDOMINIUM BOARD

1. Sales and Leases of Units

Each Residential Unit Owner may sell or lease his or her Unit provided such Unit Owner (the "Transferor") first gives the Board, on behalf of all Unit Owners, notice of his or her intention to sell or lease such Unit accompanied by a fully executed copy of the contract of sale, lease or other transfer or occupancy agreement together with a completed copy of the Condominium's standard form of Purchase Application or Lease Application, as the case may be (the "Offering Notice") and an opportunity to purchase or lease such Unit at the same price or rental and on the same terms as were offered in good faith by a prospective purchaser or lessee, as more specifically provided in Article 8 of the By-Laws. If the Board does not elect to purchase or lease the Unit within twenty days after receipt of the Offering Notice, the Transferor will have the right to sell or lease the Unit pursuant to the terms contained in the Offering Notice within sixty (60) days thereafter. In the event such sale or lease is not consummated within said sixty-day period, the Transferor will be required to again first offer the same to the Board, provided that the Board shall be entitled to waive, or to permit an extension of such sixty day period. The Board may not exercise its option to purchase or lease any Unit without prior approval of a majority in interest of Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present unless the Board is assigning its option to a third party so the Condominium's funds will not be utilized, in which event the vote is not required. The Transferor shall have the right to vote in any vote conducted by the Board for the purpose of determining whether the Board shall exercise its right of first refusal to purchase or lease the Transferor's Unit. Notwithstanding the foregoing, the Board has the right to reject sales and leases to purchasers and tenants who themselves (or Residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal.

In connection with the foregoing, the Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation or other grounds prohibited by Law.

Any such deed given by a Transferor shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Board, that the tenant shall not assign the lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board, and that the Board, if permitted by applicable Law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws. No lease of a Unit shall have a term of less than one (1) year.

Any purported sale or lease of a Unit in violation of this section shall be voidable at the

election of the Board.

The purchase of any Unit by the Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or such Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant Common Interest. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

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

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

A Unit Owner may only sell or lease such Unit Owner's entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's undivided interest in (a) the Common Elements and the Limited Common Elements, (b) any Unit or Units acquired by the Board on behalf of all Unit Owners, or any proceeds of the sale or lease thereof and (c) any other assets of the Building and the Condominium.

No part of the Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

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

In order to facilitate the Sponsor's sale of the Units, prior to (a) one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell or lease his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale or lease with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease. In the event that Purchaser

violates the foregoing prohibition then any sums received by Purchaser in excess of the Purchase Price paid by Purchaser shall be paid to the Sponsor as liquidated damages. In addition, any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor.

2. **Use of Units**

A Unit may be used as a residence or for any lawful purpose, provided such use does not violate the then existing certificate of occupancy or the deed restrictions covering such Unit and complies with all applicable governmental regulations.

Each Unit Owner shall notify the Managing Agent in writing when a child or children ten (10) years of age or less lives or resides (even temporarily) in the Unit. The Unit Owner, or the Board at such Unit Owner's expense, shall install the required window guards in all windows of the Unit. The Unit Owner shall maintain all window stops installed in the windows of each Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Managing Agent. The portion of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance and must be compliance with the Project Standards.

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

Sponsor or its designee may, without the permission of any Board (a) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by Law, does not violate the then existing certificate of occupancy covering such Unit and the user of such Unit complies with all applicable governmental regulations and (b) retain ownership of one or more Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Units in the Condominium.

The current zoning Law permits a person who resides in a Unit to use up to 25% of the floor area of his Unit (but in no event to exceed 500 square feet) for certain home occupations including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four persons. No transient tenant may be accommodated in a Unit, except in Unsold

Units, as permitted by Law.

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

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

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

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

Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair his or her own Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations concerning the use of Units may be amended from time to time by the Board provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective. Further restrictions on the use and leasing of Units are set forth in the By-Laws and Rules and Regulations.

3. **Mortgage of Units by Unit Owners**

Each Unit Owner may mortgage his or her Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by him or her. As more fully set forth in 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 or other standard forms of mortgage, except for such changes or additions as may be required to permit a lender to make the loan (provided that this shall not apply to the mortgages of Sponsor, its designees or affiliates), (b) the applicable Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against his or her Unit, other than Permitted Mortgages. The Sponsor shall have the right to mortgage any unsold Unit without any restriction or limitation.

As more particularly set forth in the By-Laws, in certain instances the consent of the

Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are (i) Sponsor or its designee and any mortgagee of Sponsor, its designee or affiliates, (ii) a bank, trust company, insurance company, real estate investment, mortgage trust, investment bank, trustee of a securitization or any other mortgagee, generally in the business of making real estate condominium loans, or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

4. **Common Charges: Determination and Assessment**

Common Expenses, which are payable only by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common Interests. Common Expenses shall include, without limitation, such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements or the Limited Common Elements. In addition, the Common Charges include the Unit Owner's allocable portion of the Common Expenses. The respective Common Interests of each Unit, as estimated by Sponsor, are 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. Common Expenses include, among other things, all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements. Common Expenses may include amounts for certain other items as the Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Board of any Unit.

Common Expenses which include, among other things, the costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and certain other expenses common to all Unit Owners, such as premiums for insurance covering the Building, managing agent fees and legal and accounting fees will be determined by the Board. Common Expenses shall also include such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements.

In the event that the annual receipts levied against Unit Owners during the first year of condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of condominium operation will be distributed by the Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Unit Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of

the ownership of Units by individual Unit Owners.

At least annually the Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess Common Charges to meet such expenses.

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

Notwithstanding anything to the contrary contained in the By-Laws, so long as Sponsor or its designee shall continue to own at least one Unsold Unit but in no event later than five years from the First Closing, the Board may not, without Declarant's prior written approval assess any Common Charges or Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund.

5. Common Charges: Collection and Lien for Non-Payment

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, the Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges together with interest thereon, assessed against such Unit. All such liens, however, to the extent permitted by applicable Law, will be subordinate to the lien of any first 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 City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the (acting on behalf of all Unit Owners or all Unit Owners, as the case may be) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the appropriate Board to recover unpaid Common Charges without foreclosing such lien.

The Board may make any lien against a Unit Owner effective pursuant to Real Property Law §339-aa. The Sponsor will cause the Board to file a lien as provided in RPL §339-aa on a Unit owned by Sponsor if the Sponsor is more than thirty (30) days in arrears in paying Common Charges while Sponsor controls the Board.

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

On a resale of a Unit, the seller thereof will be liable for the payment of Common Charges

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

6. Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, and routine maintenance, repairs and replacements, (a) in or to any Unit (other than to the Common Elements or Limited Common Elements included therein), including the individual heating and cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the Common Elements will be made by the Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense. Notwithstanding the foregoing, any repairs by Unit Owners to the incremental heating and air conditioning units within each Unit shall only be made by contractors or servicemen who have been previously approved by the Board.

The Units will have large glass windows, which should be covered during the portions of the day when the sun is strongest in order to maintain the temperature of the Units' rooms at comfortable levels and to conserve energy. The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted. The interior glass surfaces of all windows located in any Unit and the exterior glass surfaces of windows, which can be washed from Terraces, shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof as such Unit Owner's sole cost and expense. The exterior of other windows shall be washed by the Condominium and the cost thereof shall be charged to the Residential Unit Owners as a Residential Common Expense. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the owner of such Unit (unless such breakage is caused by the Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Board or such negligent Unit Owner, as the case may be).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 appropriate Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep his or her Unit in such condition, the appropriate Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default.

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

In addition, the Rules and Regulations require that at least eighty (80%) percent of the floor area of Units (except for kitchens, bathrooms, closets and foyers) be covered with rugs, carpeting or equally effective noise-reducing material.

7. Alterations and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to his or her Unit without the prior written approval of the Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the appropriate Board. The Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Unit Owner's work.

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

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

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration or improvement to be made in a Unit, unless approved and executed, if necessary, by the Board. The Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Board and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided any alteration to such Unsold Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units, as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Sponsor is obligated to execute the Required Documentation. In addition, the power of attorney

to be executed by each Unit Owner upon acquisition of a Unit further grants to Sponsor a power of attorney to execute the Required Documentation.

In the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a TCO or FCO for such Unit, other Units or the Building, then upon the written request of Sponsor, or the Board, the Unit Owner shall restore the Unit or complete the work, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws.

Notwithstanding anything contained in the By-Laws to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

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

To promote a consistent aesthetic appearance of the Building, each Unit Owner will be required to install window treatments having a white colored backing on the sides facing the windows in his or her Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board.

8. **Rights of Access**

As more fully set forth in the By-Laws, the Board and any managing agents, managers, superintendent and other persons authorized by the Board, will have a right of access to any Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by Law or governmental regulation, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the tenants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Sponsor shall have a right of access to any Unit for the purpose of performing work listed on the executed inspection

statement or for the purpose of performing or completing construction in the Building.

9. **Compliance with Terms of Declaration, By-Laws and Rules and Regulations**

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

10. **Examination of Books and Records**

Each Unit Owner and each mortgagee of a Unit shall be permitted, upon prior request, to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium, but not more frequently than once each calendar quarter. The Condominium, Residential Committee, and Managing Agent shall not release the books and records of the Condominium containing any email address, mailing address or telephone number of a Unit Owner if such Unit Owner has requested in writing that such information not be made public.

11. **Repair or Reconstruction after Fire or Other Casualty**

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

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

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

which are not Permitted Mortgages) in the order of the priority of such liens.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Board shall be payable to the Board entitled to adjust such loss in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to the Construction Lender, or its successors or assignees while it holds a mortgage on the Property or any Unit and, thereafter, to a New York City bank or trust company pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

12. **Insurance**

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

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

The amount of fire insurance and all risk extended coverage to be maintained until the first Board meeting following the First Annual Meeting of the Unit Owners shall be in at least the sum set forth in Schedule B.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees.

The Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Board may from time to

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

Any insurance maintained by the Board may provide for such deductible amounts as such Board determines. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners in such proportions between them, with due consideration to their respective risks, liabilities and replacement values, as are equitable (as determined by the respective insurance carriers thereof or their agents, brokers or such other parties designated by the Board).

The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Board from time to time and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the apartment or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Board or the Managing Agent, the Unit Owner shall deliver to the Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Board. The Board and the Managing Agent shall not be responsible for ensuring that Unit Owners as insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

All Unit Owners are required to obtain casualty and liability insurance for their own benefit covering their Units and Limited Common Elements appurtenant thereto. 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.

13. Liability of Condominium Board and Unit Owners

Every contract made by the Board or by any managing agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners or Unit Owners, and such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners, if applicable) and (b) the liability of any Unit Owner with respect to such contract

shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners or Unit Owners, as the case may be, and (ii) to the extent permitted by Law, unless otherwise determined by the Board in its sole and absolute discretion, such Unit Owner's interest in his or her Unit and its appurtenant Common Interest. To the extent permitted by applicable Law, Board members shall have no liability to Unit Owners except that a Board member shall be liable for his own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member and each Board member, against any liability or claim except those arising out of such member's own bad faith or willful misconduct. Any Board may contract or effect any transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

14. **Reports to Unit Owners**

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

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 provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor and its designees have conveyed title to all Units, provided that in no event shall Sponsor's consent be required more than five (5) years after the First Closing. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

16. **Units Acquired by Board**

All Units acquired or leased by the Board or its designees shall be held by the 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 Board shall carry any voting rights.

The purchase of any Unit by the Board or its designees, on behalf of the Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit Owner in proportion to his or her respective Common Interest, as a Common

Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interests in the Common Elements.

17. **Procedure to Review Real Estate Tax Assessments**

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

18. **Mechanics' Liens**

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

19. **Litigation**

The Condominium Board shall not bring any litigation except to enforce the Declaration or By-Laws without first receiving the written approval of the owners of three-quarters of the Units and the owners of three-quarters of the percentage interests in the Common Elements.

20. **Easements and Name of Condominium**

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Board and the adjacent property owners. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements. In addition, Sponsor and its designees and its successors and assigns shall have an easement to erect, maintain, repair and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of

any business of a tenant or occupant of any Unit.

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "HILLROSE 28 Condominium". Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by Sponsor. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Units in the Building only Sponsor shall have the right to change the name of the Condominium and/or the Building, and such right may be exercised by Sponsor at any time without the vote or consent of any Board or Unit Owner.

21. **The Declaration and By-Laws**

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan. A prospective purchaser should read the Plan in its entirety including the Declaration and By-Laws.

U. REAL ESTATE TAXES

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

Assuming the Property does not receive any abatement from real estate taxes, it is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the first year of Condominium operation will total approximately $973,003, based on an opinion prepared by Boris Saks, Esq. (Sponsor's real estate tax counsel), dated May 17, 2019 which assumes (a) an estimated taxable assessed valuation attributable to the entire Property during the course of construction of $6,300,000 for the 2020/2021 fiscal year, (b) an estimated taxable assessed valuation upon completion attributable to the entire Property of $9,000,000 for the 2021/2022 fiscal tax year and (c) a projected tax rate of 12.719%. In the opinion letter, for the initial budget year, the estimated assessed values for the entire building were allocated based on the common interests so that an assessed value of $6,300,000 was attributable to the Residential Units for a portion of 2020/2021 and an apportioned assessed value of $9,000,000 was attributable to the Residential Units for a portion of 2021/2022. Purchasers should note that the real estate taxes for the first year of Condominium operation are less than the taxes will be for the second year of Condominium operation benefits and the first tax year after completion of construction since the first year's tax estimate includes six (6) months of assessed valuation of the Property prior to the completion of the Building which is a substantially lower valuation. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the first tax year after completion of construction and second year of operation, and subsequent years, will be higher than the taxes during the first year of operation. The approximate date of completion of construction and reassessment is January 2021. It is estimated in the opinion of letter of Boris Saks, Esq, that for the first post construction tax year of 2021/2022 the residential real estate taxes will be $1,144,710.

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

The estimate of the taxes for each Residential Unit has been determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by dividing the projected sales price of each Residential Unit as set forth in the Plan by the total aggregate projected sales price of all Residential Units. Please refer to the opinions of Holland & Knight LLP and Boris Saks, Esq. as set forth in Part I of the Plan for further discussion regarding real estate taxes for the residential portion of the Property.

Prior to the issuance of separate tax lots, the real estate tax estimates for each Residential Unit will be determined by multiplying the total taxes due with respect to the Residential Units by a percentage derived by dividing the Common Interest of each Residential Unit by the total Common Interests of all Residential Units. Upon determination of individual tax lots and

individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's percentage interest in the Common Elements rather than Purchase Price, or some combination of the two, and if so, Residential Units having the same percentage interest may pay different real estate taxes.

The By-Laws provide that the Condominium Board is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Unit Owners, for the benefit and on behalf of (i) all Residential Unit Owners, or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

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

No guaranty or assurance is given that (i) any of the assumptions described above will be valid, (ii) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the average real estate tax rate that will be in effect during such first year) will approximate the actual amount, (iii) the estimated or actual amount of assessed value of the Property following the projected First Year of Condominium Operation and the taxes payable based upon such assessment or (iv) the Real Estate Tax Assessment Bureau of the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units in accordance with the values used by Sponsor's real estate tax consultant for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above. Sponsor will amend the Plan promptly to disclose the same if it discovers that any of such assumptions are invalid as well as after the Units have been assessed and the applicable tax rate determined.

Until the Units are separately assessed, each Unit Owner will pay to the Condominium Board a share of the Property's real estate taxes for the period in question calculated based upon each Unit's proportionate share of the Common Interest. These allocation percentages reflect the relative approximate aggregate assessed values of each of these Units as estimated by Sponsor's real estate appraiser and as set forth above in this Section V. The Condominium Board will pay such real estate taxes timely to the Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on the Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. If Unit Owners fail to pay

their pro rata share of Real Estate Taxes as set forth above, the Condominium Board will be entitled to assess late charges and/or place a lien on their Units as if such unpaid share were Common Charges. (See "Collection and Lien for Non-Payment of Common Charges" in Part I above for further discussion.) After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from the non-payment of real estate taxes assessed against any other Units. At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

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

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

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

The following discussion of certain income tax consequences of the ownership of Residential Units by purchasers who use such Residential Units as a personal residence was prepared by Sponsor based, in part, upon the income tax opinion of Holland & Knight LLP, counsel to Sponsor, a copy of which is set forth in Part I of this Plan.

Prospective Purchasers should note that the opinion letter addresses the tax consequences that would result from the ownership of a Unit by an individual resident of New York City for use as a qualified residence, as further described herein. It does not address, among other things, the tax consequences that might result from the ownership of a Unit by a taxpayer who is not an individual and a resident of New York City, including corporations and other entities, and foreign individuals or entities. It also does not address the tax consequences that might result from the ownership of a Unit that is held by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income.

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

1. Deductibility of Mortgage Interest and Real Estate Taxes

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

It is the opinion of Holland & Knight LLP that a Residential Unit Owner who uses his or her Residential Unit as a personal residence and itemizes his or her deductions will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that for the taxable years commencing on or after January 1, 2018 and before January 1, 2025 mortgage interest is deductible generally only with respect to (1) secured debt used to acquire or substantially improve a principal or second residence (up to a total indebtedness of $750,000). Interest on home mortgage debt in excess of those limitations would not be deductible. Special limitations also apply with respect to the deductibility of points and other prepaid interest, if any, on the mortgage debt and to the overall allowance of itemized deductions. For taxable years commencing on or after January 1, 2026 the amount of acquisition indebtedness for which a mortgage interest payment is deductible is increased from a maximum of $750,000 for married individuals filing joint returns to $1,000,000 and a separate "home equity" interest deduction is allowable for payments attributable to $100,000 in secured debt. Purchasers should also note that for taxable years commencing on or after January 1, 2018 and before January 1, 2026 deductions

for property taxes and state and local income taxes are limited to a combined total of $10,000 in any such year. Purchasers should note that the $10,000 tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold. For taxable years commencing on or after January 1, 2026 the $10,000 overall limit on property and state and local income taxes is removed. Section X of the Plan, the Attorney's Income Tax Opinion, provides greater details of the mortgage and interest deductions.

2. **Taxation of the Condominium**

If the Condominium meets the requirements for qualification as a "homeowners association," which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, and interest earned on any reserve funds (less expenses directly connected with the production of such income).

Sponsor anticipates that the Condominium will qualify as a homeowners association. Assuming the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Schedule B, Budget for the First Year of Condominium Operation, does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996.

The qualification of an organization as a homeowners association is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year it may nevertheless qualify in one or more future years.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax Laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Holland & Knight LLP, as counsel to Sponsor, bases its opinion, will not change. In no event will Sponsor, Holland & Knight LLP, the Selling Agent, the Managing Agent or any other person connected with this offering be liable if at any time it is held that the Residential

Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under this Plan, and no one has been authorized to give any warranties.

W. TAX OPINION OF HOLLAND & KNIGHT LLP

Holland & Knight

31 West 52nd Street | New York, NY 10019 | T 212.513.3200 | F 212.385.9010
Holland & Knight LLP | www.hklaw.com

To ensure compliance with the Internal Revenue Service Circular 230 disclosure requirements, we inform you that the United States federal tax advice contained herein (i) is written in connection with the promotion or marketing by others of the transactions or matters addressed herein, and (ii) is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding U.S. tax penalties. Each taxpayer with respect to the subject matter addressed herein should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

May 29, 2019

157-161 East 28th Street LLC
c/o Coral Realty
400 Broome Street, 11th Floor
New York, New York 10013

Re: Condominium Offering Plan
HILLROSE 28 Condominium (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the Residential Units for residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of (i) the ownership of Residential Units by corporations, other entities or foreign persons, (ii) ownership of the Unsold Residential Units, any Residential Unit that is used for mixed residential/non-residential purposes, or any Units other than the Residential Units, or (iii) any rebates or other payments that may be made, or benefits provided, to owners of Residential Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Residential Units will acquire their Residential

Units and that the relevant facts are as set forth therein.

Mortgage Interest and Real Estate Tax Deductions - Federal

On December 22, 2017 President Trump signed into Law legislation commonly known as the Tax Cuts and Jobs Act (the "2017 Act"). The 2017 Act made changes to the Code that are generally effective for individual taxpayers for the period January 1, 2018 through December 31, 2025 at which point the relevant Code provisions in effect prior to 2018 again become effective. The 2017 Act makes significant changes to pre 2018 Code provisions relating to tax and interest deductions for home ownership. Because of the transitory nature of many of the tax Law changes discussed in this opinion, we discuss both the current 2017 Act for the period January 1, 2018 through December 31, 2025 and the pre 2018 Code provisions for the period January 1, 2026 and thereafter.

January 1, 2018 Through December 31, 2025

Pursuant to the Plan, the purchaser of a Residential Unit will receive legal title in fee simple to his or her Residential Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Residential Unit and will be liable to the local tax authority for the real estate tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 C.B. 300.

Accordingly, based on the foregoing, it is our opinion that for the taxable year beginning on or after January 1, 2018 and before January 1, 2026 an owner of a Residential Unit who itemizes his or her deductions will be entitled under current Law to deduct from his or her gross income for Federal income tax purposes, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority, subject to an overall limitation under the 2017 Act of $10,000 ($5,000 for a married individual filing a separate return) for the aggregate of state and local property taxes and state and local income taxes for such year. Since the deductions for state and local taxes are so restricted under the 2017 Act, Residential Unit Owners should consider whether to claim the standard deduction in lieu of electing to itemize deductions. In determining whether to itemize deductions, the 2017 Act increases the standard deduction to $24,000 for married individuals filing a joint return, $18,000 for head of household filers, and $12,000 for all other taxpayers but also eliminates the deduction for personal exemptions. Further, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax, however the 2017 Act increases the exemption amount for individuals to $109,400 for taxpayers filing joint returns and surviving spouses, $42,300 for single taxpayers, and $54,420 for married taxpayers filing separately, with a phase-out reduction of such exemption amounts for taxable income in excess of a prescribed amount. Owners of the Residential Units should consult their tax advisers regarding the applicability of the alternative minimum tax to the deductibility of real estate taxes and whether to claim the standard deduction instead.

Under the 2017 Act a taxpayer generally is entitled to a deduction for Federal income tax

purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to, for debt incurred on or after December 15, 2017, a maximum of $750,000 in indebtedness for any period ($375,000 in the case of a married individual filing a separate return). The deduction for interest allowable under the pre 2018 Code attributable to home equity indebtedness, not to exceed $100,000, is suspended through December 31, 2025 for calendar year taxpayers. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, for the taxable year beginning on or after January 1, 2018 and before January 1, 2026, to deduct from his or her gross income for Federal income tax purposes, interest paid or accrued by him or her on acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $750,000 ($375,000 in the case of a married individual filing a separate return) with respect to his or her Residential Unit. Such Unit Owners should also consider whether to take the increased standard deduction allowed under the 2017 Act and discussed in the tax deduction portion of this letter, in lieu of electing to itemize deductions. Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans.

January 1, 2026 and Forward

Effective for taxable years beginning on or after January 1, 2026, the pre 2018 Code provisions will be applicable to the deductibility of mortgage interest and real estate taxes. The pre 2018 Code provisions and its effect on our opinions are described below.

It is our opinion that an owner of a Residential Unit who itemizes his or her deductions with respect to a taxable year beginning on or after January 1, 2026 will be entitled to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, suspended during the period January 1, 2018 through December 31, 2025, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority. The $10,000 overall limit on the deduction of state and local property and income taxes under the 2017 Act will not apply. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax as in effect prior to January 1, 2018. Owners of the Residential Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

With respect to taxable years beginning on or after January 1, 2026 a taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal

and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return), or (ii) is any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. The restrictions under the 2017 Act for $750,000 and $375,000 in acquisition indebtedness and the disallowance for home equity indebtedness will not apply in this period. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, under Law in effect in the taxable year beginning on or after January 1, 2026, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

Mortgage Interest and Real Estate Tax Deductions – New York State and City

Each owner of a Residential Unit who uses his or her Residential Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes in the relevant periods. However, under New York State and New York City income tax Law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Moreover, if an individual's New York State and New York City adjusted gross income exceeds $1,000,000, then no New York State or New York City itemized deductions are allowable for the mortgage interest and the real property tax payments. Furthermore, purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Residential Units.

Because the 2017 Act limits deductions for property and state income taxes to a combined

total of $10,000 a question arises during the period January 1, 2018 to January 1, 2026 whether all of the real property taxes paid, subject to a $10,000 limit, can be deducted for New York State and New York City purposes, or merely a proportionate amount of property taxes paid as results from the ratio of property taxes to total property and state income taxes multiplied by $10,000. We expect both the IRS and the New York State Department of Finance and Taxation will provide guidance, but in the absence of guidance we think the better view is that property taxes are deductible to the extent paid or accrued for New York State and New York City purposes subject to the $10,000 Federal limit in the applicable years and the limitations under New York Law described above.

Section 528 Homeowners Association

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve funds (less expenses) directly connected with the production of such income.

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Residential Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in Schedule A to the Plan, which shows that 100% of the total square footage of all Units of the Condominium will be contained in the Residential Units, and assuming that the Residential Units are used by individuals for residential purposes under Treasury Regulation § 1.528-4, at least 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. In making that determination, we note that the Condominium has not been constructed and that either a small decrease in the square footage of the Residential Units from that shown in Schedule A to the Plan, when constructed may cause the square footage of all Residential Units of the Condominium to be less than 85% of the total square footage of all Units. If that should be the case, the Condominium will not be eligible to elect to be treated as a homeowners association. Based on the information contained in Schedule A to the Plan and assuming (i) the actual gross income and expenditures of the Condominium for its taxable year ending December 31, 2021 (the "2021 Taxable Year") are

the same (or, are in the same proportions) as the estimated gross income and expenditures for the Condominium's first year of operations, as set forth in Schedule B to the Plan, (ii) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, and (iii) there are no changes in the facts and/or the relevant provisions of current Law, the Condominium should be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2021 Taxable Year. In making that determination we also note that Schedule B to the Plan lists qualifying expenditures (the 90% test discussed in (3) above) for association property, essentially property attributable to Residential Units, at 91.9% of total expenditures in the 2021 Taxable Year. To the extent that actual expenses for association property decreases by a small amount in the 2021 Taxable Year, or the expenses for non association property increases by a small amount in the 2021 Taxable Year, or a combination of both occurs, such increases or decreases may cause total expenditures for association property to be less than 90% of total expenditures in the 2021 Taxable Year. If such increases or decreases result in association property expenditures that are less than 90% of total Condominium expenditures, the Condominium will not be eligible to elect to be treated as a homeowners association for the 2021 Taxable Year.

Absent the application of Code Section 528, the present state of federal Law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Condominium Board (the "Board") will each act as the agent of the Unit Owners represented by each such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium through the Board collecting such charges. If, however, the Condominium is properly considered a separate entity and is not incorporated under New York State Law, the Condominium may elect to classify itself as a corporation. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium does not elect to be treated as a corporation and is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City Laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it likely would be subject to the New York City

Unincorporated Business Tax, unless the Condominium were eligible for and elected treatment under Code Section 528 as a homeowners association.

* *

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the Laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of Law applied to the facts and documents referred to above, is not binding on the IRS, any state or local tax authority, or any court. No assurances can be given that the tax Laws upon which we base this opinion will not change. In no event will the Sponsor, Holland & Knight LLP, the Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional Law or IRS rulings on which we have relied which cause the owners of Residential Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

Holland & Knight LLP

X. 339-I OPINION OF HOLLAND & KNIGHT LLP

Holland & Knight

31 West 52nd Street | New York, NY 10019 | T 212.513.3200 | F 212.385.9010
Holland & Knight LLP | www.hklaw.com

May 29, 2019

157-161 East 28th Street LLC
c/o Coral Realty
400 Broome Street, 11th Floor
New York, New York 10013

Re: HILLROSE 28 Condominium
181 East 28th Street
New York, New York (the "Condominium")

Ladies and Gentlemen:

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

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Penmark Property Advisors, LLC as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Penmark Property Advisors, LLC.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law Section ("RPL") 339-i (1)(iv), i.e., based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

Accordingly, based on the foregoing it is our opinion that Real Property Law Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of Law applied to the facts and documents referred to above, is not a guarantee to purchasers. In no event will the Sponsor, Holland & Knight LLP, the Selling Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing

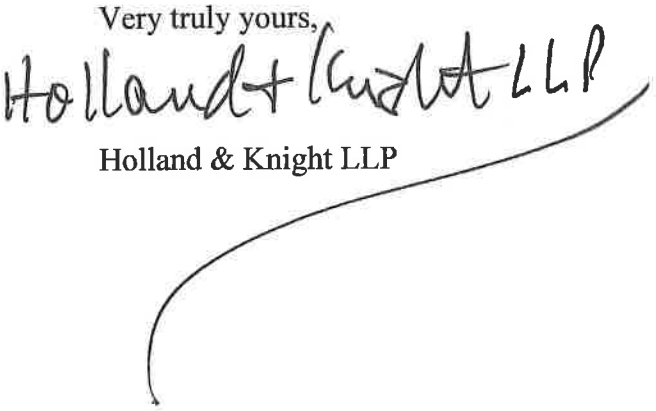
this opinion or if there are changes in RPL Section 339 or other applicable Law.

The opinion expressed herein is based solely on New York Law.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

Holland & Knight LLP



Y. REAL ESTATE TAX OPINION OF BORIS SAKS, ESQ. PLLC

BORIS SAKS, ESQ. PLLC

May 17, 2019

157-161 East 28th Street LLC
400 Broome Street, 11th Floor
New York, NY 10013

Re: 181 East 28th Street
Block 884, Lots 36, 37 and 39
Borough of Manhattan

Gentlemen:

We have prepared this letter in response to your request for a projection of the estimated real estate assessments and taxes upon the completion of construction of the subject premises.

In preparing our projections we have relied on the following information provided to us regarding this project:

1. The first year of condominium operation shall commence on January 1, 2021;

2. Upon completion of construction the subject property will consist of 43 residential units;

3. The proposed total gross residential square footage, not including residential lobby area, common area hallways, elevator shafts, etc., is approximately 53,721 square feet;

4. The site contains approximately 4,375 square feet of total land area;

5 A Temporary Certificate of Occupancy for the residential units is projected to be issued on or before October 31, 2020;

6. The purchase price of the site was $17,000,000; and

7. The total projected cost of the construction (hard costs and soft costs) is approximately $28,000,000.

By law, the New York City Department of Finance ("Finance") is required to estimate the market value of every property in the City as of January 5th each year. The first year of condominium operation will be from January 1, 2021 through December 31, 2021. This period coincides with the second half of the 2020/2021 tax year and the first half of the 2021/22 tax year. The taxes for the 2020/21 tax year will be based on the property's

TELEPHONE: 718-998-1800 • FAX: 718-998-1881 • WWW.BSAKSESQ.COM
1732 EAST 12TH STREET • BROOKLYN, NEW YORK 11229

market value as of January 5, 2020. The taxes for the 2021/22 tax year will be based on the property's market value as of January 5, 2021. It is estimated that the assessment for the 2020/21 tax year will be based on a partially completed building which, as a result, would be valued lower than the fully completed building for the 2021/22 tax year.

There are three generally accepted methods in appraising real property, the comparable sales price method, the capitalization of income method and the cost of reproduction method.

The cost of reproduction method is based on the theory that the value of a property can be determined by adding the land acquisition cost to the construction cost.

The capitalization of income method is based on the notion that the annual net income generated by the property, divided by an expected rate of return provides a reasonable estimate of market value.

The sales price method analyzes sales prices of properties of comparable size, location and use which were sold relatively proximate to the valuation date to determine market value.

In setting a market value, Finance's Real Property Assessment Department will typically use any or all of these three approaches to arrive at a market value.

Additionally, state law requires that Finance value cooperatives and condominiums as if they are rental apartment buildings. This means that Finance's value estimate is not based on sale prices of the individual condominium units, but rather on an estimate of the rent that would be charged for the units in the cooperative and/or condominium building if the units were rental apartments.

Conciliation of the three methods of appraisal results in the following estimates of fair market value of the property:

Tax year 2020/21 – approximately $14,000,000
Tax year 2021/22 – approximately $20,000,000

For purposes of taxation, Finance divides real property into four tax classifications. Tax Class 1 includes most residential property of up to three units, vacant land that is zoned for residential use, and most condominium buildings that are not more than three stories. Tax Class 2 includes all other property that is primarily residential, such as apartment buildings, cooperatives and condominiums. Tax Class 3 includes property with equipment owned by a gas, telephone or electric company. Tax Class 4 includes all commercial and industrial property, such as office or factory buildings. Upon completion of construction the subject premises will be classified as Class 2.

At the present time, the Department of Finance assesses property in Class 2 at 45 percent of its market value. Therefore, the actual assessed values for the subject property are projected to be $6,300,000 for tax year 2020/21 and $9,000,000 for 2021/22.

Tax Year 2020/21

Market Value =	$14,000,000
Assessment Ratio =	X 45%
Actual Assessed Value =	*$6,300,000*

Based on our projected assessed values and the current Tax Class 2 tax rate of 12.719%, the real estate taxes for the subject property will be approximately $801,297 for tax year 2020/21.

Tax Year 2020/21

Assessed Value =	$6,300,000
Class 2 Tax Rate =	X 12.719%
Projected Taxes =	*$801,297*

Tax Year 2021/22

Market Value =	$20,000,000
Assessment Ratio =	X 45%
Actual Assessed Value =	*$9,000,000*

Based on our projected assessed values and the current Tax Class 2 tax rate of 12.719%, the real estate taxes for the subject property will be approximately $1,144,710 for tax year 2021/22.

Tax Year 2021/22

Assessed Value =	$9,000,000
Class 2 Tax Rate =	X 12.719%
Projected Taxes =	*$1,144,710*

Since the estimated first year of operation is January 1, 2021 through December 31, 2021, the taxes payable for the first half of the year will be half of the 2020/21 taxes and the taxes payable for the second half of the year will be half of the 2021/22 taxes. We estimate taxes for the first year of condominium operations to be approximately $973,003.

The projected real estate taxes contained herein are a good faith estimate, but are in no way a representation or warranty of what the actual assessed values or real estate taxes will be. It is not possible to estimate with any degree of certainty the actual taxes to be levied against a property, and therefore it is likely that the taxes will be substantially

lesser or greater than estimated herein. Our firm assumes no liability as a result of any differences between our projections and the actual taxes levied.

We consent to the inclusion of this letter in the offering plan.

Very truly yours,

Boris Saks, Esq. PLLC

By: _____

Z. WORKING CAPITAL FUND AND APPORTIONMENTS; RESERVE FUND

The Purchaser of each Residential Unit shall be required to make a contribution at the Closing of his Unit(s) to the working capital fund of the Building (the "Working Capital Fund"). Such contribution shall be in an amount equal to one (1) month's Common Charges in effect for such Unit(s).

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

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

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

(3) charges for electricity and other utilities for the General and Limited Common Elements;

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

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

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

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

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

(9) management fees; and

(10) other customary adjustments.

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

The Working Capital Fund will be held and used for the items described in 1-10 above, and to pay for repairs and replacements to the Residential Common Elements for the cost of repairs and replacements to the General Common Elements and may be augmented by allocations from the monthly Common Charges collected from each Residential Unit. While Sponsor controls the Condominium Board (see the Section entitled "Control By Sponsor"), the Working Capital Fund

will not be used to reduce estimated Common Charges.

No representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges or Common Charges attributable to Unsold Residential Units.

In the event that capital expenditures for renewal or replacement of Building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, a Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws each Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

Reserve Contribution

Pursuant to a Reserve Study, a reserve is being established for the Condominium for the renewal or replacement of building components or systems or the remedy of major building defects. The Reserve Contribution is provided to conform with Fannie Mae requirements of 10% of the annual operating budget or an amount based upon a property condition assessment and property condition report (the "Reserve Study") be set aside as a reserve for replacement. There is a Reserve Contribution line item in the Budget. In addition, the Purchaser of each Unit shall be required to make a contribution at the Closing to the Reserve Contribution in an amount equal to one (1) times the monthly Common Charges due with respect to such Unit as of the Closing. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may, in its discretion, decide in future years to increase or decrease the Reserve Contribution line item in the Condominium's Annual Budget or pay for necessary repairs or capital items to the Limited Common Elements by special assessment or by increasing Common Charges.

While the Sponsor is in control of the Board, Sponsor will not use Reserve Contribution monies to reduce common charges. Since the Building is being newly constructed, it is anticipated that the Reserve Contribution as it accumulates will be sufficient to pay for the replacement of any capital items likely to be needed within the first five (5) years of Condominium operation.

No representation or warranty is made that the Reserve Contribution will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium Operation.

Neither the Department of Law nor any government agency has passed upon the adequacy of the Reserve Contribution.

AA. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

1. Management Agreement

The Condominium Board will enter into a management agreement with FirstService Residential of New York,, a company organized under the Laws of the State of New York, and having a New York address at 622 Third Avenue, New York, New York 10017, as the Managing Agent. The principals of the Managing Agent are not affiliated with Sponsor or its principals.

The management agreement provides for a term of one (1) year, subject to the right of either party to cancel at the end of any calendar month upon not less than sixty (60) days prior written notice, with or without cause. The management agreement is not assignable by either party.

The Managing Agent will receive an annual fee of $50,000 payable in equal monthly installments of $4,166.67 for the first year, subject to a 4% increase per annum compounded. The Board shall also reimburse the Managing Agent for expenses incurred at the Managing Agent's office such as postage, photocopying, long distance telephone calls, payment envelopes, facsimiles, etc. In addition, the Managing Agent shall receive the following per Unit payments for the preparation , distribution and processing of the following required forms and filings: (i) $6.00 per Unit for Window Guard Compliance; (ii) $12.00 per Unit for Lead-Based Paint Compliance; (iii) $11.00 per Unit for Fire Safety Plans; (iii) and $8.00 per Unit for tax abatement credits.

In addition to the compensation paid to the Managing Agent by the Board, the Managing Agent shall be entitled to receive the following compensation from Unit Owners for the Managing Agent's services rendered to Unit Owners:

(1) For the Processing of Purchase and Lease Applications. Managing Agent may charge the Unit Owners who make an application to lease their Units or sell their Units or the applicant(s) a processing fee in the amount of $750, which fee may be increased to cover the costs of additional or special consumer reports in the event they are required and photocopy and messenger costs, if any. In the event that Managing Agent attends a closing on the sale of each Unit, an additional fee of $250.00 may be charged.

(2) For Coordination and Assistance with Financing or Refinancing. Managing Agent to charge Unit Owners who finance or refinance their Unit or purchasers obtaining financing on acquisition, a fee of $300.00 for Agent's coordination and assistance with a Unit Owner's financing or refinancing of its mortgage(s).

(3) For Processing of Lease Renewals. Agent to charge Unit Owners who make an application to renew or extend leases with the same tenant, a processing fee of $300.00.

(4) For Assisting with Unit Owner Alterations. Managing Agent shall accept applications from Unit Owners who desire to make alterations to their Units. Managing Agent shall submit such applications to the Board and assist the Unit Owner and the Board with the application and all approved alterations pursuant

to the requirements set forth in the Condominium Documents. Managing Agent shall charge Unit owner: a) $400.00 for all regular alterations; and b) $1,000.00 for all major alterations.

(5) For Assisting with Collections. Agent to charge Unit Owners whose accounts, on a per attorney file basis, are turned over to the Condominium's attorney a fee of $50 for collection and/or when the Board decides to garnish the rent of Units leased by delinquent Unit Owners. In the event that the Agent is required and/or so requested by the Condominium's attorney to appear in court, Agent to charge Unit Owner an additional fee of $85.00 per hour of appearance.

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

(i) Property Management Services. Provide for the operation, maintenance, repair, and cleaning of the Building, to the extent required or authorized under the Declaration and in accordance with the approved budget of the Condominium and the direction of the Board.

(ii) Meetings of Condominium. Prepare and send out all notices of meetings of the Condominium, the Board or the Residential Unit Owners, and such other letters and reports as the Board may request and, when requested, arrange for a suitable meeting place and assist with the preparation of agendas for such meetings. Cause a representative to attend one (1) Board meeting per month, annual meetings and special meetings of the Board and Unit Owners; prepare minutes of such meetings.

(iii) Budgets. Prepare and submit to the Condominium for approval, annual operating budgets for the Condominium.

(iv) Collections. Distribute invoices and take all other actions necessary to bill and collect all common charges, assessments and other amounts due and payable by the Residential Unit Owners.

(v) Personnel. Provide routine supervision of all persons necessary to be employed in order to properly maintain and operate the Building.

(vi) Residential Books and Records. Set up and maintain the records and accounts of the Condominium and render monthly statements.

(vii) Tax Certiorari. Cooperate with tax certiorari attorneys.

(viii) Entering into Contracts. The Managing Agent shall, on behalf and in the name of the Condominium (and at the expense of the Condominium), enter into contracts with third parties for the provision or performance of electricity, gas, steam, air-conditioning, water, elevator, telephone, window cleaning, trash removal, fuel oil, security services, extermination, other normal or essential services or such items or services that are advisable. Notwithstanding the foregoing, the Managing Agent shall not enter into any

contracts for a term longer than one year or requiring annual payments in excess of 5,000.00 unless it is authorized by the Board or part of a previously approved operating budget or capital budget of the Board.

(ix) Compliance with Laws. Recommend and, with the approval of the Board, take such action as may be necessary to comply with any and all orders, violations or requirements affecting the Condominium or Building by any federal, state, county, municipal authority or any order of the New York Board of Fire Underwriters, the New York Fire Insurance Exchange or other similar body have jurisdiction.

(x) Insurance. Interact with the Board's insurance agents and brokers for the purchase and/or renewal of insurance policies and in making any claims thereunder.

(xi) Bill Payment. Review all bills received for services, work and supplies ordered in connection with maintaining and operating the Building; and pay all such bills, as and when same shall become due and payable.

(xii) Tax Returns, Forms Etc. Cause to be prepared and filed, for the Condominium, the necessary forms for unemployment insurance, social security taxes, and all other tax forms. Cooperate with accountants in performing annual audits and tax returns. Send out all letters, reports and newsletters as the Board may request.

(xiii) Alteration Requests. Process on behalf of the Condominium requests from the Residential Unit Owners for Board approval, or any duly authorized committee thereof, of any alterations proposed to be made any Residential Unit that require notice to or approval of the Board or any committee thereof under the terms of the Declaration.

(xiv) Residential Moving Coordination. Supervise the moving in and moving out of Residential Unit by Residential Unit Owners (and their tenants), and, as far as reasonably possible, arrange the dates thereof so that there shall be a minimum disturbance to the operation of the Residential Units and of inconvenience to other Residential Unit Owners and tenants. Accept applications and references from all prospective Residential Unit Owners and tenants.

(xv) Condominium Duties. Consider and attend to complains of Unit Owners, lawful tenants, subtenants and occupant. To the extent not addressed in subparagraphs (a) through (n) above, exercise all other powers and perform all other duties that have been assigned to the Condominium under the Declaration as its agent. Without limiting the generality of the foregoing, the Managing Agent shall assist the Board in enforcing its rights and remedies under the Declaration.

The Managing Agent shall not be obligated to make any advance to or for the account of the Board, but in the event that the Managing Agent incurs any liability or obligation for the account of the Board, within its authorized duties, the Board shall reimburse the Managing Agent promptly for any monies that the Managing Agent may elect to advance for the Account of the Board. The Board shall indemnify the Managing Agent against liability for authorized acts arising out of the Management Agreement, excluding acts of gross negligence or willful misconduct.

BB. IDENTITY OF PARTIES

1. Sponsor

Sponsor is 157-161 East 28th Street LLC, a New York limited liability company, formed on October 25, 2017, with an office at 400 Broome Street, 11th Floor, New York, New York 10013.

The sole principal of Sponsor is Mr. Alex Forkosh, having an office address c/o Sponsor. Mr. Forkosh is a real estate developer, owner and operator specializing in residential development in New York City and Florida. Mr. Forkosh has been involved in real estate for more than 30 years.

Mr. Forkosh is a principal of Sponsor of The Sugar Warehouse, located at 79 Laight Street, New York, NY (AG File No. CD01-0127), which was accepted for filing on February 6, 2002. Neither Sponsor nor the principal of Sponsor owns 10% or more of the unsold shares or units in any cooperative, condominium or homeowners association. Mr. Forkosh was also a principal of Sponsor of the following no-action applications: East 69th Street Waterview HOA, located at 2213-2227 East 69th Street, Brooklyn, NY (AG File No. NA03-0097), which was accepted for filing on August 18, 2003; New East 69th Street Properties HOA, Inc., located at 2431-2435-2437-2439-2441 & 2445 East 69th Street, Brooklyn, NY (AG File No. NA05-0206), which was accepted for filing on October 6, 2005; and Strickland Waterview, located at 5923 Strickland Avenue, Brooklyn, NY (AG File No. NA06-0182), which was accepted for filing on December 29, 2006.

There have been no prior felony convictions of Sponsor, or any principal of Sponsor and no prior convictions, injunctions and judgments against Sponsor, or any principal of Sponsor that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan. The same is true for all individuals who own or control a 10 percent or more equity interest in the Sponsor.

2. Attorneys for Sponsor

Sponsor has retained the law firm of Holland & Knight LLP, having an office at 31 West 52nd Street, New York, New York 10019 to represent it in connection with the Plan ("Sponsor's Counsel"). Holland & Knight LLP prepared the Plan, the Declaration, the By-Laws and the forms of Agreement, Residential Unit Deed and Residential Unit Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to purchasers of Residential Units and compliance with Section 339-i of the Real Property Law. Stuart M. Saft, Esq. had principal responsibility for the preparation of the Plan. Holland & Knight LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Unit Closings.

Sponsor has retained Boris Saks, Esq. PLLC, having offices at 1732 East 12th Street, Brooklyn, NY 11229 to represent it in connection with the Real Estate Taxes.

3. Selling Agent

Corcoran Sunshine Marketing Group, with offices at 888 Seventh Avenue, New York, New York 10106, is the Selling Agent retained by the Sponsor in connection with the offering of Residential Units. The Selling Agent is engaged in the brokerage and sale of residential properties

in the New York metropolitan area. The Selling Agent is not affiliated with Sponsor.

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 fifteen (15) years prior to the submission of this Plan.

4. **Sponsor's Architects/Engineers**

The architect for the Building is C3D Architecture PLLC, having an office at 307 Seventh Avenue, New York, New York 10001 which has had extensive experience in residential design and overall planning.

Monsour Engineering ("Monsour") having an office at 421 Seventh Avenue, New York, New York 10001 is the mechanical engineer for the Building. Monsour is a full service consulting engineering firm specializing in mechanical, electrical, plumbing, fire protection, fire alarm and telecommunications design services.

LMW Engineering Group ("LMW") having an office at 2539 Brunswick Avenue, Linden, New Jersey 07036, is the structural engineer for the Building. LMW has designed projects, and performed structural analysis and design for all types of buildings at all project phases.

The architect and engineers are not affiliated with Sponsor.

5. **Sponsor's Budget Expert**

Penmark Property Advisors, LLC ("Penmark") having an office at 1225 Franklin Avenue, Suite 325, Garden City, New York 11530, estimated all amounts of income and expenses in the projected "Budget for First Year of Condominium Operation, Schedule B", in consultation with Sponsor and provided its opinions regarding the adequacy of the Budget, and Sponsor's compliance with Section 339-i of the Real Property Law.

6. **Managing Agent**

FirstService Residential of New York, a company organized under the Laws of the State of New York, and having a New York address at 622 Third Avenue, New York, New York 10017, will be the Managing Agent for the Building. The Managing Agent is not affiliated with Sponsor or its principals.

The Managing Agent has been engaged in the development ownership, operation and management of New York City multifamily residential properties for over twenty years. A list of properties which have been managed by the Managing Agent include: The Plaza Condominium (1 Central Park South), the One Lincoln Square Condominium (150 Columbus A venue, The Devonshire (28 East 10th Street), Philips House (141 East 88th Street), Morton Square Condominium (One Morton Street), The Grand Madison (225 Fifth A venue Condominium), Greenwich Club Condominium (88 Greenwich Street), and the 515 East 72nd Street Condominium (515 East 72nd Street). FirstService Residential manages over 500 properties, 70,000 units, made up of rental, cooperative and condominium ownership.

There have been no prior felony convictions of the Managing Agent or any principals of the Managing Agent and no prior convictions, injunctions and judgments against the Managing Agent, or any principals of the Managing Agent, that occurred within fifteen (15) years prior to the submission of this Plan.

CC. REPORTS TO UNIT OWNERS

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

(1) A certified financial statement of the Condominium prepared by a certified public accountant within 120 days after the end of the Condominium's fiscal year;

(2) Prior written notice of the Annual Meeting of Unit Owners; and

(3) A copy of the proposed annual budget for the Condominium at least 10 days prior to the date set for adoption by the Condominium Board and while the Sponsor is in control of the Condominium Board, such budget shall be certified pursuant to 13 NYCRR §20.4(d).

DD. DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the GBL, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six years all without charge and for copying for a reasonable charge. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

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

EE. GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Agreement, form of Residential Unit Deed, form of Residential Unit Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

Under applicable federal and local Law, leaded paint can no longer be used in the construction of the Building.

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

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

Sponsor reserves the right, from time to time prior to the First Closing, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel an Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised not less than 15 days from the date of presentation of said amendment. Sponsor shall promptly return any Option Payment, together with any interest thereon, to Purchasers who rescind, except that Sponsor shall retain the Option Payment (and any interest thereon) of any Purchaser who is in default under the Agreement beyond any applicable grace period.

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

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

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

The Property and the Buildings have not been the subject of any prior public offerings.

No cooperative interest in realty or condominium unit has been offered for sale and no reservations, binding or non-binding, will be made until this Plan has been accepted for filing by the Department of Law. No deposits will be accepted by Sponsor until this Plan has been accepted for filing by the Department of Law.

No Units offered in the Building are occupied by residential tenants as of the date of submission of the Plan to the Department of Law.

FF. DEVELOPMENT RIGHTS

All excess Development Rights otherwise appurtenant to the Property and not used in connection with the Building as described in this Plan as of the recordation of the Declaration will be conveyed to the Sponsor or its assignee (the "Development Rights Owner"). As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by the Development Rights Owner, the Development Rights Owner may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Development Rights reserved by the Development Rights Owner will not be used to add additional floors to the top of the Building. The Development Rights reserved by the Development Rights Owner may be used in the case of a sale or transfer for use in connection with other properties. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected.

GG. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth as Exhibit 6 in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property.

PART II

HILLROSE 28 CONDOMINIUM

157-161 EAST 28TH STREET

NEW YORK, NEW YORK 10016

PART II

TABLE OF CONTENTS

Exhibit 1	AGREEMENT
Exhibit 2	FORM W-9
Exhibit 3	FORM W-8
Exhibit 4	POWER OF ATTORNEY
Exhibit 5	FORM OF UNIT DEED
Exhibit 6	DESCRIPTION OF PROPERTY
Exhibit 7	FLOOR PLANS
Exhibit 8	DECLARATION OF CONDOMINIUM
Exhibit 9	CONDOMINIUM BY-LAWS
Exhibit 10	INTERIM OCCUPANCY AGREEMENT
Exhibit 11	STORAGE BIN LICENSE PURCHASE AGREEMENT
Exhibit 12	STORAGE BIN LICENSE AGREEMENT
Exhibit 13	CERTIFICATION OF SPONSOR AND PRINCIPALS
Exhibit 14	CERTIFICATION OF SPONSOR'S ARCHITECT
Exhibit 15	CERTIFICATION OF SPONSOR'S BUDGET EXPERT

EXHIBIT "1"

AGREEMENT

AGREEMENT

157-161 EAST 28TH STREET, LLC

Sponsor-Seller

TO

_____

Purchaser

UNIT NUMBER _____

HILLROSE 28 CONDOMINIUM
157-161 EAST 28TH STREET
NEW YORK, NEW YORK 10016

TABLE OF CONTENTS

Page

Introduction

1. The Plan. 1
2. The Unit. 1
3. The Agreement. 1
4. Purchase Price. 2
5. Agreement Not Contingent Upon Financing. 3
6. Closing Of Title. 3
7. Delivery Of The Deed And Residential Unit Power Of Attorney. 4
8. Marketable Title. 6
9. Closing Adjustments. 7
10. Mortgage Tax Credit. 8
11. Closing Costs And Transfer Taxes. 8
12. Option Payment. 9
13. Dispute Resolution. 13
14. Agreement Subject To Mortgage. 14
15. Default By Purchaser. 15
16. Closing Contingent Upon Plan Being Declared Effective. 17
17. Withdrawal Or Abandonment Of Plan. 17
18. Sponsor's Inability To Convey The Units. 17
19. Fixtures, Appliances And Personal Property. 18
20. Acceptance Of Condition Of Property. 18
21. Damage To The Unit. 19
22. No Representations. 20
23. Prohibition Against Sales Or Advertising, Selling Or Leasing. 20
24. Broker. 21
25. Agreement May Not Be Assigned. 21
26. Binding Effect. 22
27. Notices. 22
28. Joint Purchasers. 23
29. Purchaser's Representations. 23
30. Waiver Of Diplomatic Or Sovereign Immunity. 24
31. Section 1031 Exchange. 26
32. Performance By And Liability Of Sponsor. 26
33. Further Assurances. 27
34. Costs Of Enforcing And Defending Agreement. 27
35. Severability. 27
36. Strict Compliance. 27
37. Governing Law. 27
38. Waiver Of Jury. 28
39. Entire Agreement. 28
40. Certain References. 28
41. No Recording. 28
42. Captions. 28
43. Rule Of Construction. 28

44. Successors And Assigns. 28
45. No Oral Changes. 28
46. Amendments To The Plan. 28
47. Confidentiality. 29
48. Counterparts. 29
49. Lis Pendens. 29
50. Option Agreement. 29
51. Statute Of Limitations. 30
52. Certification Of Sponsor And Principal. 30
53. Mold. 30
54. Financial Crimes Enforcement Network Disclosure. 30
55. Sponsor's Rights If Purchaser Elects Not To Exercise Option Or Does Not Remain In Compliance With This Agreement. 31
56. Binding Effect Of Plan, Declaration, By-Laws And Rules And Regulations. 32
57. Smoking Policy. 32

UNIT NUMBER(S)_____

HILLROSE 28 CONDOMINIUM
157-161 EAST 28TH STREET
NEW YORK, NEW YORK 10016

(TO BE EXECUTED IN QUADRUPLICATE)

AGREEMENT

AGREEMENT (the "Agreement"), made as of _____, 20__, between 157-161 East 28th Street, LLC, a New York limited liability company, having an office c/o Coral Realty, 400 Broome Street, 11th Floor, New York, New York 10013 ("Sponsor"), and _____, having an address at _____ ("Purchaser").

W I T N E S S E T H:

1. THE PLAN. Purchaser acknowledges having received and read a copy of the Offering Plan for HILLROSE 28 Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least three (3) days prior to Purchaser's signing this Agreement. If Purchaser has not received the Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as amendments to the Plan duly filed by Sponsor. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

2. THE UNIT. Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit(s) ("Unit"), together with the percentage of undivided interest in the Common Elements of the Condominium appurtenant thereto.

3. THE AGREEMENT.

3.1 This Agreement is a combination Option Agreement and Purchase Agreement. By executing this Agreement, Sponsor is hereby granting Purchaser an option to purchase the Unit for the Purchase Price described in paragraph 4.1 (the "Option"). The payment for the Option may be in two installments; a First Installment and a Second Installment described in 4.1(a) and (b) (referred to individually, as an "Option Payment" and collectively, as the "Option Payments"). The Option Payments are in payment of the Option and are nonrefundable regardless of whether or not the Purchaser exercises the Option,

except as otherwise specifically provided in the Plan. At least thirty (30) days prior to the Closing Date for the purchase of the Unit (the "Closing Notice"), Sponsor shall give Purchaser written notice that Purchaser shall have the right to close the acquisition of the Unit within fifteen (15) calendar days after the date of the Closing Notice (the "Notice Period"). During the Notice Period, Purchaser is either closing or terminating the Agreement by sending Sponsor written notice. Purchaser's failure to respond within the Notice Period shall be deemed to mean that Purchaser will proceed to purchase the Unit.

3.2 In the event that a) the Purchaser elects to close (or fails to respond during the Notice Period), the Closing of the Purchaser's acquisition of the Unit shall proceed and the Option Payments shall be applied toward the Purchase Price pursuant to the terms of this Agreement, or b) (i) the Purchaser notifies the Sponsor during the Notice Period that Purchaser is not exercising the Option and closing, the Option Payments shall be retained by the Sponsor as payment for the Option, (ii) the Purchaser shall have no further obligation under this Agreement, and (iii) Sponsor and Purchaser shall be deemed to have waived any claims against the other arising from this Agreement or the purchase of the Unit. Notwithstanding anything contained herein to the contrary, the Option Payment shall not be refundable, except as specifically provided in the Plan. The characterization of the agreement as an Option Agreement should have no effect on Purchaser's ability to obtain financing. After the Option Agreement is executed by Sponsor and Purchaser, Sponsor may not enter into any other Option Agreement or Purchase Agreement with respect to the subject Unit with any other party, unless this Option Agreement is terminated pursuant to its terms.

4. PURCHASE PRICE.

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

The Purchase Price is payable as follows:

(a) An Option Payment of $_____ [an amount that is at least 10% of the Purchase Price unless the purchaser is a foreign government or a person with a diplomatic immunity in which event the Option Payment is 50%] (the "First Installment"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged and, applied to the Purchase Price, if Purchaser exercises the Option to purchase the Unit or fails to provide notice of Purchaser's exercise of the Option during the Notice Period;

(b) An Option Payment of $_____ [an amount that with the First Installment equals at least 15% of the Purchase Price (the "Second Installment"; the term "Option Payment", as used herein, refers to both the First Installment and, if the same has been paid at the time in question, the Second Installment")], due on the earlier of six (6) months after the execution of this Agreement or thirty (30) days after Sponsor serves Purchaser with

written notice of an amendment to the Offering Plan declaring the same effective, by check (subject to collection). [This paragraph is inapplicable to foreign governments or persons with diplomatic immunity.] Purchase Agreements entered into after sending notification that the Offering Plan has been declared effective may require the First Installment and Second Installment be paid simultaneously. If the Purchaser exercises the Option to purchase the Unit or fails to provide notice of Purchaser's exercise of the Option during the Notice Period, the Second Installment shall be applied to the Purchase Price; and

(c) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check or, at Sponsor's option, by wire transfer payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the First Installment and the Second Installment shall be made payable to "Holland & Knight LLP, Escrow Agent". Checks for the balance of the Purchase Price shall be made payable to the direct order of "157-161 East 28th Street, LLC" or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for the collection of the Option Payment as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 15 hereof.

5. AGREEMENT NOT CONTINGENT UPON FINANCING. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) and Purchaser understands and agrees that the Purchaser's failure to obtain such financing will not relieve the Purchaser of the Purchaser's obligations hereunder. Purchaser further understands and agrees that if the Purchaser chooses to finance the Purchaser's purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in the Purchaser's financial status or condition shall release or relieve the Purchaser of the Purchaser's obligations pursuant to this Agreement.

6. CLOSING OF TITLE.

6.1 The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior written notice. In the event this Agreement is executed prior to the Plan being declared effective, the Closing shall not occur until at least thirty (30) days' notice is provided after the Plan is declared effective. Notwithstanding

the foregoing, Purchaser may waive such prior notice period. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing the additional fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title, if Sponsor adjourns the closing, the time for Purchaser to close shall be increased by the number of days that Sponsor postponed the closing.

6.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

6.3 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

6.4 Sponsor has projected that, based upon currently anticipated schedules, construction of the Building will be sufficiently completed to permit closings of Units to begin on approximately January 1, 2021 (the "Estimated First Closing Date"). The actual date for the First Closing is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with other prerequisites described in the Plan. Purchaser acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of the Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor. Sponsor is not subject to damages and Purchaser has no basis to refuse to close or hold Sponsor liable if the First Closing is before or after the Estimated First Closing Date.

7. DELIVERY OF THE DEED AND RESIDENTIAL UNIT POWER OF ATTORNEY.

7.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York

City Real Property Transfer Tax return and any other forms then required by Law, all of which shall be prepared by Sponsor.

7.2 Purchaser shall provide to Sponsor, at least five (5) business days prior to Closing, an Indemnity Agreement substantially in the form annexed hereto as Exhibit A or in such other form as may be acceptable to Sponsor (the "Title Agreement"), in its sole discretion, wherein Purchaser's title underwriter agrees to (x) timely submit the Unit Deed, all New York State and New York City real property transfer tax forms, including the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" ("transfer taxes") and checks for payment of such transfer taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser in connection herewith; and (y) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's abstract company) fails to file such Unit Deed and transfer tax forms and remit the payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency.

In the event the Title Agreement is not delivered as set forth above, (x) Purchaser will indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such Unit Deed and transfer tax forms and remit payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency; and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. This Section is applicable even if Purchaser elects to use First American Title Insurance Company. Section 7.2 shall survive Closing.

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

7.4 The deed and power of attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Managing Agent.

7.5 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably

request in order to comply with IRS §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

8. MARKETABLE TITLE.

8.1 Purchaser shall order a title report within ten (10) days of receiving a fully executed Agreement and Purchaser must deliver any title objections to Sponsor's attorney at least twenty (20) days prior to the Closing or any such objections shall be deemed waived. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to or waived by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) a licensed title insurance company or First American Title Insurance Company, having an address at 633 Third Avenue, New York, New York 10021 (Tel: (212) 850-0649) (the "Title Company"), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8.2 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to the title company, together with the recording or filing fee; or (b) Purchaser's title company will insure Purchaser, at the title company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and a licensed title insurance company or Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium).

8.3 Sponsor shall be entitled to adjourn the closing to remove or correct and defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the Closing, then, for purposes of Article 15 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as having been requested by Purchaser.

8.4 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's Title Company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 8.4 shall survive the closing of title or the termination of this Agreement.

9. CLOSING ADJUSTMENTS.

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Residential Common Charges for the month in which title closes; and

(c) accrued rent and any other charges pursuant to an Interim Occupancy Agreement, if any, covering the Unit.

9.2 If a Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit.

9.3 Purchaser and Sponsor hereby agree that, if Purchaser or Sponsor obtain a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

9.4 The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

9.5 Any errors or omissions in computing adjustments shall be corrected and payment made to the proper party after discovery. The provisions of this subsection shall survive the Closing.

9.6 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 8 above, and title thereafter closes, then:

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) Purchaser shall pay Sponsor interest at the rate of 0.04% per day (or such lower rate per day which is the legal limit, if 0.04% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title on the rescheduled Closing Date.

10. MORTGAGE TAX CREDIT. In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at Closing, 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. Sponsor at Closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

11. CLOSING COSTS AND TRANSFER TAXES.

11.1 In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

11.2 At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the New York State Real Estate Transfer Tax Return ("NYS Tax Form"), or such other forms as may then be required by Law. The RPT Form and NYS Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11.3 Purchaser shall pay all New York City Real Property Transfer Taxes and New York State Real Estate Transfer Taxes (and, if applicable, the so-called "mansion

tax"), and any other real property transfer tax due to the City or State of New York and the cost of any stock transfer stamps. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Article and to indemnify Sponsor as herein provided shall survive the closing or the termination of this Agreement.

12. OPTION PAYMENT. The Option Payment made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law and Sections 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Any Option Payment received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled "Procedure to Purchase" set forth in Part I of the Plan and as set forth in this section below. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Option Payment to Sponsor in the event Sponsor and Purchaser close title under this Agreement. Sponsor is required by Law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Option Payment, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this paragraph.

12.1 The law firm of Holland & Knight LLP, with an address at 31 W. 52nd Street, New York, New York, telephone number (212) 513-3200, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Neither Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

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

12.3 The Escrow Agent has established a master escrow account at JP Morgan Chase (the "Bank") at its branch located at 270 Park Avenue, New York, New York, a bank authorized to do business in the State of New York. The master escrow account is entitled "Holland & Knight LLP - HILLROSE 28 Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Option Payments will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Option Payment and the Purchase Agreement. If an Option Payment is accompanied by a completed and signed Form W-9 or Form

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

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

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

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

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

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

(c) in a final arbitration decision by JAMS.

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

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

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

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

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

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

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

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

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

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

12.17 Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, and deliver such form to Escrow Agent together with the Option Payment and this Agreement. Failure to receive a completed and signed Form W-9 or W-8, as applicable, at the time the Escrow Agent receives the Option Payment and this Agreement, shall not prevent the consummation of this Agreement. Within five (5) days following receipt of the Form W-9 or W-8, as applicable, the Option Payment will be transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser, and within ten (10) days following receipt of the Form W-9 or W-8, as applicable, Escrow Agent shall notify Purchaser of the deposit of the Option Payment into the individual interest bearing sub-escrow savings account.

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

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

13. DISPUTE RESOLUTION.

13.1 Any dispute, claim or controversy between Sponsor and Purchaser (Sponsor and Purchaser, individually, a "Party", collectively, the "Parties") arising out of or relating to this Agreement or the Payments shall be determined by arbitration in JAMS Headquarters, currently located at 620 Eighth Avenue, New York, New York, before one (1) arbitrator. Except as otherwise noted in this Agreement and/or the Plan, the arbitration shall be administered by JAMS pursuant to JAMS' Streamlined Arbitration Rules and Procedure. Judgment on any award issued by the Arbitrator may be entered in any court having jurisdiction.

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

13.3 The Parties shall bear the costs of their own expenses and witness preparation. The Parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. The Arbitrator shall award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing Party shall be reimbursed for their share of the JAMS administrative expenses.

13.4 Pursuant to New York Civil Practice Law and Rules ("CPLR") §7511, Escrow Agent shall not release the Option Payments from escrow until at least ninety (90) days after issuance of the Award. During that 90-day period Purchaser may bring

an action pursuant to CPLR §7511 to vacate or modify the Award. During such interim period no statutory interest will accrue (or be deemed to have accrued) on the Option Payments. Escrow Agent shall continue to hold the Option Payments in escrow until otherwise directed by a final, non-appealable judgment or order of a court of competent jurisdiction directing the disposition of such funds.

13.5 The Parties shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by Law or judicial decision.

13.6 The Award shall be final and binding upon the parties. Any motion to confirm or vacate the Award must be filed in a federal or state court located in the City, County and State of New York. Purchaser shall be liable for all legal fees and disbursements and out-of-pocket expenses incurred by Sponsor in defending or enforcing Sponsor's rights under this Agreement pursuant to Arbitration in the event Sponsor prevails in defending or enforcing Sponsor's rights. In addition, Purchaser shall pay the fees and disbursements of the Arbitrator and all other costs associated with Arbitration in accordance with JAMS' fee schedule in effect at the time of the commencement of Expedited Arbitration.

13.7 If the party, who lost the arbitration, is not successful on appeal, that party shall reimburse the other party for all of its fees and expenses including legal fees in appealing the arbitration decision.

13.8 This Section 13 shall survive the closing of title and the delivery of the Deed.

14. AGREEMENT SUBJECT TO MORTGAGE. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any

claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

15. DEFAULT BY PURCHASER.

15.1 The following shall constitute "Events of Default" hereunder:

(a) Purchaser's failure to pay the First Installment or Second Installment, if required, when due, or the balance of the Purchase Price or any closing apportionments or closing costs on the Closing Date designated by Sponsor; or

(b) Purchaser's failure to duly complete and sign before a notary public and deliver on the Closing Date the New York State and City transfer tax returns; or

(c) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(d) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

(e) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(f) If a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(g) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(h) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(i) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(j) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser.

15.2 TIME IS OF THE ESSENCE with regard to Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of Purchaser's other obligations hereunder,

Sponsor shall give written notice to Purchaser of such default. If such default shall not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

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

15.4 Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by Purchaser hereunder, and that the Option Payment (including all interest) shall constitute and shall be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. The payment of the Option Payment (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. In addition to the foregoing, Purchaser shall also reimburse Sponsor for the cost of removing any changes made to the Unit at Purchaser's request and restoring the Unit to the condition described in the Offering Plan.

15.5 NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THE AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE OPTION PAYMENT IN THE EVENT OF A PURCHASER DEFAULT. SUCH

PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

16. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE. The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). Purchasers shall be required to cooperate with the NYS Department of Law, Real Estate Financing Bureau's procedures relating to the Plan being declared effective. The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time limits prescribed in the Plan. Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

17. WITHDRAWAL OR ABANDONMENT OF PLAN. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in Part I of the Plan. Provided Purchaser is not then in default under this Agreement beyond any applicable grace period, if the Plan is withdrawn or abandoned or Sponsor elects not to declare the Plan effective or if after being declared effective the Plan will not be consummated for any reason, this Agreement shall be deemed canceled and, not later than ten (10) days thereafter, Sponsor shall return to Purchaser the Option Payment paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section entitled "Effective Date" in Part I of the Plan. After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent or Escrow Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

18. SPONSOR'S INABILITY TO CONVEY THE UNITS.

18.1 If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty

(30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, and, upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

18.2 Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

19. FIXTURES, APPLIANCES AND PERSONAL PROPERTY. Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor in its possession which relate to appliances, equipment or fixtures located in the Unit.

20. ACCEPTANCE OF CONDITION OF PROPERTY. Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) minor details of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit. Purchaser acknowledges that while the Building or the Unit are undergoing construction, it is dangerous and there is a great deal of activity in order to complete the Building and the Unit as expeditiously as possible. Accordingly, neither the Purchaser nor the Purchaser's advisors or consultants will be granted access to the Building or the Unit. Purchaser shall have a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's representative prior to the Closing. Purchaser shall carefully inspect the Unit prior to the closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the closing of title, but all such obligations to complete work in the Unit shall cease once the work has been completed. Sponsor

shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a temporary or final certificate of occupancy covering the Unit. Purchaser shall provide written notice that he or she wishes to inspect the Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. If Purchaser fails to inspect such Unit prior to the Closing, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Except as expressly provided in this Agreement or the Plan, including but not limited to subparagraph (1) of the subsection entitled "Sponsor's Obligations with Respect to the Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property.

Except as otherwise set forth in the Offering Plan, Sponsor will not be obligated to correct, and will not be liable to any Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

Notwithstanding the foregoing, prior to Closing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces.

21. DAMAGE TO THE UNIT. If between the date of this Agreement and the closing of title the Unit is damaged by fire or other casualty, the following shall apply:

21.1 The risk of loss to the Unit by fire or other casualty is assumed by Sponsor until the earlier of closing of title or possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit within two (2) months after the date of the occurrence of such fire or casualty, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

21.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed canceled and of no further force and effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, within thirty (30) days' notice of

such election, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

22. NO REPRESENTATIONS. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent, Sponsor's attorneys, Escrow Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Residential or General Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on his own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. Purchaser agrees that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 22 shall survive the closing of title or the termination of this Agreement.

23. PROHIBITION AGAINST SALES OR ADVERTISING, SELLING OR LEASING. Purchaser hereby covenants and agrees that it shall not, (a) prior to Purchaser's acquisition of the Unit sell the Unit, lease the Unit, list the Unit for sale or resale or lease with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale or lease and (b) for a period of twelve (12) months after the acquisition of the Unit, sell or lease the Unit without Sponsor's written approval. In the event Purchaser sells the Unit within twelve (12) months of purchasing it, Sponsor shall receive the proceeds of the sale in excess of the Purchaser's Purchase Price for the Unit. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall be an Event of Default hereunder, entitling Sponsor to the remedies set forth in Article 15 hereof and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. Notwithstanding the foregoing, if Purchaser is purchasing a Unit which is occupied by a tenant at the time of Purchaser's acquisition of the Unit, the aforementioned prohibition on leasing shall, in all events, be subject to any rights of such Non-Purchasing Tenant to remain in occupancy of the Unit in accordance with the terms of this Agreement, the Plan and applicable Legal Requirements. The provisions of this Article 23 shall survive the closing of title or the termination of this Agreement.

24. BROKER. Purchaser represents to Sponsor that Sponsor, Sponsor's Selling Agent and __ _____ are the only brokers or sales agents with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by said broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the aforementioned brokers, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article 24 shall survive the closing of title.

25. AGREEMENT MAY NOT BE ASSIGNED.

25.1 Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall be required to pay Sponsor's reasonable attorneys' fees in advance, for preparation of an assignment agreement and otherwise comply with the Section of the Plan entitled "Assignment of Purchase Agreements".

25.2 Notwithstanding the provisions of Section 25.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all the Purchaser's rights under this Agreement to a Purchaser affiliate or to member(s) of Purchaser's immediate family. For purposes of this Section 25.2 only: (i) "Purchaser affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing controlled by or under common control with Purchaser; (ii) "immediate family" means Purchaser's spouse, domestic partner, children, parents, grandchildren, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and distribution of its profits.

25.3 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

25.4 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions,

prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of 49% or less of the stock, or in the case of a partnership, limited liability company, trust or other entity, 49% or less than of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

25.5 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), and three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification), Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), or other appropriate Form W-8, as applicable, in the form required by Law. Upon each assignment or other change permitted by Sponsor (it its sole discretion), the assignments, affidavits and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000 made payable to Holland & Knight LLP (for services rendered in connection with the assignment), not less than five (5) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser's Unit as set forth in Article 23 above and in the Plan will remain in effect.

26. BINDING EFFECT. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within thirty (30) days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the Option Payment paid on the execution hereof shall be promptly returned to Purchaser. If Purchaser has not received the Plan and all amendments thereto at least three full (3) days prior to Purchaser's signing this Agreement, the Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement.

27. NOTICES.

27.1 Any notice, request, letter, consent or other communication hereunder or under the Plan shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Holland & Knight LLP, 31 West 52nd Street, New York, New York 10019, Attn: _____, in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication.

27.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel (Holland & Knight LLP) as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

28. JOINT PURCHASERS. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

29. PURCHASER'S REPRESENTATIONS.

29.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Option Payment represents Purchaser's own funds and that no other party (other than Purchaser or Seller, as provided herein) has any right or claim to all or any portion of the Option Payment.

29.2 Purchaser is not now, nor shall it be at any time prior to or at the Closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the Laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States Law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") including those executive orders and lists published by OFAC with respect to

Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser not any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States Law, regulation, executive orders and lists published by the OFAC or otherwise.

29.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable Law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States Law nor, to the extent such funds originate outside the United States, do not violate the Laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States Law and to the extent such funds originate outside the United States, under the Laws of the jurisdiction in which they originated. Purchaser is, and will at Closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C 5312 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as Laws relating to prevention and detection of money laundering in 18 U.S.C Sections 1956 and 1957.

29.4 The provisions of this Article shall survive the closing of the title to the Unit or termination of this Agreement.

30. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

30.1 Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

30.2 As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable Law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

30.3 Purchaser irrevocably waives, to the fullest extent permitted by Law, and agrees not to assert, by way of motion, as to a defense or otherwise in any suit, action or proceeding arising, directly or indirectly out of relating to this Agreement brought in the state courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court (ii) any claim that any such suit, action or proceeding has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable Law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

30.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the Laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 30.

30.5 Nothing in this Article 30 shall affect the ability of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

30.6 The provisions of this Article 30 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.

30.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

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

31. SECTION 1031 EXCHANGE. Sponsor hereby acknowledges that the acquisition of the Unit hereunder may be in connection with a tax deferred exchange under §1031 of the Internal Revenue Code and that Purchaser may be assigning all of its rights and obligations hereunder to a qualified intermediary as part of, and in furtherance of, such tax deferred exchange. Sponsor hereby agrees to reasonably assist and cooperate in such tax deferred exchange, provided, however, that: (i) any action taken in connection with such tax deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction contemplated by this Agreement (and, among other things, Purchaser acknowledges that a fee shall be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Sponsor in connection with or related to such tax deferred exchange or cooperation on the part of Sponsor in connection with or related to said tax deferred exchange will frustrate the purpose of this Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under this Agreement or increase any of Sponsor's obligations or duties under this Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of any tax deferred exchange, to convey any property (other than the Unit), acquire any property, or accept any form of payment in respect of the amounts due hereunder other than as set forth herein. Purchaser shall indemnify and shall hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees) or liabilities incurred by Sponsor in connection with or resulting from the said tax deferred exchange, and such indemnity shall survive the closing of title or the termination of this Agreement. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of the Unit.

32. PERFORMANCE BY AND LIABILITY OF SPONSOR.

32.1 Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

32.2 Purchaser agrees that Sponsor may cancel this Agreement by forwarding Sponsor's check in the full amount of the Option Payments paid by Purchaser together with interest earned thereon, if any, together with a written termination notice, in the event that (i) any governmental bureau, department or subdivision thereof (x) imposes restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restrictions prevent Sponsor from obtaining such materials from Sponsor's regular suppliers or from using them in the construction and/or completion of the Residential Unit or (y) revokes or modifies any building permit on audit (not due to any violation thereof or default thereunder by Sponsor) and as a result of such revocation or modification Sponsor is unable to construct the Building as

contemplated in the Offering Plan, or (ii) Sponsor is unable to obtain materials from Sponsor's usual sources due to events beyond sponsor's reasonable control.

Sponsor's liability under this Agreement for failure to deliver the Deed for any reason, other than Sponsor's willful failure to do so, shall be limited to the return of Purchaser's Option Payments paid hereunder, together with interest earned thereon, if any. Upon the return of Purchaser's Option Payment, together with interest earned thereon, if any, this Agreement shall be null and void and Purchaser and Sponsor will be released from any and all liability to each other and to Selling Agent. In any event, Sponsor shall not be required to bring any action or proceeding or otherwise incur any expense to render title to the Shares marketable or to cure any objection to title, except as may be set forth in the Plan.

If Sponsor delays or adjourns the closing for the purpose of curing defects or otherwise, Sponsor shall not be liable for the costs, if any, that Purchaser incurs as a result of the delay or adjournment.

33. FURTHER ASSURANCES. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

34. COSTS OF ENFORCING AND DEFENDING AGREEMENT. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements 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, if Sponsor is deemed the prevailing party in any such dispute.

35. 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.

36. STRICT COMPLIANCE. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

37. GOVERNING LAW. The provisions of this Agreement shall be governed by and construed in accordance with the internal Laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of laws. Subject to the provisions of Section 12.20 of this Agreement, Purchaser hereby grants jurisdiction to the Supreme Court of the State of New York in New

York County and the United States District Court for the Southern District of New York for all disputes relating to the Condominium including this Purchase Agreement.

38. WAIVER OF JURY. Except as prohibited by Law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. The provisions of this Article shall survive closing of title or the termination of this Agreement.

39. ENTIRE AGREEMENT. This Agreement supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

40. 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.

41. NO RECORDING. This Agreement nor a memorandum of this Agreement shall be recorded against the Property, the Building or the Unit.

42. 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

43. RULE OF CONSTRUCTION. There shall be no presumption against the draftsman of this Agreement.

44. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and his heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

45. 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.

46. AMENDMENTS TO THE PLAN. Subject to any provision of the Plan to the contrary, if there is a substantial amendment to the Plan that materially and adversely affects Purchaser, Purchaser will have a period of fifteen (15) days from the date of presentation of said amendment within which to rescind this Agreement and, if Purchaser exercises such right of rescission, Sponsor shall return the Option Payment, together with any interest thereon, pursuant to this Agreement within thirty (30) days.

47. CONFIDENTIALITY. Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential, except that Sponsor shall be permitted to disclose that this Agreement has been executed for the Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties respective lawyers, brokers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

48. COUNTERPARTS. This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature shall provide the other party with original counterparts of the signature page promptly after delivery of the facsimile signature page, although the failure to do so shall not invalidate the effectiveness of the facsimile signature.

49. LIS PENDENS. Purchaser waives any right to place a Lis Pendens against the Unit or the Building. In the event of the Sponsor's failure to substantially complete the Unit in accordance with the terms of the Plan and this Agreement, Purchaser's sole remedy shall be the return of Purchaser's Option Payment(s). The Option Payment(s) shall only be returned if Purchaser has complied with the conditions contained in the Plan and this Agreement. Purchaser acknowledges that if Purchaser has not acted in compliance with the foregoing, Purchaser may not have the right to have the Purchaser's Option Payment(s) refunded.

50. OPTION AGREEMENT. The parties acknowledge that, for federal income tax purposes only, this Agreement is sometimes referred to as an "option agreement." This characterization is consistent with Sponsor's intention to treat the Agreement for purposes of applicable provisions of the Internal Revenue Code as similar to an option and to obtain the same tax treatment that the Sponsor would be entitled to under certain proposed treasury regulations that were promulgated by the Internal Revenue Service on August 4, 2008 (the "Proposed Regulation). If this characterization is respected, Sponsor will be able to account for the sale of the Residential Unit for federal income tax purposes in the same manner as it would be able to account for such sale if the Residential Unit had constituted a separate townhouse or other separate dwelling. If the Purchaser does not close on the Agreement, Purchaser will forfeit the Option Payment as liquidated damages. Purchasers should note that Sponsor's characterization of this Agreement is not binding on the Internal Revenue Service ("IRS") which may challenge such characterization. However, even if the IRS were to successfully challenge Sponsor's tax characterization of this Agreement and the Option Payment(s), as described above, there will be no adverse tax or other consequences to Purchaser. The characterization of the agreement as an Option Agreement should have no effect on Purchaser's ability to obtain financing. After the Option Agreement is executed by Sponsor and Purchaser, Sponsor may not enter into any other Option Agreement or Purchase Agreement with respect to the subject Unit with any other party, unless this Option Agreement is terminated pursuant to its terms.

51. STATUTE OF LIMITATIONS. The Option Agreement provides that Purchaser, as Residential Unit Owner, shall have a maximum of three years from closing of the acquisition of the Unit to bring a claim against Sponsor, with the exception of (i) causes of action arising out of Sponsor's obligations under the Offering Plan or Martin Act and (ii) enforcement of judgments already obtained. This three year period is shorter than the six year statute of limitations for breach of contract contained in New York Civil Practice Law and Rules §213(2). By executing the Option Agreement, Purchaser shall be deemed to have acknowledged and agreed that said three year period maximum is reasonable. Therefore, Purchasers agree that, notwithstanding anything to the contrary set forth in the Plan, the Option Agreement, at Law, in equity, or otherwise, any action or proceeding brought by, through or on behalf of Purchaser against Sponsor, its principals, affiliates or agents, under or related to this Plan or the Option Agreement, or related to the Building or a Purchaser's Unit, to be valid, must be commenced by the earlier to occur of (x) three (3) years, or (y) the expiration of the otherwise applicable statute of limitations, in either case from the date the claim giving rise to such action or proceeding accrues in accordance with applicable Law. By executing this Agreement, Purchaser shall be deemed to have acknowledged and agreed that said 3-year period is reasonable.

52. CERTIFICATION OF SPONSOR AND PRINCIPAL. Consistent with a New York State Supreme Court, Appellate Division First Department decision, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by the Purchaser, individual unit owners (or a board on their behalf) in connection with or arising solely from such principal's execution of the Certification of Sponsor and Principal, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC. et al, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

53. MOLD. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Unless the existence of mold occurs within one (1) month or earlier of Closing (unless there is a latent defect due to faulty construction by Sponsor so that mold could not be discovered within one (1) month of Closing), and is caused by faulty construction by Sponsor, Sponsor will not be liable to Purchaser with respect to the presence and/or existence of molds, mildew and/or microscopic spores. The provisions of this Article shall survive closing of title or the termination of this Agreement.

54. FINANCIAL CRIMES ENFORCEMENT NETWORK DISCLOSURE. Purchasers are advised that the Director of the Financial Crimes Enforcement Network, U.S. Department of the Treasury ("FinCEN"), has recently extended and expanded an earlier issued Geographic Targeting Order ("Order") that applies to any corporation, partnership, limited liability company, or other similar business entity ("Covered Purchaser") using cash, a cashier's check, certified check, traveler's check or money order in any form, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase a Residential Unit in the Borough of Manhattan from Sponsor for a total price in excess of $300,000 (a "Covered Transaction"). The

Order provides that in the event a Covered Purchaser enters into a Covered Transaction, the Covered Purchaser shall be required to deliver to the Title Company at Closing all documents and information necessary in order for the Title Company to comply with the requirements set forth in the Order, including without limitation the requirement to file a completed FinCEN Form 8300. Any failure by the Covered Purchaser to deliver such documents and information shall be deemed an Event of Default under the Agreement. Purchasers are advised to refer to the text of the Order itself for further details: https://www.fincen.gov/news_room/nr/files/Real_Estate_GTO-NYC.pdf.

55. SPONSOR'S RIGHTS IF PURCHASER ELECTS NOT TO EXERCISE OPTION OR DOES NOT REMAIN IN COMPLIANCE WITH THIS AGREEMENT. If (x) Purchaser does not elect to exercise the option granted hereunder on the Original Scheduled Closing Date, or (y) when Sponsor tenders the Deed (or any assignment thereof to Purchaser, Purchaser does not then sign any of the necessary purchase documents referred to in the Plan, or (z) Purchaser does not remain in compliance with any of the other terms of this Agreement. then Sponsor shall be entitled to terminate this Agreement and retain the Option Payment made hereunder with interest earned thereon, if any. In the event the Sponsor changed the Unit from the Unit description contained in the Plan pursuant to the Purchaser's request, Purchaser shall also be responsible for the cost to return the Unit to the condition described in the Plan.

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

The characterization of the agreement as an Option Agreement should have no effect on Purchaser's ability to obtain financing. After the Option Agreement is executed by Sponsor and Purchaser, Sponsor may not enter into any other Option Agreement or Purchase Agreement with respect to the subject Unit with any other party, unless this Option Agreement is terminated pursuant to its terms.

56. BINDING EFFECT OF PLAN, DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

57. SMOKING POLICY. Smoking is not permitted anywhere on the Property, including in Residential Units, except that, subject to law, smoking is permitted on the terraces and balconies appurtenant to the Units, provided that the smoke does not enter into other Units or Common Elements. The Residential Committee or the Board shall have the right to obtain a court order enjoining the occupant of a Unit from smoking on his or her terrace or balcony if the smoke enters into other Units or Common Elements and the Residential Committee or the Board shall have the right to seek the eviction of a tenant, who smokes on a terrace or balcony if the smoke enters into other Units or Common Elements. In addition to all other remedies available to the Residential Committee or the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Residential Committee and (ii) reimbursement of any fees or expenses incurred by the Condominium to cause the smoke infiltration into the Common Elements or another Unit to cease (including legal fees) in enforcing this provision.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SPONSOR:

157-161 EAST 28TH STREET, LLC

By: _____
Name:
Title:

PURCHASER:

_____

_____

_____
(Social Security or Federal I.D. Number)

Telephone No. _____

ESCROW AGENT
Accepted and agreed as to the provisions of Article 12:

HOLLAND & KNIGHT LLP

By: _____
Name:
Title:

SCHEDULE A

PERMITTED ENCUMBRANCES

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

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

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

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

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

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

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

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

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

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

11. Any declaration or other instrument affecting the Property which the Grantor deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of

Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

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

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

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

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

16. Covenants, conditions, easements, leases, agreements of record, if any, more fully set forth herein:

    a) Zoning Lot Development and Easement Agreement dated 05/09/2018 and recorded 05/18/2018 in CRFN 2018000168229.

    With regard thereto:

    I. Consent and Subordination to Zoning Lot Development Easement Agreement dated 05/08/2018 and recorded 05/18/2018 in CRFN 2018000168231.

    II. Waiver of Declaration of Zoning Lot Restrictions dated 05/08/2018 and recorded 05/18/2018 in CRFN 2018000168232.

    III. Consent and Subordination to Zoning Lot Development Easement Agreement dated 05/08/2018 and recorded 05/18/2018 in CRFN 2018000168233.

    IV. Waiver of Declaration of Zoning Lot Restrictions dated 05/08/2018 and recorded 05/18/2018 in CRFN 2018000168234.

    b) Declaration of Zoning Lot Restrictions dated 05/08/2018 and recorded 05/18/2018 in CRFN 2018000168230.

EXHIBIT A
FORM OF TITLE INDEMNITY
[TITLE UNDERWRITER LETTERHEAD]

Dated: _____

_____
_____
_____

Re: HILLROSE 28 Condominium
157-161 East 28th Street
New York, New York 10016 (the "Premises")

Ladies and Gentlemen:

In connection with the sale of certain units (the "Units") at the referenced Premises, you have asked for certain assurances regarding the recordation by [title underwriter] _____ ("TitleCo") or an abstract company or other person or entity selected by TitleCo (any of the foregoing, a "Title Closer") of the deeds for the Units and related documentation, including, without limitation, mortgage related documents (the "Closing Documents"), the payment of New York City and New York State transfer taxes (including the New York State Additional Tax pursuant to Article 31 of the Tax Law) due in connection with such conveyances and mortgage recording taxes or other fees, if applicable (collectively, the "Tax Payments"), for which TitleCo is insuring title.

As of the date hereof, TitleCo agrees to hold harmless and indemnify Sponsor _____ and Holland & Knight LLP and their respective agents, representatives, members, affiliates and the like (each, an "Indemnified Party") from and against all losses, liabilities, judgments, damages, costs and expenses that an Indemnified Party may incur or suffer from the failure of TitleCo or a Title Closer to (a) record the Closing Documents for any of the Units and submit the Tax Payments for any of the Units in a timely manner from the dates of conveyances for the Units, and (b) do such other act as a reasonably prudent title company of Title Closer would perform.

[Name of Title Underwriter]

By _____
Name:
Title:

EXHIBIT "2"

FORM W-9

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See **Specific Instructions** on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–			–				

or

Employer identification number

		–						

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. person** ▶ **Date** ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting,* later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the instructions for Part II for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code,* later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships,* earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code,* later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester,* later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/Businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code,* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee[1] The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

***Note:** The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint*. You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Visit *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

EXHIBIT "3"

FORM W-8

Form **W-8BEN**

(Rev. July 2017)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

▶ **For use by individuals. Entities must use Form W-8BEN-E.**
▶ **Go to *www.irs.gov/FormW8BEN* for instructions and the latest information.**
▶ **Give this form to the withholding agent or payer. Do not send to the IRS.**

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• You are a person acting as an intermediary	W-8IMY

Note: If you are resident in a FATCA partner jurisdiction (i.e., a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner

2 Country of citizenship

3 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country

4 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)

6 Foreign tax identifying number (see instructions)

7 Reference number(s) (see instructions)

8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income):

_____.

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: _____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself for chapter 4 purposes,
- The person named on line 1 of this form is not a U.S. person,
- The income to which this form relates is:

  (a) not effectively connected with the conduct of a trade or business in the United States,

  (b) effectively connected but is not subject to tax under an applicable income tax treaty, or

  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ▶

_____ _____
Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date (MM-DD-YYYY)

_____ _____
Print name of signer Capacity in which acting (if form is not signed by beneficial owner)

EXHIBIT "4"

POWER OF ATTORNEY

POWER OF ATTORNEY

_____

TO

THE CONDOMINIUM BOARD OF HILLROSE 28 CONDOMINIUM

AND

157-161 EAST 28TH STREET, LLC

HILLROSE 28 CONDOMINIUM

157-161 EAST 28TH STREET, NEW YORK, NEW YORK 10016

UNIT _____

COUNTY: NEW YORK

BLOCK: 884

LOT: 36

POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 157-161 East 28th Street, LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as HILLROSE 28 Condominium and by the street number 157-161 East 28th Street, New York, New York 10016 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 20__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned (the "Principal"), the owner of the Residential Unit (the "Unit") in HILLROSE 28 Condominium which is (are) designated and described as Residential Unit No. _____ in the Declaration and also designated as Tax Lot _____, in Block 884 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute:

A. the Condominium Board of the Condominium (hereinafter collectively referred to as "**Condominium Board**"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the General Common Elements which the Condominium Board, with respect to the General Common Elements and the Residential Committee with respect to the Residential Section, deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public

authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium Board deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s) or the Residential Committee, in each case to the extent required in the By-Laws and Declaration, any consent any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Residential Section or any of the Common Elements, which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Residential Committee shall constitute the acts of said attorneys-in-fact.

This Residential Unit Power of Attorney shall be irrevocable; and

B. the **Declarant**, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-Laws and the Declaration then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Residential Units, and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Permitted Mortgagee designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (a) or (b) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by a Permitted Mortgagee covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Unit Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This Unit Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

PRINCIPAL signs here: =>_____

=>_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT "5"

FORM OF UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20___, between 157-161 East 28th Street, LLC, a New York limited liability company, having an office c/o Coral Realty, 400 Broome Street, 11th Floor, New York, New York 10013 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The condominium unit (the "Unit") in the premises known as a HILLROSE 28 Condominium (the "Condominium") and by the street number 157-161 East 28th Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, 20__ and recorded in the New York County Office of the Register of The City of New York (the "City Register's Office") on _____, 20_____ in City Register File Number _____, and also designated as Tax Lot(s) ____ in Block 884 of Section ____ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of said building, certified by _____, on _____, 20___, and filed in the Real Property Assessment Department of the City of New York on _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, 20__, as Condominium Map No. _____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of the Condominium. (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws".)

Together with an undivided _____ percentage interest in the Common Elements (as such term is defined in the Declaration):

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

157-161 EAST 28TH STREET, LLC

By: _____
Name:
Title:

_____
Grantee

_____
Grantee

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20_____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20_____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____ the year 20_____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

SCHEDULE B

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO PURCHASE AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "6"

DESCRIPTION OF PROPERTY

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

OR BUILDING CONDITION

Property:
181 East 28th Street
New York, New York 10016

Prepared by:
C3D Architecture, PLLC
307 7th Avenue, Suite 1407
New York, New York 10001

This report contains a general description and outline of the Architectural, Structural, Mechanical, Electrical, Plumbing, Equipment and Facilities specifications of the new property at 181 East 28th Street. The Sponsor reserves the right to make changes and substitutions in materials, fixtures, appliances, and equipment provided that such replacements are of substantially equal or better quality.

(a) Location and use of property:

The subject property will be a new building with nineteen (19) floors consisting of forty-three (43) residential units, Occupancy Group R-2, Multiple dwelling. Use group UG-2 Residential.

(1) Address: **181 East 28th Street, New York, NY 10018**

(2) Block and lot number: **Block 884; Lot 36**

(3) Permissible use: **Residential, community facility services and commercial**

(4) Proposed use: R-2 – Residential: apartment Houses

(5) Restrictive Declarations:

i) CRFN 2018000168229 - Zoning Lot Development and Easement Agreement ("ZLDA"): This document provides for the transfer of floor area from Lot 41 to the project site; a light and air easement above Lot 41 for the benefit of the project site; and construction licenses over Lot 41 to facilitate development on the project site.

ii) CRFN 2018000168230 – Declaration of Zoning Lot Restrictions ("DZLR") dated 5/8/2018: This document establishes that Lot 41 and the project site are to be treated as a merged zoning lot, which is required for floor area transfer.

iii) CRFN 2018000168231 – Consent and Subordination to ZLDA: This document is a consent and subordination by one of the two mortgage holders identified on the parties in interest certification of its interest in the zoning lot to the ZLDA.

iv) CRFN 2018000168232 – Waiver of DZLR: This document is a waiver by one of the two mortgage holders identified on the parties in interest certification of its right to execute the DZLR.

v) CRFN 2018000168233 – Consent and Subordination to ZLDA: This document is a consent and subordination by the second of the two mortgage holders identified on the parties in interest certification of its interest in the zoning lot to the ZLDA.

vi) CRFN 2018000168234 – Waiver of DZLR: This document is a waiver by the second of the two mortgage holders identified on the parties in interest certification of its right to execute the DZLR.

(6) Zonin Lot consist of **Block 884;Lot 36 and Lot 41**

(7) Zoning: **R8B, C2-8(R10 Residential Equivalent)**

(8) Building Code: 2014

(9) Quality Housing: ZR 28-00

i) ZR 28-11 Elevated Ground Floor Units: **NA**

ii) ZR 28-12 Refuse Storage and Disposal:**Complies. 12sf floor area deducted. There is a trash room on every floor located in the elevator lobby and contains a trash shoot. Trash is collected at cellar level in the trash compactor room. Trash is collected in plastic bags and is placed at the street curb as scheduled by the NYC Department of Sanitation.**

iii) ZR 28-13 Laundry Facilities: **Not Required. No floor area deducted.**

1) **One common area laundry room was located on the cellar level accommodates 2 washers and 2 electric ventless dryers that are Hercules Corp. operated.**
2) **Each Unit receives stacked electric washer&dryer.**

Manufacturer :		**MIELE**
Washer Model:		**WWB020 WCS W1 Or equivalent**
Dryer Model	**:**	**TWB120WP T1 / Ventless , Or equivalent**
Stacking	**:**	**WTV502**

iv) ZR 28-14 Daylight in Corridors: **Complies. 50% of corridor area deducted.** Daylight is provided in the elevator lobby/ corridor on 3rd floor and 7th-20th floor.

v) ZR 28-21 Required Recreation Space: **Complies. Interior recreation floor area deducted.**

1) **Open rooftop recreation area for the unit owners is located on the 20th-floor roof level. There are unfixed seatings and table. An outdoor bar and an ADA toilet are also located at the rooftop. Max Occupant load: *Max 20* as per *BC 1015, Table 1015.1* (Max. Occupant for one egress door.) Proposed floor area per occupant: 51 sf (complies with the max floor area per occupant "200 sqft" as per BC 1004.1 & Building Bulletin 2018-002)**
2) Gym&Lounge: **Located on the cellar and first floor. The lounge area is equipped with a kitchenette (refrigerator, dishwasher, and sink. No cooking equipment is provided.) Sitting, Tv, and music playing system is also provided in the lounge area.**

Kitchenette Finishes:
All Cabinetry:
Veneer Door Sunset Walnut Scav934 (Vertical Graining)
Toe Kick:
PVC Veneer Sunset Walnut Scav934
Integrated handle:
Metal handle to have a bronze finish color
Interior Cabinetry Color:
Texstyle Sand Melamine (linen color)

The gym area is equipped with:
2 Treadmills
2 Ellipticals
1 Rower
2 Spin Bikes
1 Recumbent Eliptical
1 Chest Press/ Soulder Press Station
1 Leg Press/Calf Station
1 Dual Pilley Functional Trainer Station
1 Smith Press and Bench Station
1 Bench, Dumbbells and Rack Station
Prism Rack with Phsyioballs, Medicine Balls Stretch Bands, Stretch Mats
Water Fountain
TV

ADA toilet is located in the cellar level accessed from the gym area directly. There is another ADA toilet is provided in the lobby area on the first floor for unit owners use.

vi) ZR 28-23 Planting Area: **NA**

vii) ZR 28-31 Density per Corridor: **Complies. 50% of corridor area deducted. Residential Unit Number per corridor: Max 4 unit per corridor. Allowable : 8 per corridor for R10 zoning.**

viii) ZR 28-40 Parking for quality housing: **NA**

(b) *Status of construction*:
(1) Year built: **Construction anticipated to be completed in September 2019.**

(2) Class of construction: **Non-Combustible – Class 1-B, Sprinklered.**

BC-601; TABLE 601

i) Structural frame: **Non-combustible reinforced concrete.**
ii) Load bearing exterior walls on lot line or less than 30' from the lot line: **Min 2hr fire rated**
iii) Non-load bearing exterior walls on lot line or less than 30' from the lot line: **Min 2hr fire rated**
iv) Non-load bearing exterior walls on street line (South façade): **1hr fire rated.**
v) Non-load bearing interior walls within the units: **Non-rated walls.**
vi) Non-load bearing interior walls between units and between unit and common spaces: **2 hrs fire rated wall.**
vii) Stair enclosure: **Masonry equivalent 2hrs fire rated wall and Non-combustible shear wall.**
viii) Floors: **Non-combustible reinforced concrete slab.**
ix) Roof: **Non-combustible reinforced concrete slab.**

(3) Certificate of Occupancy, type, and number:**Temporary Certificate of Occupancy to be supplied upon completion of construction and prior to the first unit closing.**

(4) Description of work done: **New building lot is running thence west 110'; thence north 49.38'; thence east 56.42'; thence south 24.38'; thence east 53.58; thence south25' with one cellar level and (19) nineteen residential floors above. Building height is 190.10'. There are stair and elevator access to the roof level. The building structure is reinforced cast in place concrete including the foundation and the cellar level.**

Job/Project Type: New building
DOB BIN: 1090848
Filed: 06/28/2018
Filing Status: Initial Filing/ Standard Plan Examination or Review
Applicant Information: Damir Sehic- License Number 029622
Job Status: Under Construction.
Permit No: 123381312-01-NB
Certificate of Occupancy: New CO - Refer to Appendix I Schedule A

(c) Site:
(1) Size: **Lot size is 4,125.14 square feet. Total gross floor area of the building is 62,681.37 square feet above the ground. Total gross floor area of the building including cellar is 66,702.05 square feet.**

(2) A number of buildings and use: **One new building, Use Group - UG-R2 Residential.**

(3) Streets owned or maintained by the project: **None.**

(4) Drives, Sidewalks, and ramps:

i) Paving: **New Concrete sidewalk. The sidewalk and street pavement slope south.**
ii) Curbing: **New Concrete Curb**
iii) Catch basins, drainage: **On street as existing.**
iv) Street Lighting: **None**
v) Statement: **All items as required in compliance with the NYC Dept. of Transportation Bureau of Highways regulations. All items are in conformity with local fire district and municipal building codes.**

(d) Utilities:

(1) Gas: **Provided by Consolidated Edison. Three house meters are provided. One meter is tracking cooking gas and domestic hot water heating, another meter is tracking gas consumption for building heat, and another meter is tracking gas consumption for an emergency generator.**

(2) Electric: **Provided by Consolidated Edison individually metered to tenants plus a meter for common areas. The fire pump will be provided with a service tap ahead of all main switches as per code; this tap will also be provided with a meter to meet utility requirements.**

(3) Water: **Provided by the City of New York. 4" cold water service will be provided to serve the facility with a 4" reduced pressure zone valve backflow device.**

(4) Sewer: **Provided by the City of New York.** 10" Combined sewer/storm will be provided and connected to the NYC Sewer System.

(5) Telephone: **Provided by a local telephone company.**

(6) Cable T.V.: **Provided by a local cable company.**

(e) Sub-soil conditions:

(1) **Building is not located in a flood zone. FEMA Flood Insurance Rate Map No: 3604970201F.**
(2) **Zone X= Area Determined to be outside the 0.2% annual chance floodplain.**
(3) **Boring tests were performed by Soil Mechanics Drilling Corp., phone: 516-221-2333. The borings encountered bedrock at depths 35ft feet below the ground level. It was determined from the core samples that the bedrock is Manhattan Schist of 1c class, intermediate rock. From the four borings prepared, it was found that the bedrock was covered with the decomposed rock of 1d class started from 16 to 26ft. The ground surface is covered by 4-6ft of soil fill and underlain with dense silty sand with a trace of gravel. The geotechnical report provided a recommendation of 20.0 tons per square foot**

allowable bearing capacity for a spread or mat foundation bearing on the 1c class of bedrock layer. 160-ton steel caisson rock socket pile into 1c class of bedrock is designed to be pile foundation of structural based on the actual design load. No groundwater was encountered and need not be considered in the depth of foundation design)

(f) Landscaping and enclosures.

(1) Grass cover: **None.**

(2) Plantings: **N/A**

(3) Trees: **Located in the front of the building, at the sidewalk level, three (3) new caliper tree, 3" diameter each, planted in 5'-0" x 10'-0" x +/-4'-6" deep sidewalk cutouts, filled with soil mix and topped with 3" bark chip mulch cover. 1 tree fee will be paid into the tree fund.**

(4) Fencing: **Located at the rear yard property lines is a 3'-6" high masonry wall with stucco finish and aluminum coping.**

(5) Gates: **None.**

(6) Garden walls: **None.**

(7) Retaining walls: **None.**

(8) Display pools and fountains: **None.**

(g) Building size:

(1) Total height: **Maximum building height is 190'-10" based on nineteen (19) floors.**

(2) Crawl spaces: **None.**

(3) A number of sub-cellars and cellars: **There is one cellar level, gross area 4,020.68 s.f.**

(4) A number of floors: **There are nineteen (19) residential floors. The roof contains two (2) level of stair and elevator bulkhead, elevator machine room, mechanical equipment, and common recreation roof deck.**

First Floor =	**3,827.86 square feet.**
Second Floor =	**3496.57 square feet.**
Third Floor =	**3,936.36 square feet.**

Fourth Floor = **3,936.36 square feet.**

Fifth Floor = **3,936.36 square feet.**

Sixth Floor = **3,936.36 square feet.**

Seventh Floor= **3,733.98 square feet.**

Eighth Floor= **3,075.69 square feet.**
Ninth Floor= **3,075.69 square feet.**

Tenth Floor= **3,075.69 square feet.**

Eleventh Floor= **3,075.69 square feet.**

Twelfth Floor= **3,075.69 square feet.**

Thirteenth Floor (14th Marketing) = 3,075.69 square feet.

Fourteenth Floor (15th Marketing) = 3,075.69 square feet.

Fifteenth Floor (16th Marketing) = 3,075.69 square feet.

Sixteenth Floor (PH3 Marketing) = 2,333.80 square feet.

Seventeenth Floor (PH2 Marketing) = 2,198.74 square feet.

Eighteenth Floor (PH1 Marketing) = 2,035.38 square feet.

Nineteenth Floor (PH1A Marketing) = 1,918.80 square feet.

Roof Bulkhead= **1,000.01 square feet.**

Mechanical Level= **1,446.43 square feet**

Upper Bulkhead= **338.87 square feet**

(5) Residential Unit Number per floor: **Total 43 Unit-Max 4 unit per floor.**
As per ZR 28-31 Max number of units per floor: 8

(6) Equipment rooms: **Electric, Water, Gas, Refuse Room, Telephone Communication Rooms are located in the Cellar. Boiler Room, Sprinkler Room are located on the Mechanical Level as well as Elevator Machine Room. Mechanical Equipment is located on top of Stair and Elevator Bulkhead and the northeast corner of the terrace on the 16th floor.**

(7) Parapet (height above the roof): **Height is 1'-6" above roof level. Metal railing with glass infill is attached to the concrete masonry parapet wall. The railing is 'Life Safety Rail' falling under the purview of local law 11 inspections. Height is min. 3'-6" and max. 3'-8" above finish roof level.**

(h) *Structural system:*

Structural Framing: **The typical floor system will be constructed of reinforced 8 -9-inch normal weight concrete two-way flat slab, supported by reinforced concrete columns and shear walls. Steel beams were utilized for the marquee at the front of the building and dunnage beams for a water tank at the roof. Except for the lobby, rear terraces, first floor, roofs, and mechanical rooms, typical floors for residential are designed for 40 psf live load plus 20 psf of super dead load for partition, floor finish and mechanical.**

Lateral System: **Lateral load resists system is provided by reinforced concrete shear walls, which are designed to resist either wind or seismic load in accordance with the latest New York City Building Code.**

Foundation: **The building structure is supported by 160-ton steel caisson rock socket pile into 1c class of bedrock. Reinforced concrete mat slab, pile cap, and grade beam are designed as a part of pile foundation. 10-inch-thick reinforced concrete structural slab is provided as the cellar floor slab. The cellar perimeter is designed with a 12-inch thick concrete foundation wall to retain the soil and support the first-floor slab.**

Underpinning: **None.**

Noise:

Flooring: Finish floor is installed on 5mm thick acoustical underlayment pliteq genie mat (Min. IIC 50 As Per BC 1207.3) or similar laid on a concrete slab.

Walls: Walls between unit are 2 hr fire rated studwall consist of 2 layer of ¾" gypsum board on each side attached to 2 1/2" metal stud (25 Ga. @ 16" O.C.). 2" Mineral wool is placed between studs in the wall cavity. UL DES U412 or U419 or equivalent. STC: Min 50 As Per BC 1207.2

Windows: No E-Designation.

Waterproofing:

Foundation drainage mat: miradrain aggregate-free drainage system by carlisle or approved equal

Foundation waterproofing membrane: miraply-v with seamlock technology by carlisle or approved equal

Horizontal waterproofing membrane: miraply-h with seamlock technology by carlisle or approved equal

Walls above grade: Water / air barrier membrane, vapor permeable, self-adhering, self-sealing; blueskin vp160 or approved equal Elastic seal and backer rod.

(1) Exterior of the building:

i) Walls:

1) **South street façade consists of 1" thick honeycomb limestone panels, attached individually with stainless steel anchors to 9 1/4" thick stud wall which consist of 1 layers of 5/8" densglass gold exterior sheating on the outside, 8" metal stud @16"o.c and 8" mineral wool batt Insulation (R-33.6) in the middle and 1 layers of 5/8" type "x" gypsum board on the inside. 5" mineral fiber thermal insulation board (R-17.35) and 1" open-air space in between the stud wall and honeycomb limestone panel. Exterior stud walls, masonry surfaces, and all concrete slab edges, shear walls and columns are wrapped with Henry Product weather barrier – "TWF" by Bakor or equal.**
Fire separation distance: **x ≥ 30'**
Required Fire Resistance Rating: **0hr "BC 602' Table 602"**
Provided Fire Resistance Rating: **N/A**

2) **East lot line façade consists of 1" thick honeycomb limestone panels, attached individually with stainless steel anchors to 12" shear wall. 3 1/2" mineral fiber thermal insulation board (R-10.9) and 1" open-air space in between the stud wall and honeycomb limestone panel. On the inside of the shear wall 1 1/2" metal studs 16" o.c. and 5/8" thick fire rated type "x" gypsum wallboard paneling.**
Fire separation distance: **x< 5'**
Required Fire Resistance Rating: **1hr "BC 602' Table 602"**
Provided Fire Resistance Rating: **2hrs**

3) **East façade wall above the 16th floor consists of**
1" thick honeycomb limestone panels, attached individually with stainless steel anchors to 8 1/2" thick stud wall which consist of 2 layer of 5/8" densglass gold exterior sheating on the outside, 6" metal stud @16"o.c and 6" mineral wool batt Insulation (R-25.2) in the middle and 2 layers of 5/8" type "x" gypsum board on the inside. 3 1/2" mineral fiber thermal insulation board (R-10.9) and 1" open-air space in between the stud wall and honeycomb limestone panel.
Fire separation distance: **10 ≤ X < 3 0**
Required Fire Resistance Rating: **1hr "BC 602' Table 602"**
Provided Fire Resistance Rating: **2hrs**

4) **North Lot line wall neighboring to 396 3rd avenue is 8" concrete masonry unit with EIFS insulated stucco wall system with 3" polystyrene thermal insulation board(R-12), weather barrier**

membrane on the outside and one layer of 5/8" thick type "x" gypsum board on inside with 1 5/8" metal studs @16" o.c..
Fire separation distance: **x< 5'**
Required Fire Resistance Rating: **1hr "BC 602' Table 602"**
Provided Fire Resistance Rating: **2hrs**

5) **East Lot line wall neighboring to 396 3rd avenue is 12" concrete shear wall with EIFS insulated stucco wall system with 4" polystyrene thermal insulation board(R-16), weather barrier membrane on the outside and painted exposed concrete on the inside.**
Fire separation distance: **x< 5'**
Required Fire Resistance Rating: **1hr "BC 602' Table 602"**
Provided Fire Resistance Rating: **2hrs**

6) **North Lot line wall neighboring to 398 3rd avenue consists of two types of wall. 12" concrete shear wall part of this lot line wall receives EIFS insulated stucco wall system with 4" polystyrene thermal insulation board(R-16), weather barrier membrane on the outside and painted exposed concrete on the inside of the stair shaft and trash room. Elevator lobby part of this shear wall receives 1 1/2" metal studs 16" o.c. with 1 ½" foil façade fiberglass thermal insulation (R-6) and 5/8" thick fire rated type "x" gypsum wallboard paneling on the inside. Another part of this north lot line wall receives EIFS insulated stucco wall system with 4" polystyrene thermal insulation board(R-16), weather barrier membrane on 8" stud wall which consist of 2 layer of 5/8" densglass gold exterior sheating on the outside, 6" metal stud @16"o.c and 6" mineral wool batt Insulation (R-25.2) in the middle and 2 layers of 5/8" type "x" gypsum board on the inside. Another part of the North Wall is consist of 8 1/2" thick stud wall which consist of 2 layer of 5/8" densglass gold exterior sheating on the outside, 6" metal stud @16"o.c and 6" mineral wool batt Insulation (R-25.2) in the middle and 2 layers of 5/8" type "x" gypsum board on the inside. 1 1/2" mineral fiber thermal insulation board (R-2.3) and 1" open-air space in between the stud wall and honeycomb limestone panel.**
Fire separation distance: **x< 5'**
Required Fire Resistance Rating: **1hr "BC 602' Table 602"**
Provided Fire Resistance Rating: **2hrs**

7) **West façade consists of 1" thick honeycomb limestone panels, attached individually with stainless steel anchors to 8 1/2" thick stud wall which consist of 2 layer of 5/8" densglass gold exterior sheating on the outside, 6" metal stud @16"o.c and 6" mineral wool batt Insulation (R-25.2) in the middle and 2 layers of 5/8" type "x" gypsum board on the inside. 3 1/2" mineral fiber thermal insulation board (R-**

10.9) and 1" open-air space in between the stud wall and honeycomb limestone panel.
Fire separation distance: **x< 5'**
Required Fire Resistance Rating: **1hr "BC 602' Table 602"**
Provided Fire Resistance Rating: **2hrs**

Local Law 11: Building facades in New York City are inspected pursuant to Local Law 11 of 1998 known as Façade Inspection Safety Program ("FISP"). All exterior walls must be inspected with the exception of walls that are less than twelve inches from the exterior wall of an adjacent building. FISP inspection reports must be filed every five years by a Registered Architect or Professional Engineer. The condition of the Building is classified as Safe, Safe with Repair and Maintenance Items (SWARMP), or Unsafe. A Safe building needs no further action, a SWARMP building must be repaired in the time frame listed by the Engineer or Architect in the report, and an Unsafe building must provide immediate protection of the public and be repaired within 30 days. Any item that jeopardizes safety of pedestrians below is an unsafe condition. The Board will be responsible for managing and paying for the Local Law 11 work. Compliance with Local Law 11 for newly constructed buildings begins five years after obtaining the initial TCO for the Building and inspections are performed during certain "cycles". It is anticipated that the first inspection for this Building will occur in approximately 2025. The estimated cost associated with the compliance is anticipated to be approximately $8,500. The Condominium Board is responsible for complying with Local Law 11 and the costs associated with such inspections and any resultant work.

ii) Windows:

1) General: Fenestrations in the project are made of thermally broken aluminum frame. None of the fenestrations receives a screen. Operable windows receive a sash stop device that prevents the windows open more than 4 inches for safety purpose. There are no window guards, storm windows, and lintels. Windowsills are honeycomb limestone outside and drywall inside. All hardware is by the window manufacturer. All fenestrations receive a backer rod compatible with the sealant/caulking that must not cause color change in the sealant or cause loss of adhesion. All fenestrations receive Down Corning 795 Silicone Sealant or equivalent that are compatible with Aluminum frame, honeycomb limestone and water proofing. Accessible balcony and terrace doors in the units receive an ADA compatible threshold.
2) Performance:
   (a) Windows on the south street façade are casement, fixed, glass door and sliding door, double glazed tempered thermal windows 1" insulated IGU, clear, Low E, aluminum windows.
   Operable Windows U-value:0.39
   Fixed Windows U- value: 0.36

Glass Door U-value: 0.47
Sliding Door U- value: 0.45
Solar Heat Gain Coefficient of the glass: max 0.39
Air leakage: Max 0.20 cfm/sf
Finish: Anodized dark gray/blue or similar color.

(b) Curtain/window walls on the south façade are casement, fixed and glass door, double glazed tempered thermal windows 1" insulated IGU, clear, Low E, aluminum windows.
Operable CW- Windows U-value:0.41
Fixed CW U- value: 0.35
CW Glass Door U-value: 0.47
Solar Heat Gain Coefficient of the glass: max 0.39
Air leakage: Max 0.06 cfm/sf
Finish: Anodized dark gray/blue or similar color.

(c) Curtain/window walls on the east façade are casement, double glazed tempered thermal windows 1" insulated IGU, clear, Low E, aluminum windows.
Operable CW- Windows U-value:0.41
Air leakage: Max 0.06 cfm/sf
Finish: Anodized dark gray/blue or similar color.

(d) Windows on the east façade are casement, fixed, glass door and sliding door, double glazed tempered thermal windows 1" insulated IGU, clear, Low E, aluminum windows.
Operable Windows U-value:0.39
Fixed Windows U- value: 0.36
Glass Door U-value: 0.47
Sliding Door U- value: 0.45
Solar Heat Gain Coefficient of the glass: max 0.39
Air leakage: Max 0.20 cfm/sf
Finish: Anodized dark gray/blue or similar color.

(e) Windows on the north façade are casement, fixed, and sliding door, double glazed tempered thermal windows 1" insulated IGU, clear, Low E, aluminum windows.
Operable Windows U-value:0.39
Fixed Windows U- value: 0.36
Glass Door U-value: 0.47
Sliding Door U- value: 0.45
Solar Heat Gain Coefficient of the glass: max 0.39
Air leakage: Max 0.20 cfm/sf
Finish: Anodized dark gray/blue or similar color.

(f) Windows on the west façade are sliding door, double glazed tempered thermal windows 1" insulated IGU, clear, Low E, aluminum windows.

Operable Windows U-value:0.39
Glass Door U-value: 0.47
Sliding Door U- value: 0.45
Solar Heat Gain Coefficient of the glass: max 0.39
Air leakage: Max 0.20 cfm/sf
Finish: Anodized dark gray/blue or similar color.

(g) All doors, windows and curtain/window wall system starting from lower than 16" AFF receive safety glass.

3) Warranty
The manufacturer is MPLED USA LLC.

MPLED USA LLC offers the following warranty for the windows and doors:

Windows product # PW1101
Windows warranty 5 years

Sliding door product # SD1103
Sliding door product warranty 5 years

Balcony doors product # BD1105
Balcony doors product warranty 5 years

Curtain wall product # CW1107
Curtain wall product warranty 5 years

Revolving door product # RD1109
Revolving door product warranty 5 years

4) Openings located in a fire separation distance of 3 feet or less:

(a) As per BC 705.8 ,Table 705.8 (k): *Protected openings within a fire separation distance of 3 feet or less are permitted for Occupancy Groups R-2 and R-3 provided such openings do not exceed ten percent of the area of the façade of the story in which they are located. These openings shall not be credited towards meeting any mandatory natural light or ventilation requirements unless they also comply with applicable provisions of Chapter 12 and the Zoning Resolution*

(b) Openings correspond with this section of the BC 705.8 are;

(i) North facing windows in the kitchens and bathrooms of Unit 701-1601 (Façade area per floor: 536.6sqft. Total opening area per floor: 45.5 sqft. – Less than 53.66sqft "10 percent of façade area" - Complies with BC 705.8)

(ii) East facing windows in the bedrooms of Unit 301-1601 (Façade area per floor: 247.5sqft. Total opening area per floor: 15.25 sqft. – Less than 24.75sqft "10 percent of façade area" - Complies with BC 705.8)

(iii)West facing windows in the living rooms of Unit 204-604 (Façade area per floor: 433.7sqft. Total opening area per floor: 24.5 sqft. – Less than 43.37sqft "10 percent of façade area" - Complies with BC 705.8)

(c) Above mentioned windows;

(i) receive water curtain sprinkler head for the required protection,

(ii) do not exceed the 10 percent of the area of the façade of the story in which they are located,

(iii)are not counted towards meeting natural lights or ventilation requirement.

(d) In the occurrence of future development on the neighboring lots, above mentioned windows my need to be blocked out with a 2 hrs fire rated wall assembly and required thermal insulation. Owners of the individual unit that is affected by the occurrence are responsible for the expenses of this process.

5) Openings located in a fire separation distance of 20 feet to less than 25 feet:

(a) *As per BC 705.8 ,Table 705.8 (l): In Group R-2 and R-3 occupancies with an exterior separation distance greater than 20 feet to less than 25 feet, openings shall be in accordance with percentages indicated as "Protected Classification of Opening" in Table 705.8. However, such openings shall not be required to be protected.*

(b) *As per Table 705.8, there are* ***no limits*** *on the allowable area of the openings.*

(c) Openings correspond with this section of the BC 705.8 are;

(i) West facing doors in the living rooms and bedrooms of unit 802-1602,

(ii) West facing windows and doors in the living room of PH3, PH2 and PH,

(iii)West facing doors in the bedrooms of PH1

(d) As per the above-mentioned section of the BC705.8,

(i) no protection is required

(ii) no limit on the allowable area of the opening.

(iii)Above mentioned windows and door are not counted towards meeting natural lights or ventilation requirement.

(e) Although, neighboring building (church) is a landmark building and it is assumed that no future development may occur, the lot still may be subject to future development. In the occurrence of future development, no window/door block out may be required.

iii) Landmark Status: NA

(2) Parapet and Coping:

New parapet wall consists of 6" thick Concrete Masonry units with Stucco finish and anodized aluminum cap flashing. Stucco finish to receive expansion joints every 144 sqft of the area as per Manufacturer's recommendation.

(3) Chimney and cap: **There is 2 hot water heaters and 2 boilers located in the Mechanical Mezzanine level. The flue type used for the boilers and the hot water heaters is as recommended by the manufacturers of the boilrs and hot water heaters.**

(4) Balconies and terraces:

Located at the south-west corner of the building on the 7th floor is a private terrace that will be used exclusively by one unit (#703). The terrace will have a surround of 3'-6" high parapet block wall with metal coping on top.

Located at the west of the building on the 8th floor is a private terrace that will be used exclusively by one unit (#802). The terrace will have a surround of 3'-6" high metal railing with glass infill.

Located at the east of the building on the 16th floor (PH3 marketing floor) is a private terrace that will be used exclusively by one unit (#PH3). The terrace will have a surround of 3'-6" high metal railing with glass infill. Terrace has a 10" change in grade and ADA ramp is provided.

Located at the east of the building on the 17th floor (PH2 marketing floor) is a private terrace that will be used exclusively by one unit (#PH2). The terrace will have a surround of 3'-6" high metal railing with glass infill.

Located at the east of the building on the 18th floor (PH1 marketing floor) is a private terrace that will be used exclusively by one unit (#PH1). The terrace will have a surround of 3'-6" high metal railing with glass infill.

Located at the east of the building on the 19th floor (PH marketing floor) is a private terrace that will be used exclusively by one unit (#PH). The terrace will have a surround of 3'-6" high metal railing with glass infill.

Units at the west façade, starting at the 9th floor up to 19th floor, will have 7'-4" deep balconies with 3'-6" high metal railing with glass infill.

Units at the north façade, starting on the second floor up to 7th floor, will have 5'-4" deep balconies with 3'-6" high metal railing.

Unit at the north façade on the 1st floor will have a 4'-4" deep terrace with 3'-6 high parapet block wall with metal coping on top.

AS per ZR 23-46 and ZR 23-47 neither a side yard nor a rear yard is required. Therefore, balconies on north and west façade, including the second-floor balcony at unit 204 comply with the zoning regulations.

The roof terrace will be used for Mechanical Equipment, Elevator Machine Room, Stair, and Elevator bulkheads with open common recreation space for all unit owners.

i) Deck finish:
1) **All terraces and roof terrace have 18"x18" or 24"x24" or 24"x36" x 1 1/2" thick concrete pavers on plastic pedestals on top of sloped waterproofing membrane and thermal insulation.**
2) **All balconies on the west and north façade will receive liquid water insulation.**

ii) Balustrade: **N/A.**

iii) Railings:
1) **Railings except north façade balconies receive 3'-6" high metal steel railings with glass infill.**
2) **Railings on the north façade balconies receive 3'-6" high metal steel railing.**

iv) Trellises: N/A

v) Copings:
Parapet walls have metal coping/flashing with a minimum overlap of 1 ½" over stucco finish and honeycomb limestone panel, and elastomeric sealant in between metal coping and finish material.

vi) Soffits: **Balconies do not receive soffits. The underside of the balconies receives breathable paint or stucco.**

vii) Doors to balconies and terraces:
Doors to the terraces and the balcony doors at the north and west façade are powder-coated aluminum with thermal 1" thick IGU inserts with safety glass. Roof deck doors are thermal hollow metal doors with hollow metal frame, 1 ½ hr fire rated.

(5) Exterior entrances:

i) Exterior door and frames: **The main entrance to the residential lobby is provided with one (1) revolving door and two (2) swinging aluminum door, anodized dark gray/blue with thermal windows 1" insulated IGU, clear, Low E, U values 1.20 for revolving door and 0.47 for swing door, Solar Heat Gain Coefficient 0.39, max. air leakage 0.20 cfm/sf. The manufacturer is MPLED USA LLC.**

ii) Vestibule doors and frames: None

iii) Exterior stairs: **None.**

iv) Railings: **None.**

v) Mailboxes: **Mailboxes are located on the first floor in the lobby in the designated mailroom area. Mailboxes are USPS approved, aluminum, 10"h x 6"w x 15"d.**

vi) Lighting:
Manufacturer: Hubbardton Forge
Model#: Double Axis Large LED Outdoor
Lamps: LED 25W Or equivalent

(6) Service Entrance: **NONE**

(7) Roof and roof structures:

i) Type roofs for all areas:

1) Terraces and occupied roof terrace: **8" Thick Concrete slab, 1/8"/ft sloped structure, vapor barrier, modified bitumen, Thermal insulation min. 2" at low point min. 4.5" average thickness flat and tapered insulation board (average R-30), ½" Perlite or equivalent rigid insulation board (R1.5) compatible with bitumen waterproofing, 2 ply mod. bitumen waterproofing membrane and flashing, and 1-1/2" Concrete pavers on adjustable plastic pedestals.**

2) Bulkhead Roofs: **8" Thick Concrete slab, 1/8"/ft sloped structure, vapor barrier, modified bitumen, Thermal insulation min. 2" at low point min. 4.5" average thickness flat and tapered insulation board (average R-30), ½" Perlite rigid insulation board (R1.5) 2 ply mod. bitumen waterproofing membrane and flashing.**

3) Manufacturer: **Johns Manville**

4) Bond or guarantee: **10 Years manufacturer guarantee, starting with the date of completion of installement and inspection. Statements: Pavers would not void the roof manufacturer warranty.**

ii) Drains:

(a) Location, material, and type: **Secondary (emergency) roof drains are provided at the following locations:**

- **Upper Bulkhead: Three 4" diameter primary and three 4" diameter secondary**

- **20th Floor East Roof: One 4" diameter primary and one 4" diameter secondary. West main roof: Two 4" diameter primary and two 4" diameter secondary**
- **19th Floor South-East Terrace: One 4" diameter primary and one 4" diameter secondary.**
- **18th Floor South-East Terrace: One 4" diameter primary and one 4" diameter secondary.**
- **17th Floor South-East Terrace: One 4" diameter primary and one 4" diameter secondary.**
- **16th Floor South-East Terrace:Three 4" diameter primary and three 4" diameter secondary.**
- **8th Floor West Terrace: One 4" diameter primary and one 4" diameter secondary.**
- **7th Floor North Balcony: One 4" diameter primary and one 4" diameter secondary. South-West Terrace: One 4" diameter primary and one 4" diameter secondary**
- **6th Floor North Balcony: One 4" diameter primary and one 4" diameter secondary.**
- **5th Floor North Balcony: One 4" diameter primary and one 4" diameter secondary.**
- **4th Floor North Balcony: One 4" diameter primary and one 4" diameter secondary.**
- **3rd Floor North Balcony: One 4" diameter primary and one 4" diameter secondary.**
- **2nd Floor North Balcony: One 4" diameter primary and one 4" diameter secondary.**

(i) Secondary roof drains are provided as required by 2014 NYC BC 1503.4 and 2014 NYC PC 1107 1107.1 where roof perimeter construction extends above the roof in such manner that water will be entrapped if the primary roof drains allow buildup for any reason.

(ii) Materials for secondary roof drains are cast iron body & dome strainers (JR Smith).

(iii) Primary and Secondary roof and terrace drain installed above residential units are provided with galvanized steel drip pans below drains.

(b) Gutters and leaders: **All rain leaders are cast iron are piped to the combined city storm and sewer system**

iii) Skylights: **N/A**

iv) Bulkheads: **There are one stair and one elevator bulkhead at the upper bulkhead level at 210feet. Elevator bulkhead is consist of concrete shear wall and 4" EIFS Façade system. Stair bulkhead is consist of a concrete**

shear wall on East, South, and North façade and CMU block wall on West façade. All side of the stair bulkhead receives 4" EIFS façade system.

v) Metalwork at roof levels:
   (a) Exterior, metal stairs: **N/A**
   (b) Vertical ladders, including gooseneck:
   Steel ladder from flat roof to the roof of Elevator Machine Room
   Steel ladder from the roof of Elevator Machine Room to the steel platform that carries the water tanks.
   Steel ladder from the steel platform to top of the water tanks provided by water tank company.

   (c) Railings: **3'-6" high metal steel railings with glass infill at occupied roof level**

   (d) Hatches to roof: **N/A**

   (e) Other: **N/A**

vi) Roof facilities: **Open rooftop recreation area for the unit owners is located on the 20th-floor roof level. There are unfixed seatings and table. An outdoor bar and an ADA toilet are also located at the rooftop. Max Occupant load: *Max 20* as per *BC 1015, Table 1015.1* (Max. Occupant for one egress door.) Proposed floor area per occupant: 51 sf (complies with the max floor area per occupant "200 sqft" as per BC 1004.1 & Building Bulletin 2018-002)**

(8) Fire escapes: **None.**

(9) Yard and courts: **None**

(10) Interior stairs:

i) A number of stairs of each type: **There are two interior public exit stairs from the roof level to the first-floor lobby and cellar. There is one interior public exit stair from the cellar directly to the exterior. There is one interior exit stair from cellar to the 1st-floor lobby area. There is (1) one interior stair for the duplex Unit from 18th to 19th floor, and there is (1) one interior stair located in the recreation room from cellar to the first floor.**
Public exit stairs; Reinforces concrete stair, 1 ½" square steel rail, 1 ½" steel posts and ½" square steel pickets max 4" spacing. Stair in the duplex unit and gym are supported by structural painted steel treads with solid wood or stone open steps, laminated tempered transparent glass balustrade and polished metal handrails.

ii) Enclosure (construction and interior finishes): **Public stairs are enclosed with 2-hour rated walls. All the walls are painted. First-floor lobby and elevator lobby have ceramic tile finish floors, and the walls are a combination of quartz and wood paneling.**

iii) Stair construction: **Public Exit stairs are reinforced concrete.**
PH and GYM stairs: are supported by structural steel stringers with solid wood open steps.

iv) Stringers: **Gym and PH stair's stringers in painted structural steel**

v) Treads: **Concrete treads at the public exit stair. Gym and PH stair's treads in solid wood**

vi) Risers: **Concrete risers at the public exit stairs.**

vii) Guardrails: **Steel at the public exit stairs. Gym and PH in polished solid bronze**

viii) Balustrade: **Steel at the public exit stairs. Gym and PH in laminated tempered transparent glass.**

(11) Interior doors and frames:

i) Unit entrance and interior doors and frames:

1) **Entrance Doors:**
1-1/2 hr. fire rated, paint over hallow metal doors with welded metal door frames.

2) **Interior doors:**
Hardware:
Color: Polished nickel
Manufacturer : INOX or LINEA or CALI or Equivalent.
Entrance doors to an apartment - mortise lock
Stairs –Passage
Bedrooms and bathrooms : Privacy Lock
Walk-in closets, laundries: Passage Lock
Closets: Single /double dummy Lock
Storages and mechanical rooms: Cylinder lock

Additional hinges and latch hole on the opposite side of the door frame is provided on ADA Bathroom doors to swing the door outward when needed.

ii) Public corridor doors and frames: **1 ½ hr., hollow metal doors, and frames.**

iii) Stair hall doors and frames: **1 ½ hr. hollow metal doors and frames.**

iv) Roof doors, basement doors, and frames. **1 ½ hr. hollow metal doors and frames.**

(12) Elevators:

i) Number of passenger and service elevators: **Two passenger elevator.**

ii) The capacity of elevators: **There are two elevators by "Hollister-Whitney Elevator Co. LLC."; capacity 3500 pounds and 2500 pounds, ADA compliant. Elevator type Geared Traction with Elevator Machine room on the roof. The elevator which has the capacity of 3500 pounds can accommodate an 84"x24" stretcher.**

iii) Type of operation for each elevator: **Selective Collective Duplex.**

iv) Automatic (a type of controls): **VVVF-AC.**

v) Floors served: **There are nineteen (19) floors plus top roof and cellar served with the elevator which has the capacity of 3500 pounds, total twenty-one (21) stops, and there are nineteen (19) floors plus top roof served with the elevator which has the capacity of 2500 pound, total twenty stops.**

vi) Doors: **Automatic with stainless steel finish inside and painted outside.**

vii) Location of machine rooms: **Elevator Machine Room is on top of the elevator shaft at the top of the Building**

(13) Elevator cabs:

i) Kind (manufacturer): **"Hollister-Whitney Elevator Co. LLC."**

ii) Floor (material): **Natural Stone**

iii) Walls (material): **Wood panels, mirrors (complies with BC 3001.6), and translucent glass**

iv) Ceiling (material): **Suspended metal ceiling with perimeter lights**

v) Lighting: **LED strip**

vi) Alarm, safety system: **As per NYC BC 3003 & BC 3007**

vii) Communication: **A dedicated phone line from elevator cab to the front desk is provided.**

(i) Auxiliary facilities:

(1) Laundry rooms:

i) **One common area laundry room was located on the cellar level accommodates 2 washers and 2 electric ventless dryers that are Hercules Corp. (coin or card) operated.**

ii) **Each Unit receives stacked electric washer&dryer.**

Manufacturer:	**MIELE**
Washer Model:	**WWB020 WCS W1 Or equivalent**
Dryer Model:	**TWB120WP T1 / Ventless , Or equivalent**
Stacking:	**WTV502**

(2) Refuse disposal: **There is a trash room on every floor located in the elevator lobby and contains a trash shoot. Trash is collected at cellar level in the trash compactor room. Refuse compactor model: Metro-Pak MC-4000 or Equivalent. Trash is collected in plastic bags and is placed at the street curb as scheduled by the NYC Department of Sanitation.**

(3) Bike storage: **There is one common area bike storage room located on the cellar level. Bicycle parking space is designed to accommodate 22 bikes as per ZR 25-811.**

Door: 1-1/2hr fire-rated

Walls: 2 hr fire-rated CMU or concrete shear wall. Wall receives paint.

Security: Door to the bike room remains unlocked and room can be accessible without a key. Unit owners who store their bike in the room are responsible to provide their own lock and lock their bike to the provided racks. Security camera is located with in the room.

(4) Storage facilities: **There are twenty (20) storage bins available for the owner of the units located at the cellar level in the storage room.**

Storage room:

Door: 1-1/2hr fire-rated

Walls: 2 hr fire-rated CMU or concrete shear wall. Wall receives paint.

Storage bins:

20sqft and made out of metal mesh. They are seethrough and airthrough. Each bin has its own lock and the storage room door has a lock. Each storage bin is available to be purchased and monthly maintenance fee will be applied addition to purchase cost. Available storage bins will be offered to be license per month or per year for a fee that is not fixed and may subject to increase yearly or monthly on the starting day of license.

(j) Plumbing and drainage.

(1) Water supply: **Single domestic water service is provided for domestic, standpipe and sprinkler use. Underground 4" water service is made from ductile iron pipe and is brought to the building from the City water main in 28th Street into the building basement. 4" backflow preventer RPZ Wilkins**

350 is installed on domestic water service. 1 inch thick insulation is provided on water service pipe inside the building.
Main shut- off valve is located at the sidewalk, 2 FT away from the curb.

(2) Fire protection system:

i) Standpipes: **Water supply to standpipe system is provided from water storage tanks located at the MER Roof. Pressure at the upper floors is maintained by special service automatic Fire pump installed at MER at Mechanical Level. 6" standpipe risers are provided as the main water supply to Standpipe system and automatic Sprinkler system. Standpipe, steel pipe, fittings rated for 300 w.w.p.**

ii) Hose racks, hoses, and nozzles: **Hose racks, hoses, and nozzles: All floors have 2 ½" New York City Approved Fire Department hose valves at the stairwell.**

iii) Sprinkler heads: **Automatic sprinkler system is provided throughout the building. Concealed or exposed Wet Type, quick response sprinklers are provided in compliance with RCP layout. Sprinklers are provided with 156 Deg. temperature rating. All sprinkler heads are Reliable Inc.**

iv) Siamese connection: **Siamese connection is located at grade level on 28th Street at the front of the building.**

v) **A Special Service Automatic Fire Pump is installed at MER at Mechanical Level, Patterson model 5 x 3 VIP, 500 GPM @ 65 PSIG, 30HP, 208Volt-3phase. Jockey pump is Grundfos Model CR 2-40**

vi) **A sprinkler alarm control panel will be provided. This panel will enable supervision of the fire pump and communicate each status of the sprinkler alarm control to a central monitoring station. There will also be smoke detectors connected placed in base building areas as per code and elevator recall that will be attached to the sprinkler alarm control panel.**

(3) The water storage tank(s) and enclosures: **Two combined fire/domestic water reserve roof tanks are provided at Roof MER. Materials for interior and exterior are first grade California redwood. For conical roof, pine is used. Access to tanks is provided by exterior galvanized ladder and interior wood ladder. Each tank is installed on 6" wood dunnage on the top of 2 FT. structural dunnage. Capacity of each tank: 7,500-GAL Fire water reserve and 2,500 GAL Domestic water reserve. Total 10,000 GAL. Size of each tank is 11 FT Dia. inside, 18 FT. High.**

(4) Water pressure and how maintained:

i) **A Special Service Booster Fire Pump and jockey pumps are installed to maintain a required pressure at the standpipe/sprinkler system. Pressure reducers are provided at each fire hose station to restrict pressure to 65 PSIG. 500 GPM is discharged. Fire pump is mfg. by Patterson model No. 5X3 VP, 10 Years Warranties. Jockey pump is mfg. by Grundfos model No. CR 2-40, 1 Year Warranty.**

ii) **A domestic Water Booster Pump System is installed to maintain a required pressure at the domestic water system. Federal Pump Model SP -6040-2 Duplex Booster Set with two (2) End Suction Pumps, each rated for 60 GPM @ 40 PSIG Head, 3.0HP, 208V-3 Phase, 3500 rpm with hydro pneumatic Tank. 1 Year Warranty. Pumps are located in Mechanical Level MER. Pressure reducing valves are provided on all cold and hot water branches where the pressure is exceeding 85 PSIG.**

iii) **A House (Tank Fill) domestic Water Pump System is installed to pump water to roof tanks. Federal Pump Model RT-100225-2 Duplex Set with two (2) End Suction Pumps, each rated for 100 GPM @ 98 PSIG Head, 10 HP, 208V-3 Phase, 3500 rpm with hydropneumatic Tank. 1 Year Warranty. Pumps are located in Mechanical Level MER.**

(5) Sanitary sewage system:

i) Sewage piping: **Cast iron.**

ii) Sewage pumps: **Sewer ejector to serve the basement-level fixtures, Federal Pumps Model VSA-4F-3- 4, Duplex Pumps Rated for 125 GPM @ 38 Ft head, 48"x48"x66" concrete pit. 63% energy efficiency. 1 Year Warranty.**

iii) Sump Pump: **Duplex Sump pump with oil probe is provided for elevator pit, submersible Federal Pump Model SE 40-GAF rated for 10 GPM @20 Ft. head, 18"x18"x24" concrete pit. 40% energy efficiency. 1Year Warranty.**

iv) Sewage disposal: **City sewer.**

(6) Permit(s) required:

Permit no: 123381312-02-PL
Issue date: 01.16.2019

(7) Storm drainage system:

i) **Roof will be drained through inside leaders, stormwater drains, and building sewer to the detention tank equipped with duplex sump pumps Zoeller Model 284 rated for 112 GPM @ 20 FT. each. 85% energy efficiency. 10 Years warranty. Controlled stormwater will be discharged to new house storm drain located in the basement. Storm drain is combined with a sanitary drain at the building's foundation wall and discharge into the combined street sewer. House traps are provided for a storm, and sanitary house drains.**

ii) Catch basins (location): **On street as existing.**

iii) Yard and roof drain (location): **There are several roof drains located at the flat roofs; drain on each balcony; gutter drain for entry canopy and area drain in front of the building on ground level. Stormwater run-off is collected by cast iron internal drains and leaders. All horizontal collection piping is cast iron and connects to building storm system in the basement.**

iv) Piping (materials): **Cast iron.**

(k) Heating:

(1) *Domestic Water Heating*:

i) **Domestic water is generated by two gas-fired heat exchangers and two hot water storage tanks located in Mechanical Level MER. Each heater is capable of generating of 388 GPH 140-degree hot water, A.O. Smith Model HW -399. Each tank has 200 gallons of storage capacity, A.O. Smith Model HD 30--200. Heaters are provided with direct vent/ seal combustion venting system. 83% energy efficiency. 5 Years warranty.**

ii) **The temperature in hot water storage tanks will be maintained at 140 Degree F; temperature in hot water distribution system will be maintained between 110- and 120-Degree F.**

iii) **Domestic hot water is provided with the circulation system. The circulation pump is all bronze construction Bell and Gossett Series 100, rated for 10 GPM @ 8 Ft. head.**

(2) Heating: **Building heating is accomplished via gas-fired hot water boilers located at roof level mechanical room, and which serve the entire building. The heat will be distributed within the residential units via heat pumps. Zone controller controls the heat in each Residential Unit. The common areas are heated via heat pumps to serve the Lobby, Stairwell, Utility Rooms. All heating equipment is per the NYS Energy Conservation Construction Code - the minimum indoor comfort temperature of 68 degrees F. can be achieved when the minimum outdoor temperature of 15 degrees F. is reached.**

(3) Number of heating boilers and description: **Two (2) gas-fired boilers for the entire building. The equipment is located in the Boiler Room.**

(4) Manufacturer and age of boiler(s): **The two (2) new boilers, Magnatherm-1600, as manufactured by Laars. The boilers heat exchangers have a warranty of ten years and they have 96% efficiency.**

(5) Manufacturer and age of burners: **New burner supplied with boiler by Laars.**

(6) Type of controls: **Controlled via boiler controls includes a supply water temperature sensor; reset based on outside air temperature, and boiler lead-lag controls provided by Laars.**

(7) Fuel: **Gas supplied from the street by Consolidated Edison.**

(8) **Heating is provided by the heat pumps which provide hot air via supply diffusers and return grilles; Thus, the system has no radiators, no pumps, no insulation and no piping.**

(9) **Piping: Piping for hot water are steel, schedule 40. Minimum size piping is 3/4". Fittings, valves and coupling were provided to suit the piping system.**

(l) Gas supply:

i) Type: **Natural Gas – Utility supplied from the street.**

ii) Meters: **Three house meters. One is tracking cooking gas and domestic hot water heating, another is tracking gas consumption for building heat, and another is tracking gas consumption for an emergency generator.**

iii) Piping: **Black steel piping.**

(m) Air conditioning.

(1) Type of System: **Each Residential unit is provided with heat pumps to provide cooling. The cooling tower is located on the roof.**

Dedicated heat pump units located in the ceilings serve common spaces such as Lobby and Corridors.

All cooling equipment is designed as per the NYS Energy Conservation Construction Code; the minimum indoor comfort temperature of 78 degrees F. can be achieved when the maximum outdoor temperature of 92 degrees F. is reached.

(2) Manufacturer & Capacities: **The manufacturer of the heat pumps is Climate Master. The equipment has a warranty of 5 years. The capacities offerings for outdoor and indoor units are tabulated below.**

Outdoor Units

Cooling Tower (Model #)	**Baltimore Air Coil Unit Capacities**
FXV-08028-2410	**450 GPM**
Condensing Unit	**Panasonic 52MBH**

Indoor Units

Climate Master	**Heat Pumps Capacities**
TSL-12	**12,000 Btuh (1Ton)**
TSL-24	**25,000 Btuh (2Ton)**
TSL-36	**35,000 Btuh (3Ton)**
Panasonic	**S-24MKIU6 24,000 Btuh**

The efficiency ratings of the heat pumps unit vary from 13.0 to 14.4 thus exceeding the minimum efficiency rating of 13.0, as required by the State Energy Conservation Code.

Insulation for duct work varies from 1" thick to 2" thick, based on usage. Minimum R values for duct insulation varies from R-3.5 to R-6.0. Duct insulation consists of fiberglass insulation fully encapsulated to prevent fiber erosion.

All exterior metals, including fasteners are corrosion resistant.

Rooftop equipment is provided with vibration isolatation system with vibration isolators, foundations and supports to prevent vibration and noise from reverberating in the apartments below.

(n) *Ventilation.*

(1) Kitchens are equipped with a hood and are vented through a shaft. Bathrooms are exhausted to the roof. One (1) exhaust fan will pull out air from the kitchens, two (2) exhaust fans will pull out air from the bathrooms. The gas service and meter room are provided with exhaust per code requirements. The boiler room is also provided with exhaust for ventilation as required by code.

(2) Tempered outdoor ventilation air heated to 68°F in winter and 76°F in summer is also provided. The ventilation air meets the minimum code requirements and also serves as make up air for toilets and kitchen exhaust.

(3) General exhaust ventilation fan unit provides ventilation for the corridors and 2 rooftop makeup units.

(4) The building has no wood or gas burning fireplaces. A common laundry room accommodates ventless dryer.

(5) The proposed cfm for mechanical ventilation is 25 cfm, in compliance with NYS minimum code requirements.

(o) *Electrical system.* Specify:

(1) Two (2) 1,600 Amp Service @ 120/208 Volt, 3 Phase, 4 wire + Ground. Service switches and modular meter center will be at basement level – one level below grade

(2) Service will be provided with two (2) service switches:

(i) One (1) 1,600 Amp service switch to feed a modular meter center for apartments.

(ii) One (1) 1,600 Amp service switch to feed house loads for common areas like corridor, stairs, hall, lobby, cooling towers, elevator, and fire pump.

(3) Service to individual tenant space:

(i) Each dwelling unit will be metered at the modular meter center.

(ii) Each dwelling unit will be provided with 100-150 Amp circuit breaker at the modular meter center.

(iii) Each dwelling unit will be provided with a three-wire feeder @ 120/208 Volt, 1 Phase

(iv) Convenience outlets and appliance outlets were provided for all apartments in accordance with Code requirement.

(v) AFCI outlets and GFCI outlets were provided for all apartments in accordance with Code requirement.

(vi) Water resistant outlets and appliance outlets were provided for exterior use in all apartments in accordance with Code requirement.

(vii) Recessed lighting fixtures were provided for all apartments.

(4) Dwelling unit panels (Load centers):

(i) Each apartment will be provided with one (1) panel
(ii) Panels are to be rated 100 Amp Main Bus minimum, with main lugs only.

(5) Adequacy:

(i) Service - The service to each Residential Unit is based upon current NEC Calculations and is adequate to supply appliances located within units, which is adequate to handle modern usage and appliances.

(ii) Lighting and fixtures: Mix of compact fluorescent, incandescent, and low voltage. NEC Calculations of 3VA per sq. ft.

(iii) Convenience outlets: Installation and location per NEC.

(6) Emergency Power: **In case of power interruption, emergency power will be provided by an emergency generator located at the Upper Bulkhead level. The generator will power emergency loads including Fire alarm system, building egress emergency lighting, one elevator at a time, along with building essential mechanical systems. The generator is gas fueled and it will operate continuously till normal power is restored by the utility company. The generator is 250KW manufactured by Generac model SG250.**

(p) Intercommunication and/or door signal systems, security closed-circuit TV:
Telephone and cable TV service will be brought to the building. Each tenant will be provided with cabling for telephone and cable Tv in their apartment. Each apartment will include an intercom station Apartments will be connected to a Video Intercom / Video doorman system.
Manufacturer and Model number: Comelit/ 6721W- Mini Colour Handsfree Monitor. White. SBTOP System or Equivalent.

(q) Public area lighting:

(1) Roof Terrace Lighting:

Exterior Wall Mount / Roof Terrace
Manufacturer: Canarm Lighting
Model#: IOL309BN Tay 20" Brushed Nickel
Lamps: 9 Watt LED 120 Volt or equivalent

(2) Lobby, lounge and gym areas Lighting:

LED Downlight
Manufacturer: Satco
Model#: S29757- 9WLED/4/SQ/30K/120V
Lamps: 9 Watt LED or equivalent

LED Downlight
Manufacturer: Zaniboni Lighting
Model#: Diva 2RD – 2 light sources
Lamps: 14 watts or equivalent

LED Downlight
Manufacturer: Zamiboni Lighting
Model#: Luna 3 Downlight
Lamps: 13 watts LED or equivalent

Pendant light (lobby)
Manufacturer: John Pomp
Model#: Infinity pendant
Lamps: 60 watts or equivalent

Pendant light (gym)
Manufacturer: Ylighting
Model#: Mumu LED Linear suspension
Lamps: 1 X 32 watts LED or equivalent

Pendant light (lounge)
Manufacturer: Rh modern

Model#: Davenport pendant
Lamps: 4 watts LED or equivalent

(3) Staircase:
Manufacturer: Eaton
Model#: Metalux, 4SWLED-LD4-40SL-LW-UNV-EL7W-L840-CD-1-SVPD2-U
Lamps: 21.5 W LED Or equivalent

(4) Trash Room:
Manufacturer: Satco
Model#: S29757- 9WLED/4/SQ/30K/120V
Lamps: 9 Watt LED or equivalent

(5) Utility rooms:
Manufacturer: LaMar Lighting
Model#: WS-2-28-E5-U-CANOPY-STEM
Lamps: 2XF28T5 Or equivalent

(6) Exit Light Interior:
Manufacturer: Cooper Lighting
Model#: Atlite AUXS-WH-SD-8-AUXFAI
Lamps: 1.9 W LED Or equivalent

(7) Exit Light Exterior:
Manufacturer: Cooper Lighting
Model#: Atlite UXN6DR1X
Lamps: 1.9 W LED Or equivalent

(8) Emergency Lighting:
Manufacturer: Cooper Lighting
Model#: Atlite CB6
Lamps: 2-12W INC Or equivalent

(9) Entrance Lighting:
Manufacturer: Hubbardton Forge
Model#: Double Axis Large LED Outdoor
Lamps: LED 25W Or equivalent

(10) Service Entrances Lighting: N/A
(11) Public Area Lighting: Lighting per IES and current building codes.

(r) *Garages and parking areas*: **N/A**

(s) *Swimming pool(s)*: **N/A**

(t) Tennis courts, playgrounds and recreation facilities:

(1) Tennis courts: **N/A**
(2) Playgrounds: **N/A**
(3) Other recreation facilities:

i) Gym&Lounge: **Located on the cellar and first floor. The lounge area is equipped with a kitchenette (refrigerator, dishwasher, and sink. No cooking equipment is provided.) Sitting, Tv, and music playing system is also provided in the lounge area.**

Kitchenette Finishes:

All Cabinetry:

Veneer Door Sunset Walnut Scav934 (Vertical Graining)

Toe Kick:

PVC Veneer Sunset Walnut Scav934

Integrated handle:

Metal handle to have a bronze finish color

Interior Cabinetry Color:

Texstyle Sand Melamine (linen color)

The gym area is equipped with:

2 Treadmills
2 Ellipticals
1 Rower
2 Spin Bikes
1 Recumbent Eliptical
1 Chest Press/ Soulder Press Station
1 Leg Press/Calf Station
1 Dual Pilley Functional Trainer Station
1 Smith Press and Bench Station
1 Bench, Dumbbells and Rack Station
Prism Rack with Phsyioballs, Medicine Balls Stretch Bands, Stretch Mats
Water Fountain
TV

ADA toilet is located in the cellar level accessed from the gym area directly. There is another ADA toilet is provided in the lobby area on the first floor for unit owners use.

ii) Rooftop: **There is a common area passive recreation rooftop space located on the roof of the building above the 19th floor. There are unfixed tables, chairs built-in bar/kitchenette space and tv provided for the unit owners use. There is an ADA toilet provided on the rooftop for owners use.**

(u) Permits and certificates.

Permits required:

Temporary Construction Fence
Scaffolding
Sidewalk Bridge
Builders Pavement Plan
Building Construction
Electrical
Plumbing
Sprinklers
Boilers
Elevator
Stand Pipes

Inspections required: (In addition to submittal of Testing Lab reports per Schedule of Special Inspections):

Soils - Boring/Test Pits
Soils -Subgrade
Concrete-Cast-in-Place
Concrete Test Cylinders
Concrete Design Mix
Structural Stability
Anchors & Ties
Concrete Masonry Units
Wall Panels, Veneers
Exterior Insulation (EIFS)
Underground Piping & Conduit
Electrical Rough
Mechanical Systems (Ventilation and Refrigeration)
Heating Systems
Chimneys
Fire-stops, Draft stops, and Fire Block Systems
Fire Dampers
Plumbing Rough
Elevator
Standpipe Test
Duct Leakage Testing
Sprinkler Test
Alarm
Fire Resistance Rated Construction
Protection of Foundation Insulation
Insulation Placement and R Values
Fenestration U Factor and Product Ratings
Fenestration Air Leakage
Fenestration Areas
Air Sealing and Insulation – Visual

Shutoff dampers
HVAC and Service Water Heating Equipment
HVAC and Service Water Heating Controls
HVAC Insulation and Sealing
Electrical Energy Consumption
Lighting in Dwelling Units
Interior Lighting Power
Exterior Lighting Power
Lighting Controls
Exit Signs
Maintenance Information
Final for C.O.
Electric Motors

Recurring Inspections:
Elevator
Façade Local law
Sprinkler/Standpipe
Fire Alarm
Fire Extinguisher
Cooling tower
Boiler
Roof Tanks

(v) Violations. None

(w) Unit information:

(1) The Unit areas with the number and types of rooms are as follows:

Unit areas have been measured horizontally from the centerline of the demising and the outside of exterior walls surrounding the Units and including Common Elements wholly within Units, such as columns, mechanical chases, and chutes. The measurement of the Units on Floors 17 through 20 include the elevator lobby of such Units and the trash rooms inside the Unit.

Doors and windows that open from or to a border of a Unit shall be deemed part of the Unit. However, any Common Elements located within a Unit shall not be considered a part of the Unit.

Unit areas have been measured vertically from the top of the finished floor to the underside of the ceiling above.

Outdoor areas have been measured horizontally from the outline of the façade wall and the outline of the parapet wall or edge of the balcony slab.

Refer to Appendix II for individual units' areas.

(2) The Ceiling Heights of each floor and unit are as follows:

i) Cellar
Ceiling height in Storage areas is 9'-3", Gym 8'-6" and 9'-0", Utility Rooms 9'-3", Corridor 9'-3".

ii) First Floor
1) **Ceiling height at the Lobby area is 8'-0", 8'-6" and 18'-6", Corridor 8'-0" and 8'-6" Package Room and Toilet 8'-0", recreation room 8'-0" and 8'-6".**
2) **Typical ceiling height in Living Room and Bedroom is 9'-2". Ceiling height in the kitchen 8'-8", bathroom 8"-0".**

iii) Second through the nineteenth Floor
Typical ceiling height throughout dwelling units living room and bedroom varies 9'-2" and 8'-6". Ceiling height in the kitchens varies 8'-6" and 8'-8". Ceiling height in the bathrooms varies 8'-6" and 8'-0", Corridor areas varies 8'-8" and 8'-0".

iv) The typical ceiling in the elevator lobby and common hallway is 8'-0" and 8'-6".

(3) Descriptions of each floor are as follows:

i) Cellar Floor
1) **Access to the Cellar level is provided by the elevator, public stair leading from the Lobby, or additional public stair leading directly to the Street as a second means of egress.**

2) **Exercise Room with Toilet Room is located at the Cellar Level and 1st floor and is enclosed with 2hr fire rated walls. The Water and Gas Room, Electrical Room, Storage Room, Compactor Room, Laundry, Bike room and Office are also at Cellar Level.**

3) **Walls and partitions are a mix of gypsum wallboards, poured in place concrete and concrete masonry units with plaster or gypsum board finish. The ceiling is finished with 5/8" thick gypsum board type "X" in the gym and office.**

ii) First Floor
1) **There is one (1) Residential Unit on the First Floor with Living Room, Kitchen, Bathroom and Bedroom Entry door is paint finish hallow**

metal, 1½ HR fire-rated, and self-closing. Walls and dropped ceilings are gypsum wallboard - painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore interior paint or equivalent. Wall Color: CC-10,Flat sheen or similar. Ceiling paint color: OC-21, flat sheen or similar. Concrete ceilings in the rooms receive plaster skim coating-painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore Paint. Color: OC-21, flat sheen or similar. Flooring is 1/2" sliced face engineered hardwood, 7" wide, 8' long, White oak - matte finish, installed on 5mm thick acoustical underlayment pliteq genie mat (Min. IIC 50 As Per BC 1207.3) or similar laid on a concrete slab with painted solid wood baseboards. Tiles and stone on the walls in the bathroom are mounted on 3/4" thick waterproof sheetrock. The kitchen is custom made, with 1-1/4" thick stone countertops. Floor finish in the kitchen area is wood. Floors in the washer/dryer area are ceramic tiles. The unit's rooms are finished with solid wood floors, painted solid wood baseboards. The unit's bathrooms are finished with ceramic tile floors, ceramic tiles and painted gypsum boards for the walls, and ceramic baseboards where required. The master bathrooms are finished with a stone on the floor and on the walls. All the ceilings are finished in painted gypsum board. Master bathroom receives melamine wall paneling and ceiling paneling in woodfinish around the vanity as a part of the vanity.

2) **There is a rear open Terrace part of the residential unit with direct access from the Residential Unit.**
3) **Access to the building Lobby is directly from East 28th Street. Secondary access is through side stair and corridor leading to the Cellar Level that serves as secondary means of building egress.**
4) **Lobby floors are finished in the stone; walls are finished in a combination of stone and metal cladding and wood paneling. Ceilings in the lobby are painted gypsum boards with recessed downlights wall-washers.**
5) **The lounge floor is finished in wood; walls are finished in a combination of stone and metal cladding and wood paneling. Ceilings in the lounge are painted gypsum boards with recessed downlights wall-washers.**
6) **The gym floor is finished in vinyl; walls are finished in a combination of stone and metal cladding and wood paneling. Ceilings in the gym are painted gypsum boards with recessed downlights wall-washers.**

iii) Second Floor

1) **There are four (4) Residential Units on the second floor. There are three units which have 1 Living room, 1 bedroom, 1 bathroom, kitchen, closets, and space for stackable washer and dryer. There is one studio which has 1 bathroom, kitchen, closets and space for stackable washer and dryer. There is a private balcony part of a residential unit (#204) located on the north-west corner of the floor**

with direct access from the residential unit. Flooring is 1/2" sliced face engineered hardwood, 7" wide, 8' long, White oak - matte finish, installed on 5mm thick acoustical underlayment pliteq genie mat (Min. IIC 50 As Per BC 1207.3) or similar laid on a concrete slab with painted solid wood baseboards. Walls and dropped ceilings are gypsum wallboard - painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore interior paint or equivalent. Wall Color: CC-10,Flat sheen or similar. Ceiling paint color: OC-21, flat sheen or similar. Concrete ceilings in the rooms receive plaster skim coating- painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore Paint. Color: OC-21, flat sheen or similar. The units' secondary bathrooms are finished with ceramic tile floors, ceramic tiles and painted gypsum boards for the walls, and ceramic baseboards where required. The master bathrooms are finished with a stone on the floor and on the walls. All the ceilings are finished in painted gypsum board. Master bathroom receives melamine wall paneling and ceiling paneling in woodfinish around the vanity as a part of the vanity.

iv) Third through the Sixth Floor

1) **There are four (4) Residential Units per floor on third through the sixth floor. Two of four units have 1 Living room, 1 bedroom, 1 bathroom, kitchen, closets, and space for stackable washer and dryer. Other two units have 1 Living room, 1 bedroom, 1 bathroom, 1 Powder Room, kitchen, closets, and space for stackable washer and dryer.**
2) **There are private balconies part of a residential unit (#304, #404,#504,#604) located on the north-west corner of the floor with direct access from the residential unit. The units' rooms flooring are 1/2" sliced face engineered hardwood, 7" wide, 8' long, White oak - matte finish, installed on 5mm thick acoustical underlayment pliteq genie mat (Min. IIC 50 As Per BC 1207.3) or similar laid on a concrete slab with painted solid wood baseboards. Walls and dropped ceilings are gypsum wallboard - painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore interior paint or equivalent. Wall Color: CC-10,Flat sheen or similar. Ceiling paint color: OC-21, flat sheen or similar. Concrete ceilings in the rooms receive plaster skim coating- painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore Paint. Color: OC-21, flat sheen or similar. The units' secondary bathrooms are finished with ceramic tile floors, ceramic tiles and painted gypsum boards for the walls, and ceramic baseboards where required. The master bathrooms are finished with a stone on the floor and on the walls. All the ceilings are finished in painted gypsum board. Master bathroom receives melamine wall**

paneling and ceiling paneling in woodfinish around the vanity as a part of the vanity.

v) Seventh Floor

1) **There are three (3) residential units on the seventh floor.**
2) **The first unit has 1 Living room, 1 bedroom, 1 bathroom, kitchen, closets, and space for stackable washer and dryer.**
3) **The second unit has 1 Living room, 1 bedroom, 1 bathroom, 1 Powder Room, kitchen, closets, and space for stackable washer and dryer.**
4) **The third unit has 1 Living room, 2 bedrooms, 2 bathrooms, 1 Powder Room, kitchen, closets, and space for stackable washer and dryer.**
5) **There is one private balcony part of a residential unit (#703) located on the north-west corner of the floor with direct access from the residential unit, and there is one open terrace part of residential units (#703) located on the south-west corner of the floor with direct access from the residential unit. The units' rooms flooring are 1/2" sliced face engineered hardwood, 7" wide, 8' long, White oak - matte finish, installed on 5mm thick acoustical underlayment pliteq genie mat (Min. IIC 50 As Per BC 1207.3) or similar laid on a concrete slab with painted solid wood baseboards. Walls and dropped ceilings are gypsum wallboard - painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore interior paint or equivalent. Wall Color: CC-10,Flat sheen or similar. Ceiling paint color: OC-21, flat sheen or similar. Concrete ceilings in the rooms receive plaster skim coating-painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore Paint. Color: OC-21, flat sheen or similar. The units' secondary bathrooms are finished with ceramic tile floors, ceramic tiles and painted gypsum boards for the walls, and ceramic baseboards where required. The master bathrooms are finished with a stone on the floor and on the walls. All the ceilings are finished in painted gypsum board. Master bathroom receives melamine wall paneling and ceiling paneling in woodfinish around the vanity as a part of the vanity.**

vi) Eight through the Fifteenth Floor

1) **There are two (2) residential units per floor.**
2) **One unit has 1 Living room, 2 bedrooms, 2 bathrooms, 1 Powder Room, kitchen, closets, and space for stackable washer and dryer.**
3) **The second unit has 1 Living room, 2 bedrooms, 2 bathrooms, kitchen, closets, and space for stackable washer and dryer.**
4) **There is one open terrace part of a residential unit (#802) located on the west side of the floor with direct access from the residential unit on the 8th floor.**
5) **There are private balconies part of a residential unit (Marketing unit#902-#1602) located on the west side of the floor with direct access from the residential unit on the ninth through the fifteenth floor. The**

units' rooms flooring are 1/2" sliced face engineered hardwood, 7" wide, 8' long, White oak - matte finish, installed on 5mm thick acoustical underlayment pliteq genie mat (Min. IIC 50 As Per BC 1207.3) or similar laid on a concrete slab with painted solid wood baseboards. Walls and dropped ceilings are gypsum wallboard - painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore interior paint or equivalent. Wall Color: CC-10,Flat sheen or similar. Ceiling paint color: OC-21, flat sheen or similar. Concrete ceilings in the rooms receive plaster skim coating- painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore Paint. Color: OC-21, flat sheen or similar. The units' secondary bathrooms are finished with ceramic tile floors, ceramic tiles and painted gypsum boards for the walls, and ceramic baseboards where required. The master bathrooms are finished with a stone on the floor and on the walls. All the ceilings are finished in painted gypsum board. Master bathroom receives melamine wall paneling and ceiling paneling in woodfinish around the vanity as a part of the vanity.

vii) Sixteenth Floor

1) **There is one (1) residential unit on the sixteenth floor.**
2) **The unit has 1 Living room, 3 bedrooms, 3 bathrooms, kitchen, closets, and space for stackable washer and dryer.**
3) **There is one open terrace part of a residential unit (#PH3) located on the east side of the floor with direct access from the residential unit on the sixteenth floor. The terrace has 2 levels and connected with ADA ramp. ADA access to this terrace provided through the Master Bedroom.**
4) **There is a private balcony part of a residential unit (#PH3) located on the west side of the floor with direct access from the residential unit on the sixteenth floor. The units' rooms flooring are 1/2" sliced face engineered hardwood, 7" wide, 8' long, White oak - matte finish, installed on 5mm thick acoustical underlayment pliteq genie mat (Min. IIC 50 As Per BC 1207.3) or similar laid on a concrete slab with painted solid wood baseboards. Walls and dropped ceilings are gypsum wallboard - painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore interior paint or equivalent. Wall Color: CC-10,Flat sheen or similar. Ceiling paint color: OC-21, flat sheen or similar. Concrete ceilings in the rooms receive plaster skim coating- painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore Paint. Color: OC-21, flat sheen or similar. The unit's secondary bathrooms are finished with ceramic tile floors, ceramic tiles and painted gypsum boards for the walls, and ceramic baseboards where required. The master bathrooms are finished with a stone on the floor and on the walls. All the ceilings are finished in painted gypsum board. Master bathroom receives melamine wall**

paneling and ceiling paneling in woodfinish around the vanity as a part of the vanity.

viii) Seventeenth Floor

1) **There is one (1) residential on the seventeenth floor.**
2) **The unit has 1 Living room, 2 bedrooms, 2 bathrooms, 1Powder Room, kitchen, closets, and space for stackable washer and dryer.**
3) **There is one open terrace part of a residential unit (#PH2) located on the east side of the floor with direct access from the residential unit on the seventeenth floor.**
4) **There is a private balcony part of a residential unit (#PH2) located on the west side of the floor with direct access from the residential unit on the seventeenth floor. The units' rooms flooring are 1/2" sliced face engineered hardwood, 7" wide, 8' long, White oak - matte finish, installed on 5mm thick acoustical underlayment pliteq genie mat (Min. IIC 50 As Per BC 1207.3) or similar laid on a concrete slab with painted solid wood baseboards. Walls and dropped ceilings are gypsum wallboard - painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore interior paint or equivalent. Wall Color: CC-10,Flat sheen or similar. Ceiling paint color: OC-21, flat sheen or similar. Concrete ceilings in the rooms receive plaster skim coating-painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore Paint. Color: OC-21, flat sheen or similar. The unit's secondary bathrooms are finished with ceramic tile floors, ceramic tiles and painted gypsum boards for the walls, and ceramic baseboards where required. The master bathrooms are finished with a stone on the floor and on the walls. All the ceilings are finished in painted gypsum board. Master bathroom receives melamine wall paneling and ceiling paneling in woodfinish around the vanity as a part of the vanity.**

ix) Eighteenth and Nineteenth Floor Duplex unit

1) **There is one (1) duplex residential unit on the eighteenth and nineteenth floor.**
2) **The unit has 3 bedrooms, 3 bathrooms, and space for washer and dryer on the eighteenth floor and 1 Living room, Den, 1 bathroom, kitchen, and closet on the nineteenth floor.**
3) **There is an open terrace part of a residential unit (#PH1) located on the east side of the floor with direct access from the residential unit on the eighteenth floor.**
4) **There is a private balcony part of a residential unit (#PH1) located on the west side of the floor with direct access from the residential unit on the eighteenth floor.**
5) **There is an open terrace part of a residential unit (#PH) located on the east side of the floor with direct access from the residential unit on the nineteenth floor.**

6) **There is a private balcony part of a residential unit (#PH1) located on the west side of the floor with direct access from the residential unit on the nineteenth floor. The units' rooms flooring are 1/2" sliced face engineered hardwood, 7" wide, 8' long, White oak - matte finish, installed on 5mm thick acoustical underlayment pliteq genie mat (Min. IIC 50 As Per BC 1207.3) or similar laid on a concrete slab with painted solid wood baseboards. Walls and dropped ceilings are gypsum wallboard - painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore interior paint or equivalent. Wall Color: CC-10,Flat sheen or similar. Ceiling paint color: OC-21, flat sheen or similar. Concrete ceilings in the rooms receive plaster skim coating-painted with 1 layer Benjamin Moore primer and 2 layer Benjamin Moore Paint. Color: OC-21, flat sheen or similar. The unit's secondary bathrooms are finished with ceramic tile floors, ceramic tiles and painted gypsum boards for the walls, and ceramic baseboards where required. The master bathrooms are finished with a stone on the floor and on the walls. All the ceilings are finished in painted gypsum board. Master bathroom receives melamine wall paneling and ceiling paneling in woodfinish around the vanity as a part of the vanity.**

(4) Kitchen and appliances:

Kitchen Finishes:
All units receive Scavolini Kitchens.
Base Cabinet:
Décor Door/Melamine in Color Finish Arcade Oak Scav734 (Vertical Graining)

Pantries/Tall Cabinets/Paneling or Fillers (including refrigeration paneling) & Top Boxes:
Décor Door/Melamine in Color Finish Arcade Oak Scav734 (Vertical Graining)

Interior Cabinetry Color:
Texstyle Sand Melamine (linen color)

Channel Grooves/Toe kick:
Satin Brushed Nickel Finish on aluminum

Wall Cabinets/Wall cabinet reveals also on select island locations & wall niches):
Ribbed Etched Glass (Vertical Direction) with a Polish Nickel Finish metal frame around the door
Kitchen appliances:

Individual unit appliances shown on Appendix III appliances table.

i) Dishwasher

Manufacturer:	**BOSCH**
Model:	**SPV68U53UC , SGV68U53UC**
Or equivalent	

ii) Gas Cooktop

Manufacturer:	**BOSCH**
Model:	**NGM5456UC , NGM8056UC , NGM8656UC**
Or equivalent	

iii) Hood

Manufacturer:	**BOSCH**
Model:	**HUI54451UC , HUI50351UC , HUI56551UC**
Or equivalent	

iv) Refrigerator

Manufacturer:	**BOSCH**
Model:	**B09IB81NSP, B30IB900SP, B36IT900NP**
Or equivalent	

v) Sink

Manufacturer:	**SIGNATURE PLUMBING**
Model:	**KS1092SS12SS, KS1178SS12SS**
Or equivalent	

vi) Washer/Dryer

Manufacturer:	**MIELE**
Washer Model:	**WWB020 WCS W1**
Dryer Model:	**TWB120WP T1 / Ventless**
Stacking:	**WTV502**
Or equivalent	

vii) Oven

Manufacturer:	**BOSCH**
Model:	**HMC54151UC , HMC80252UC , HBL8752UC**
Or equivalent	

viii) Wine Cooler :

Manufacturer:	**SUMMIT**
Model:	**SWC1535BCSS**
Or equivalent	
Manufacturer:	**GAGGENAU**
Model:	**RW414764**

Or equivalent

ix) **Typical Kitchen Faucet**

Faucet	
Manufacturer:	**Signature plumbing**
Model:	**KF1084BR2-24PN**
Or equivalent	

(5) *Bathroom fixtures*:

-Faucet and Valves by Signature Plumbing: One-year limited.

i) **Typical Bath**

Toilet:	
Manufacturer:	**TOTO**
Model:	**CT418F(G) + SS114**
Or equivalent	
Concealed Tank:	
Manufacturer:	**VIEGA**
Model:	**52710**
Or equivalent	
Actuator:	
Manufacturer:	**VIEGA**
Model:	**54860**
Or equivalent	
Lavatory	
Manufacturer:	**Custom Made**
Model:	
Or equivalent	
Faucet	
Manufacturer:	**Signature plumbing**
Model:	**1183BR2-4PN-LF**
Or equivalent	
Tub	
Manufacturer:	**TOTO**
Model:	**FBY1700P**
Or equivalent	
Lavatory Drain	
Manufacturer:	**Signature plumbing**
Model:	**LDW1000BR23PN**

Or equivalent

Pressure Balance Valve with integral diverter
Manufacturer: **Signature plumbing**
Model: **PBV1014-DAH (Three Way)**
PBV1009-DAH (Two Way)
Or equivalent
Wall Mounted Shower Head
Manufacturer: **Signature plumbing**
Model: **SH1076BR13PN – SH1079BR13PN**
Or equivalent

Wall Mounted Shower Arm
Manufacturer: **Signature plumbing**
Model: **SA1003BR13PN**
Or equivalent

Hand Shower
Manufacturer: **Signature plumbing**
Model: **HH1001BR19PN – SE1004BR13PN – HOSE1001BR13PN – SSB1002BR13PN**
Or equivalent

Pressure Balance Trim
Manufacturer: **Signature plumbing**
Model: **TD1170BR8PN-2 , TD1170BR8PN-3**
Or equivalent
Spout
Manufacturer: **Signature Plumbing**
Model: **TS1018BR13PN**
Or equivalent

Toilet Tissue Holder
Manufacturer: **Signature Plumbing**
Model: **TPH1002BR13PN**
Or equivalent

ii) **Typical Master Bath**

Toilet:
Manufacturer: **TOTO**
Model: **CT418F(G) + SS114**
Or equivalent

Concealed Tank:
Manufacturer: **VIEGA**

Model:	**52710**
Or equivalent	
Actuator:	
Manufacturer:	**VIEGA**
Model:	**54860**
Or equivalent	
Lavatory	
Manufacturer:	**Custom Made Or equivalent**
Faucet	
Manufacturer:	**Signature Plumbing**
Model:	**LF1359BR2-4PN**
Or equivalent	
Volume Control Handle	
Manufacturer:	**Signature Plumbing Specialties**
Model:	**Tub & Shower Trim TD1172BR8PN-2**
	TD1172BR8PN-3
Or equivalent	
Tub	
Manufacturer:	**TOTO**
Model:	**FBY 1700P**
Or equivalent	
Lavatory Drain	
Manufacturer:	**Signature Plumbing Specialties**
Model:	**LDW1000BR23PN**
Or equivalent	
Pressure Balance Valve with integral diverter	
Manufacturer:	**Signature plumbing**
Model:	**PBV1014-DAH (Three Way)**
	PBV1009-DAH (Two Way)
Or equivalent	
Showerhead	
Manufacturer:	**Signature plumbing**
Model:	**SH1079BR13PN +**
	SA1003BR13PN (SHOWER ARM)
Or equivalent	
Hand Shower	
Manufacturer:	**Signature plumbing**
Model:	**HH1001BR19PN – SE1007BR13PN –**

HOSE1001BR13PN – SSB1002BR13PN

Or equivalent

Wall Mount Tub Filler
Manufacturer: **Signature plumbing**
Model: **TF1061BR13PN**
Or equivalent

Tub/Shower Pressure Balance Valve
Manufacturer: **Signature plumbing**
Model: **VP-4007-DAH**
Or equivalent

Diverter Valve
Manufacturer: **Signature plumbing**
Model: **DV1004-2-KL**
Or equivalent

Spout
Manufacturer: **Signature Plumbing**
Model: **TS1063BR13PN**
Or equivalent

Toilet Tissue Holder
Manufacturer: **Signature Plumbing**
Model: **TPH112BR13PN**
Or equivalent

Steam Generator: **N /A**
Steam Timer: **N/A**

iii) **Typical Powder Room**

Toilet:
Manufacturer: **TOTO**
Model: **CT418F(G) + SS114**
Or equivalent

Concealed Tank:
Manufacturer: **VIEGA**
Model: **52710**
Or equivalent

Actuator:
Manufacturer: **VIEGA**
Model: **54860**

Or equivalent

Lavatory
Manufacturer: **Custom Made**
Model:
Or equivalent

Faucet
Manufacturer: **Signature Plumbing**
Model: **LF1209BR2PN**
Or equivalent

Toilet Tissue Holder
Manufacturer: **Signature Plumbing**
Model: **TPH1115BR13PN**
Or equivalent

(6) Units' Lighting:

LED Downlight
Manufacturer: Satco
Model#: S29757- 9WLED/4/SQ/30K/120V
Lamps: 9 Watt LED or equivalent

(Kitchen) Under-Cabinet Lighting
Manufacturer: Scavolini
Model#: Linear Recessed Fixture.
Lamps: LED Or equivalent

(7) Fireplaces:

Fireplace (lobby)
Manufacturer: **Lumina products**
Model: **Aquafire modular fireplace AF1000-099-AB-AQ-0400**

Or equivalent

Fireplace (lounge)
Manufacturer: **Health cabinet**
Model: **No. 3070 Horizon Stainless Steel Firefox**
Or equivalent

(8) *Alarm:* **N/A**

(9) *Intercom:* **COMELIT COD.iKALL/AVDIGMETAL and**

COMELIT 6721W – Mini Colour Handsfree Monitor, White, SBTOP System

(x) Finish schedule of spaces other than units:

Room	Floor	Walls	Ceilings
Lobby	Stone	Stone/Wood/Metal	Painted Gypsum
Lounge	Wood floor	Stone/Wood/Metal	Painted Gypsum
Gym	Vinyl floor	Stone/Wood/Metal	Painted Gypsum
Corridors	Carpet	Wood/Paint/Wallpaper	Painted Gypsum
Storage	Vinyl/Stone	Painted	Painted Gypsum
Laundry	Vinyl/Stone	Painted	Painted Gypsum

(y) Safety and warning devices: **Residential Units and Common Areas to have smoke and carbon monoxide detectors in accordance with the New York City Building Code and all other applicable regulations. Automated smoke/heat/CO detection with sprinkler fire alarm system with one way voice communication is provided.**

(z) Additional Information required.

(1) APPENDIX I: **SCHEDULE A**
(2) APPENDIX II: **INDIVIDUAL UNITS' AREAS**
(3) APPENDIX III: **KITCHEN APPLIANCES**

(aa) N/A

(bb) Further Development: **N/A**

(cc) Asbestos: **None present as it is new construction.**

Lead-based paint: **None present as it is new construction.Please see attached drawings for an additional description of the property and descriptions of the various condominium units.**

DATE: 12/18/19

SEAL:

DAMIR SEMIC AIA
Confirming architect:

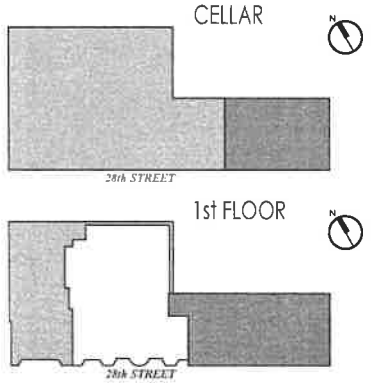
EXHIBIT "7"

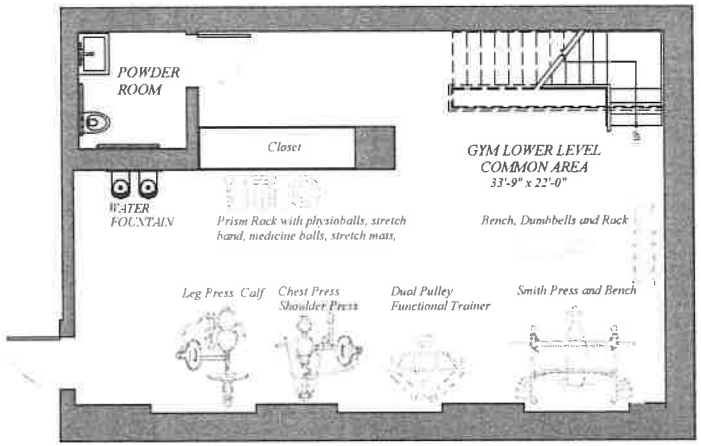
FLOOR PLANS

AMENITY SPACE/GYM

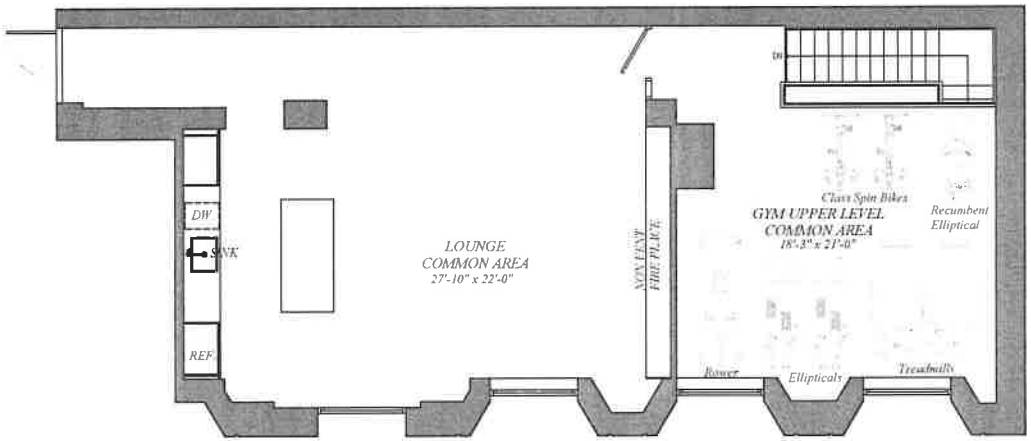
FLOOR:CELLAR & 1ST

181 28th STREET NEW YORK





CELLAR



1st FLOOR

All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

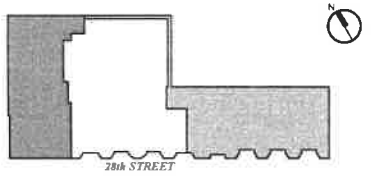
UNIT GARDEN 1

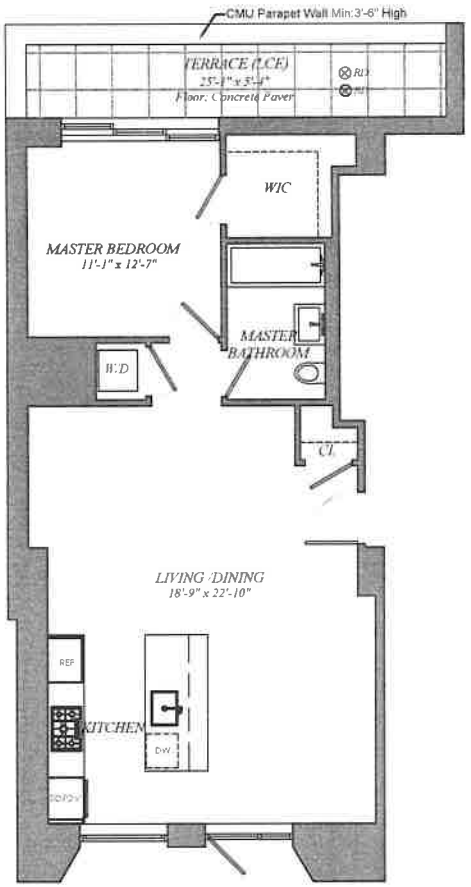
FLOOR: 1

1 Bedroom / 1 Bath

181 28th STREET NEW YORK

Interior	871 Sq Ft
Exterior	130 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

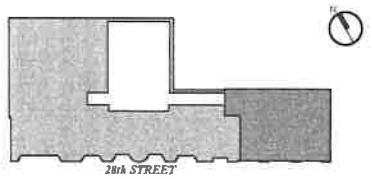
UNIT 201

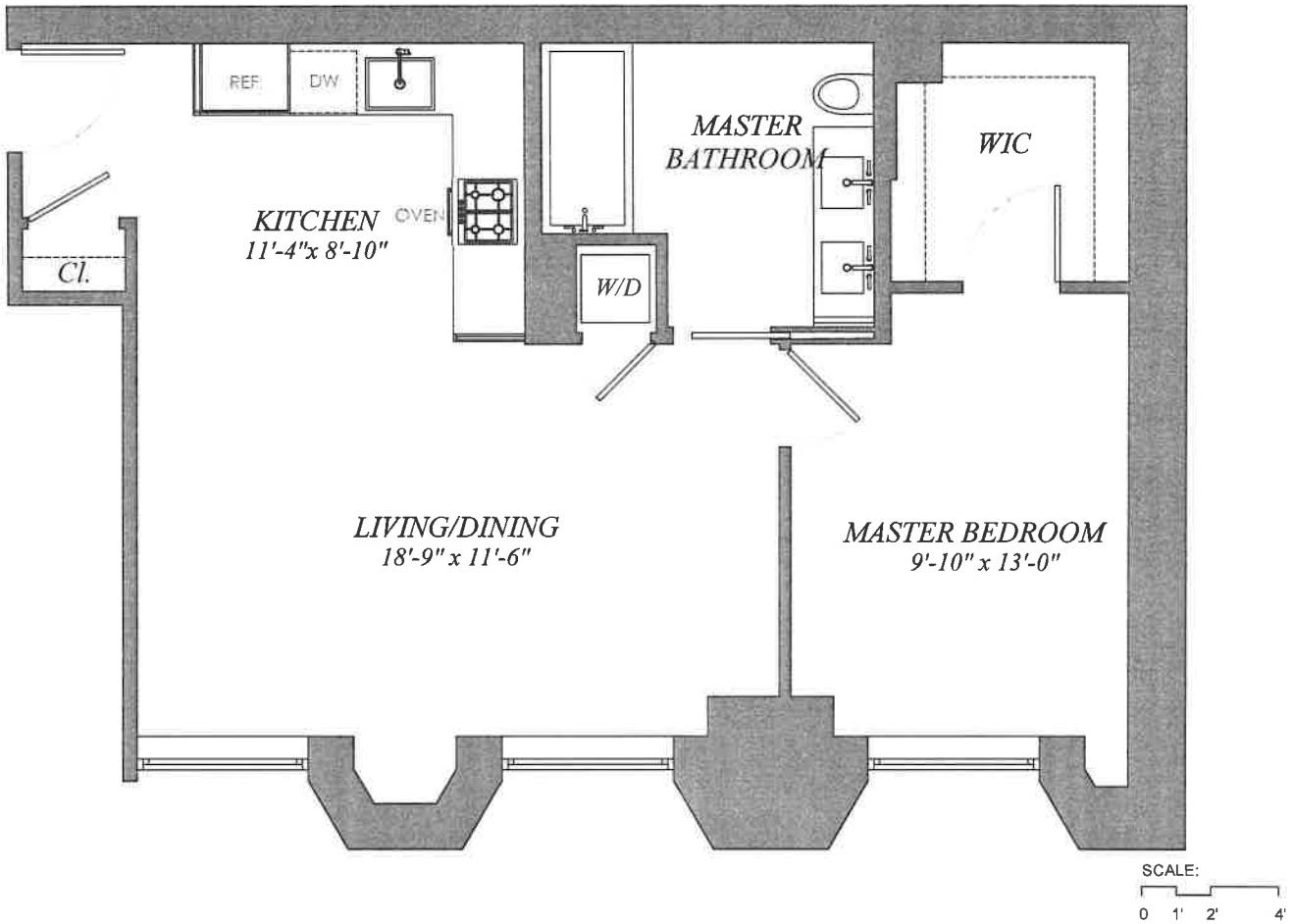
FLOOR: 2

1 Bedroom /1 Bath

181 28th STREET NEW YORK

Interior 756 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

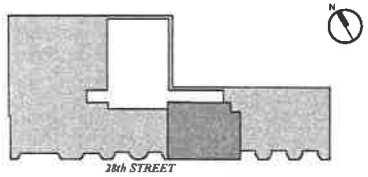
UNIT 202

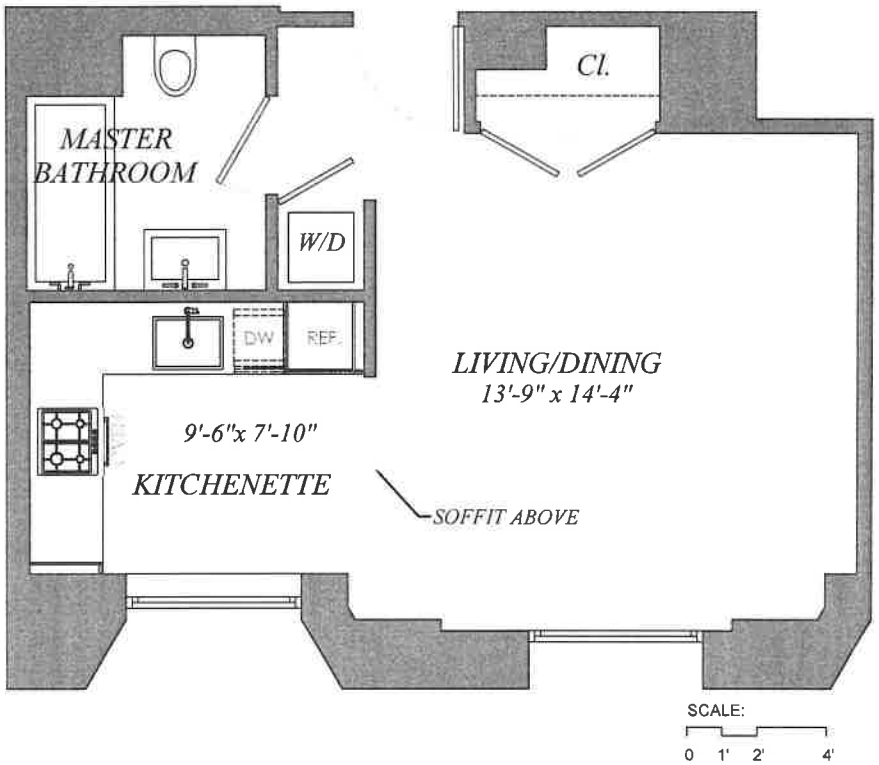
FLOOR: 2

0 Bedroom /1 Bath

181 28th STREET NEW YORK

Interior 450 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

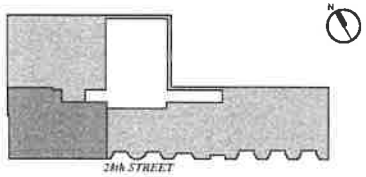
UNIT 203

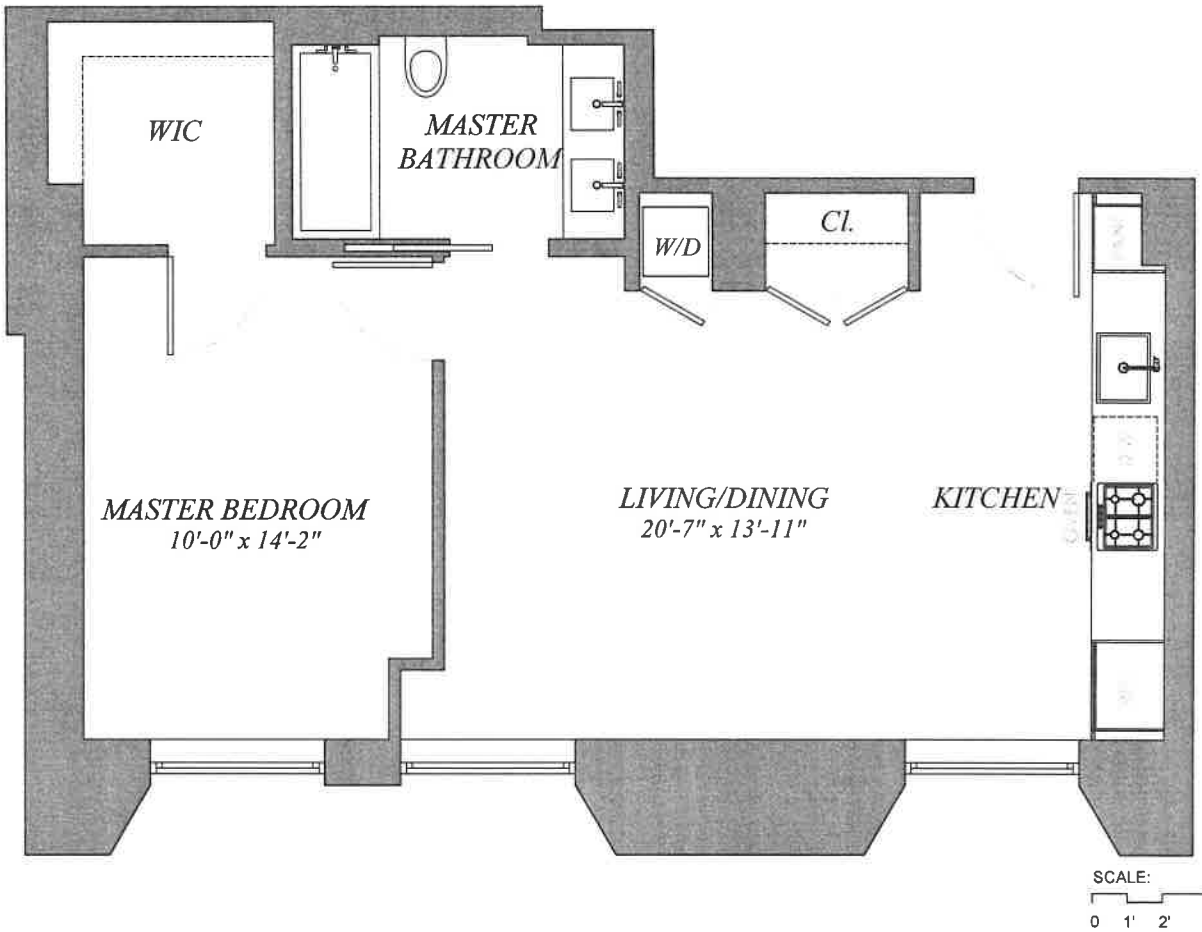
FLOOR: 2

1 Bedroom /1 Bath

181 28th STREET NEW YORK

Interior 697 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

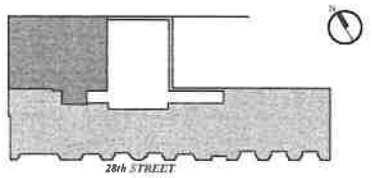
UNIT 204

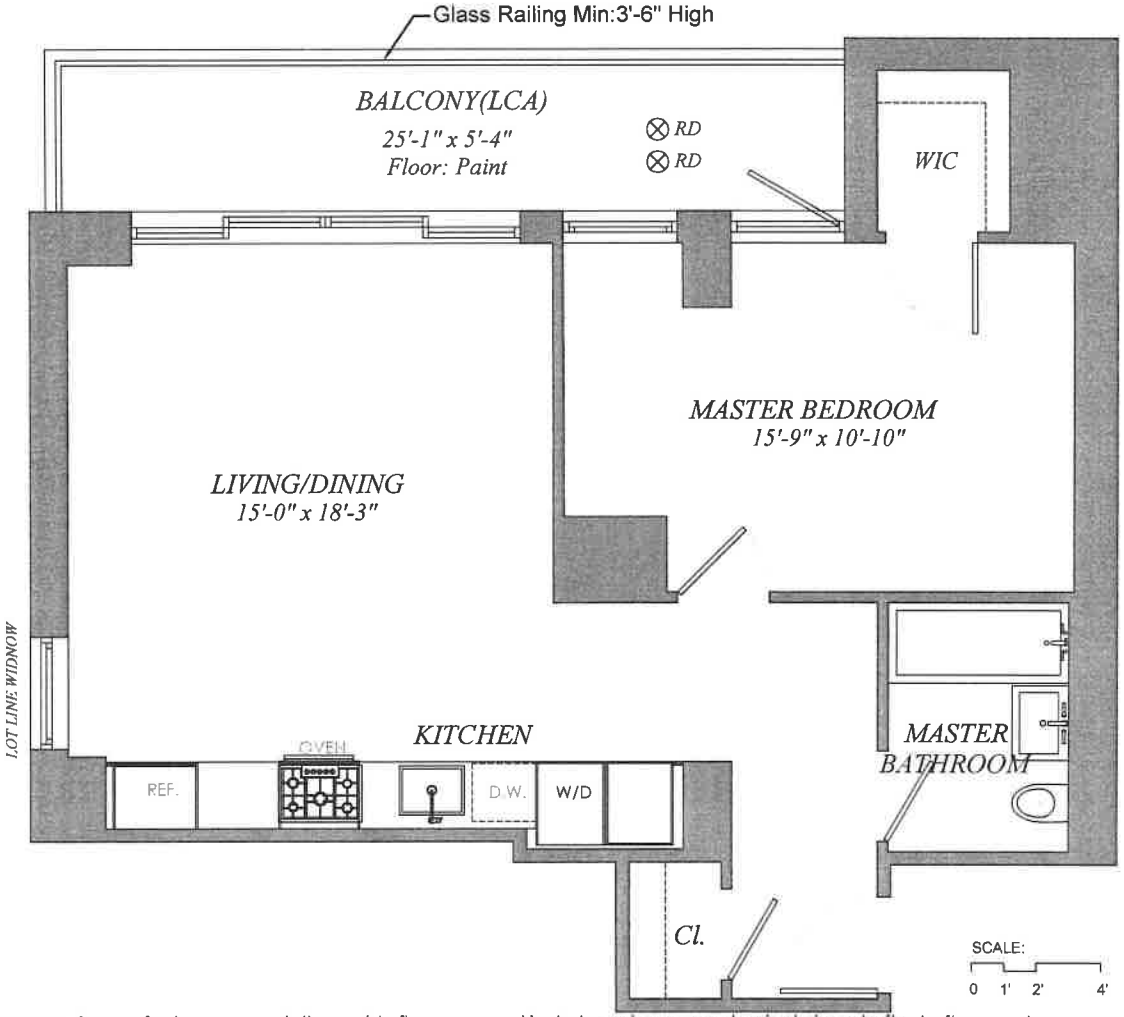
FLOOR: 2

1 Bedroom /1 Bath

181 28th STREET NEW YORK

Interior	741 Sq Ft
Exterior	123 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

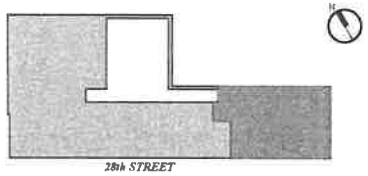
UNIT 301-601

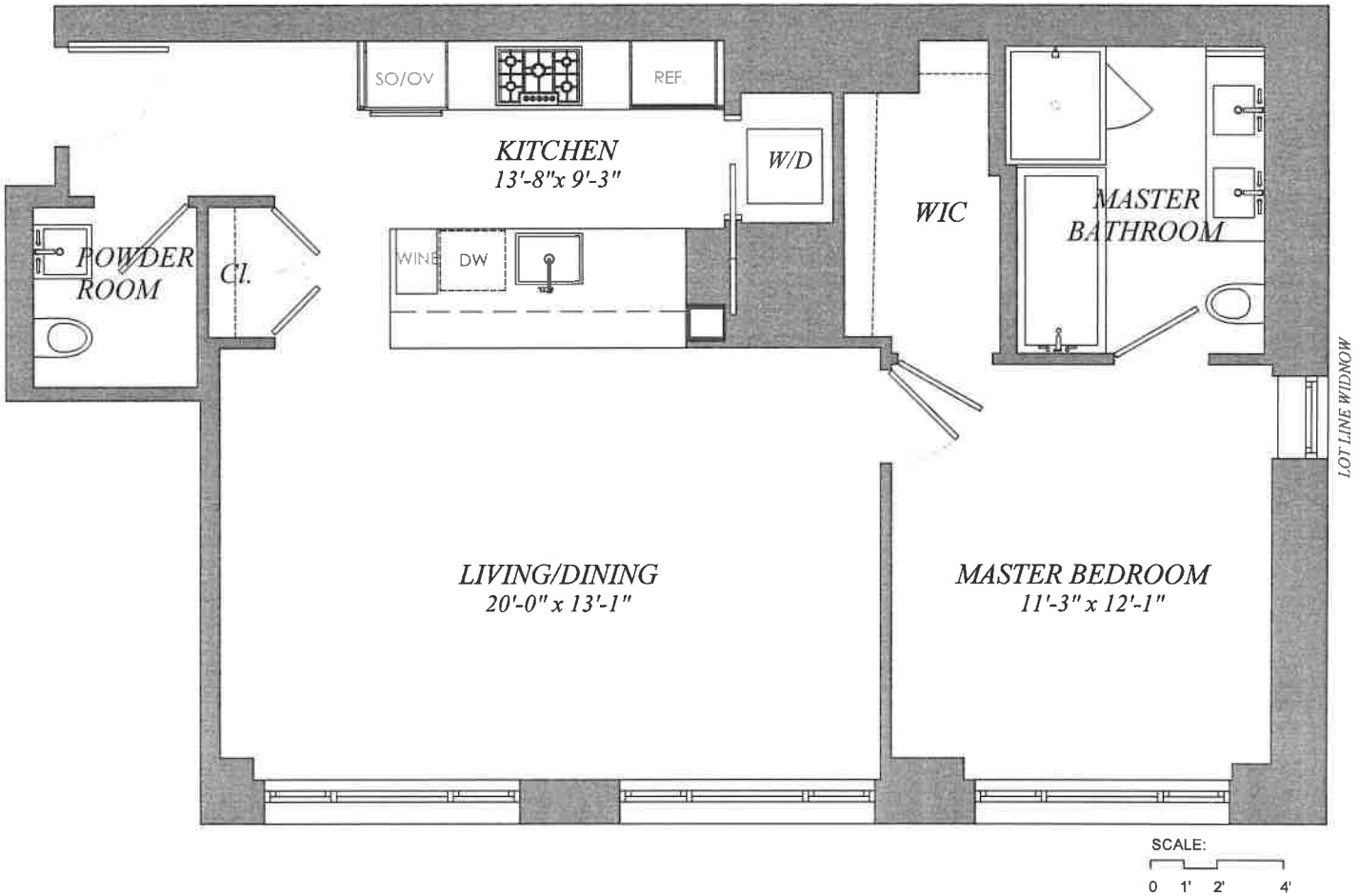
FLOOR: 3-6

1 Bedroom / 1 Bath / 1 Powder Room

181 28th STREET NEW YORK

Interior 890 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

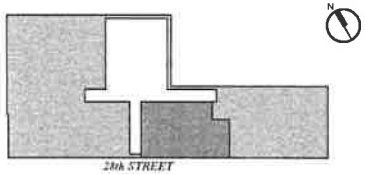
UNIT 302

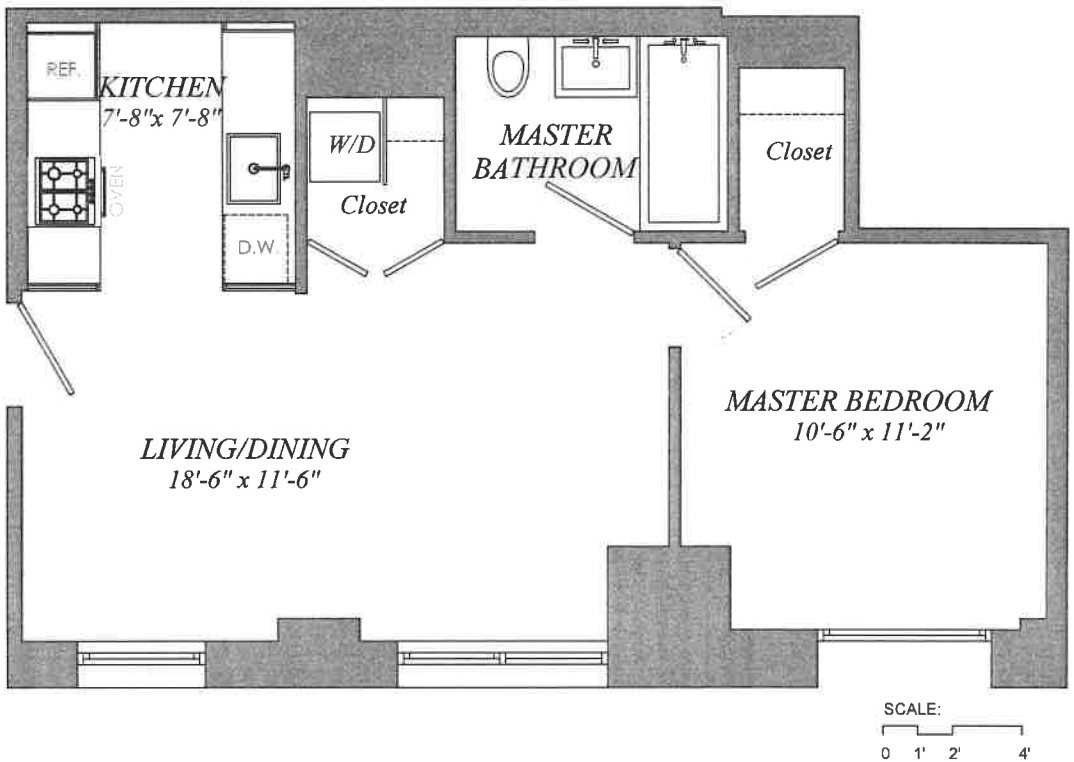
FLOOR: 3

1 Bedroom / 1 Bath

181 28th STREET NEW YORK

Interior 545 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

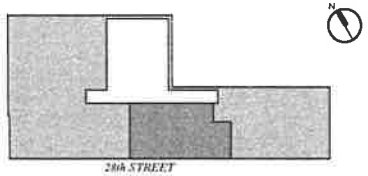
UNIT 402-602

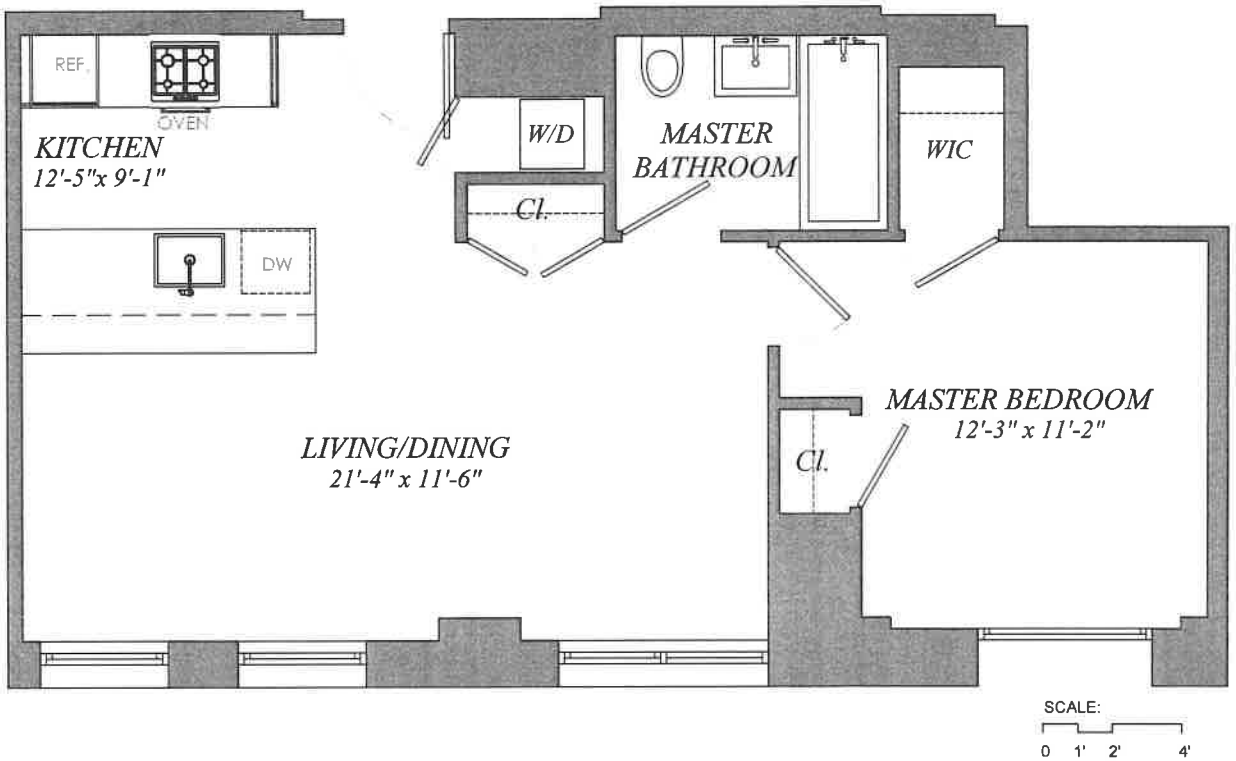
FLOOR: 4-6

1 Bedroom / 1 Bath

181 28th STREET NEW YORK

Interior 627 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

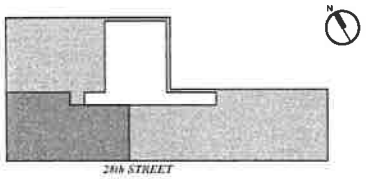
UNIT 303-603

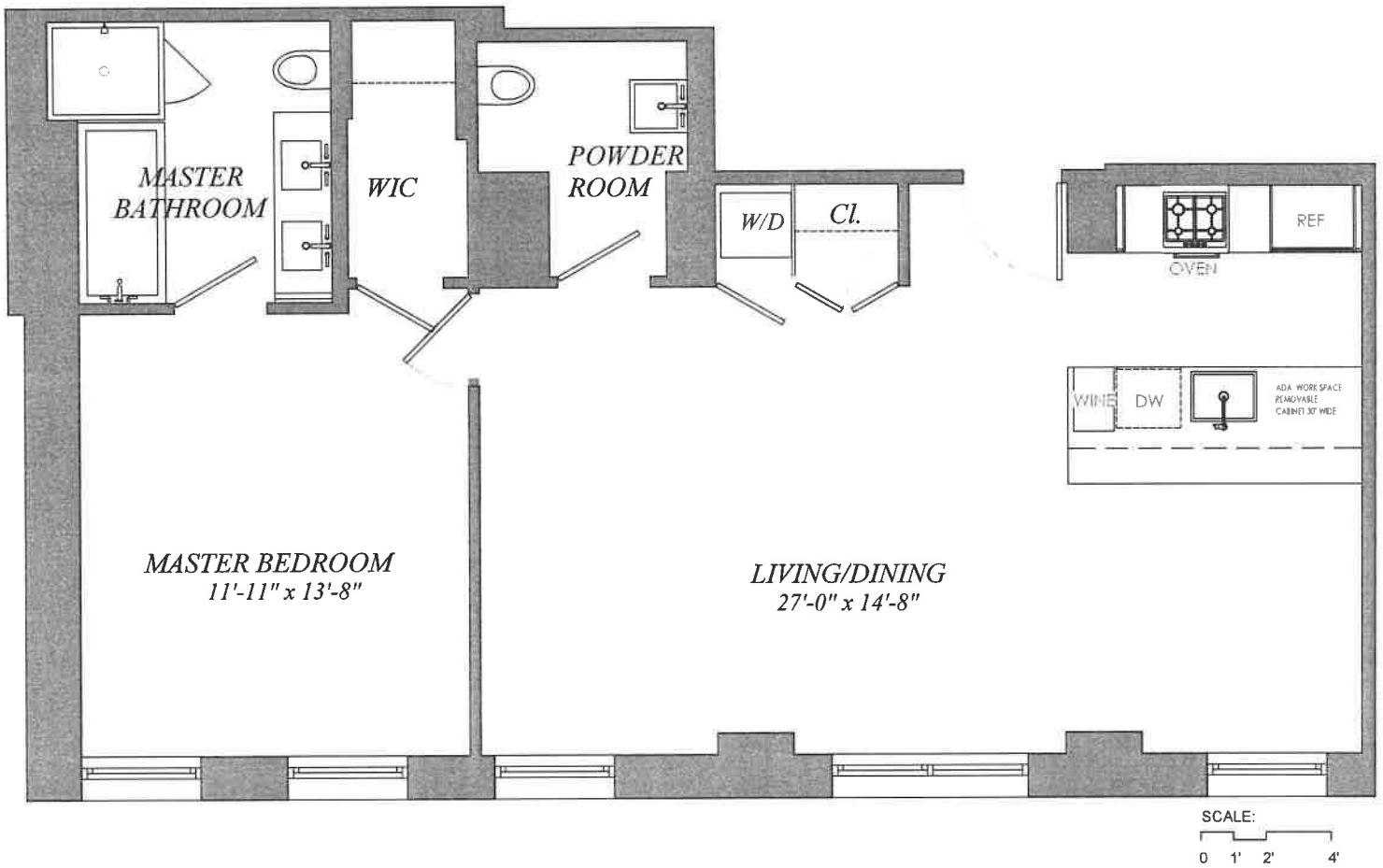
FLOOR: 3-6

1 Bedroom / 1 Bath / 1 Powder Room

181 28th STREET NEW YORK

Interior 898 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

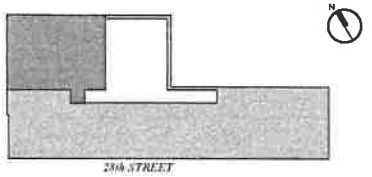
UNIT 304-604

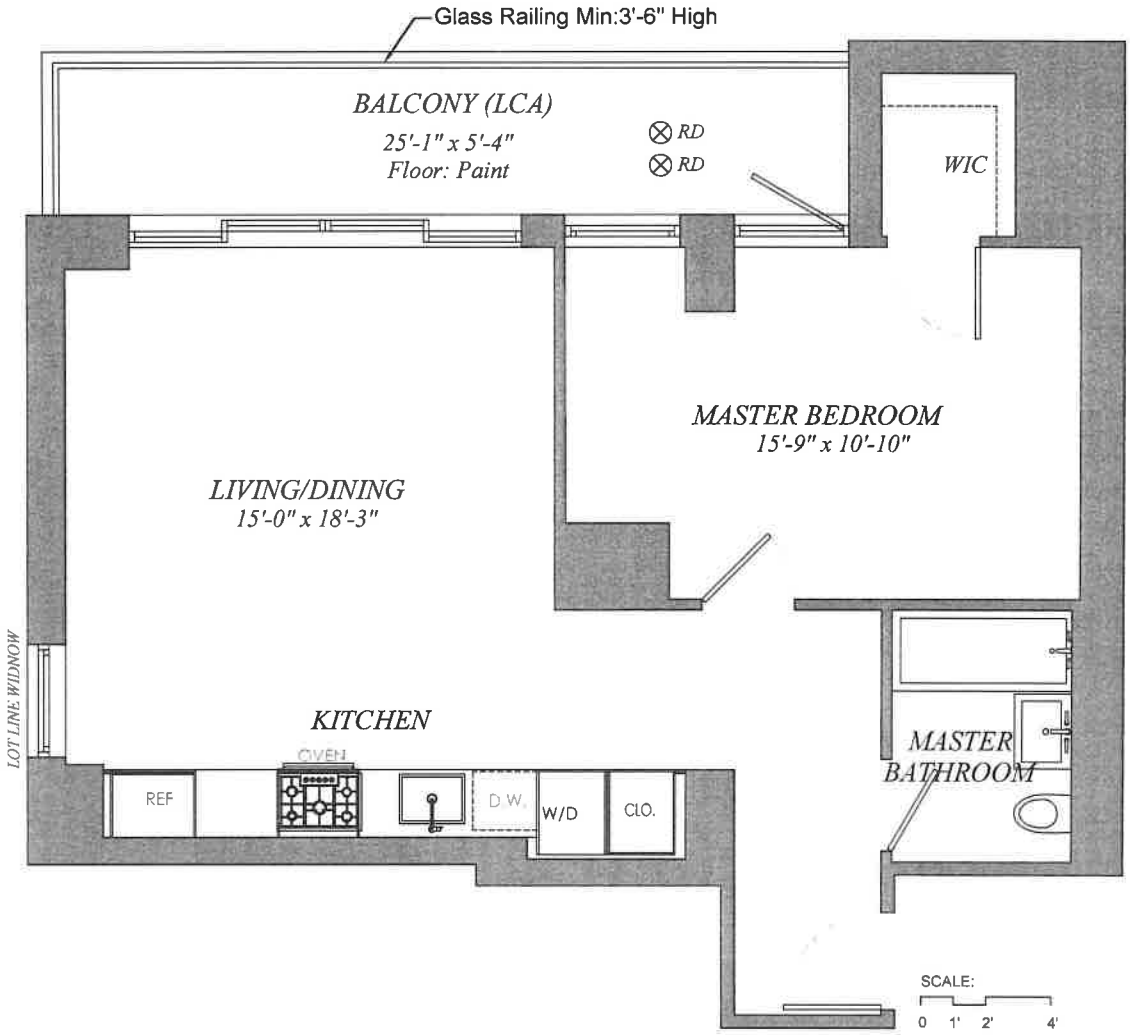
FLOOR: 3-6

1 Bedroom / 1 Bath

181 28th STREET NEW YORK

Interior	729 Sq Ft
Exterior	123 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

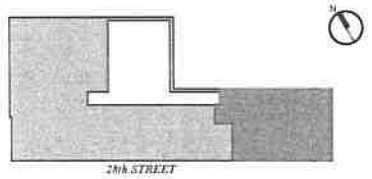
UNIT 701

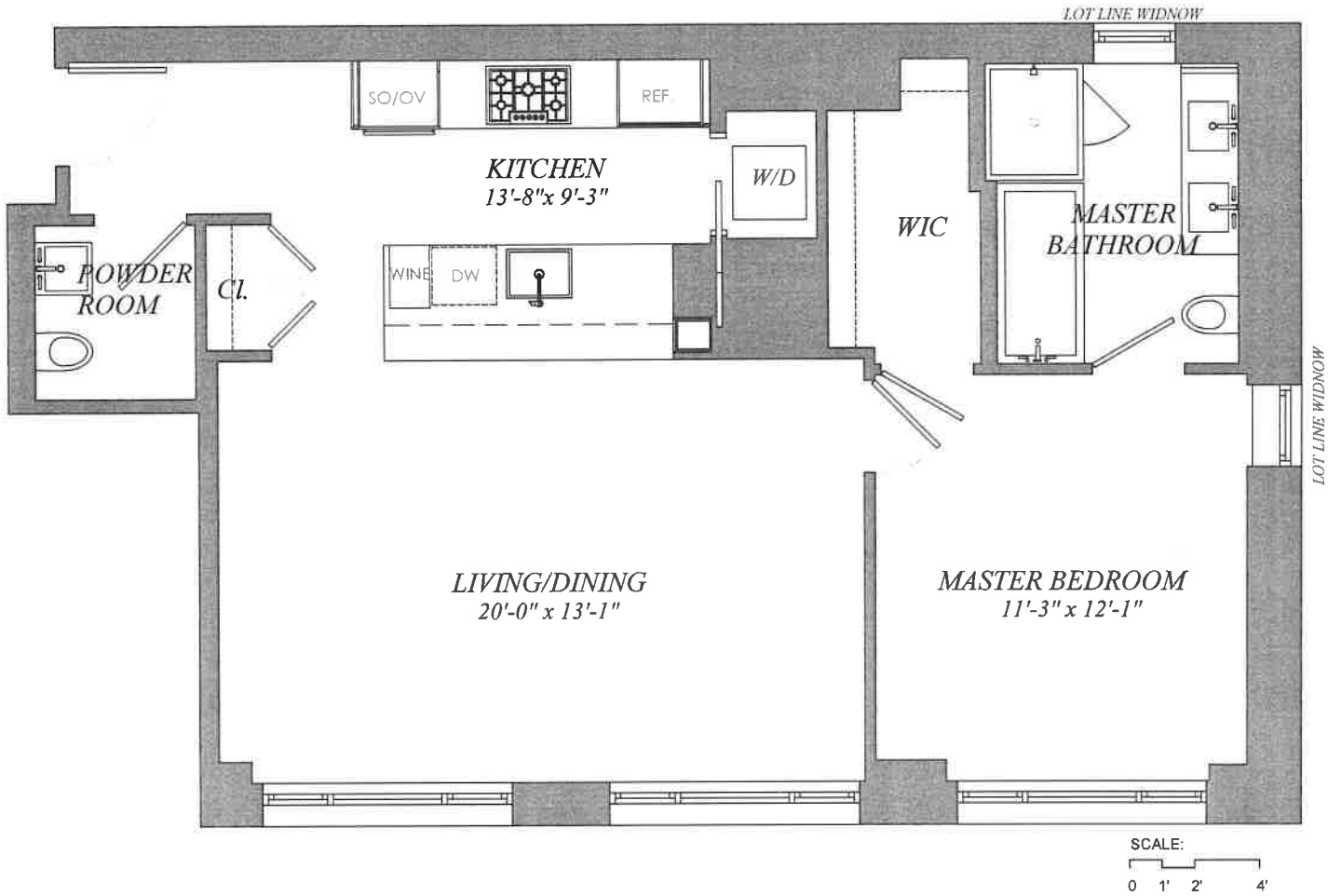
FLOOR: 7

1 Bedroom / 1 Bath / 1 Powder Room

181 28th STREET NEW YORK

Interior 890 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

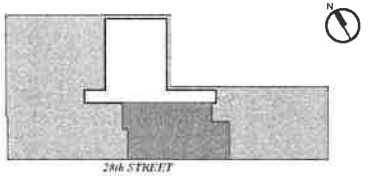
UNIT 702

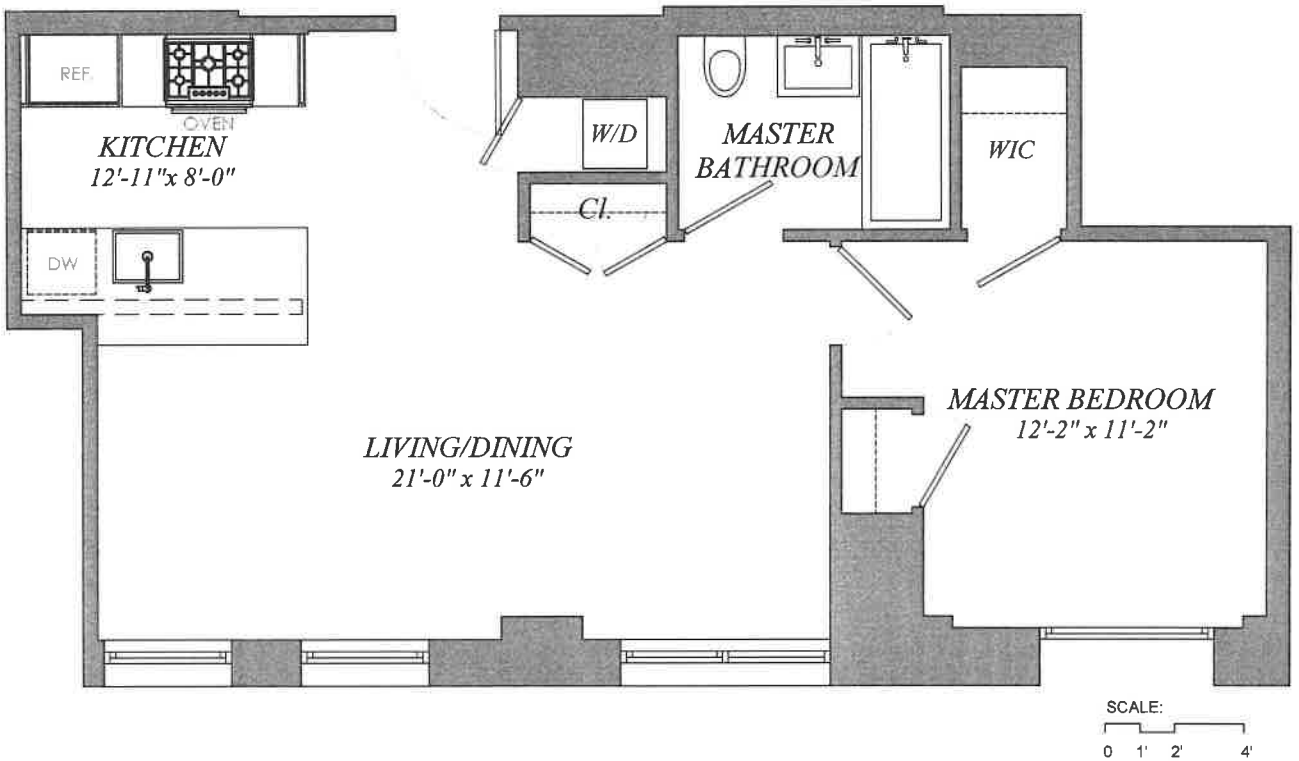
FLOOR: 7

1 Bedroom / 1 Bath

181 28th STREET NEW YORK

Interior 639 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

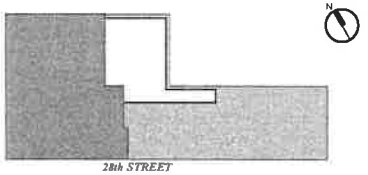
UNIT 703

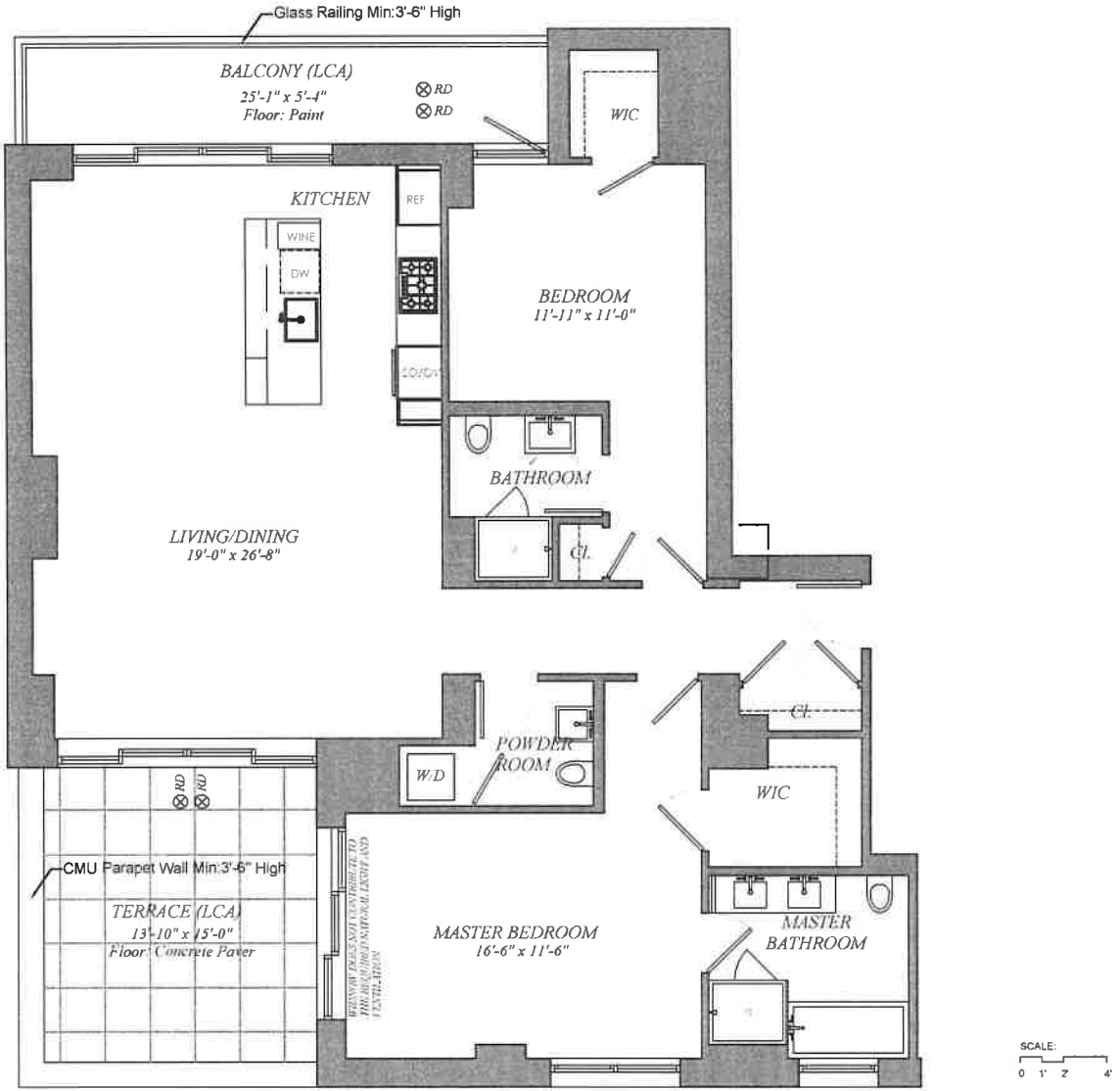
FLOOR: 7

2 Bedroom / 2 Bath / 1 Powder Room

181 28th STREET NEW YORK

Interior	1469 Sq Ft
Exterior	331 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

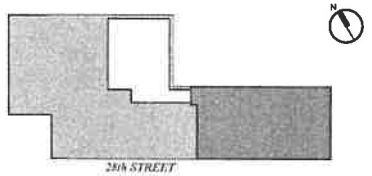
UNIT 801-1601

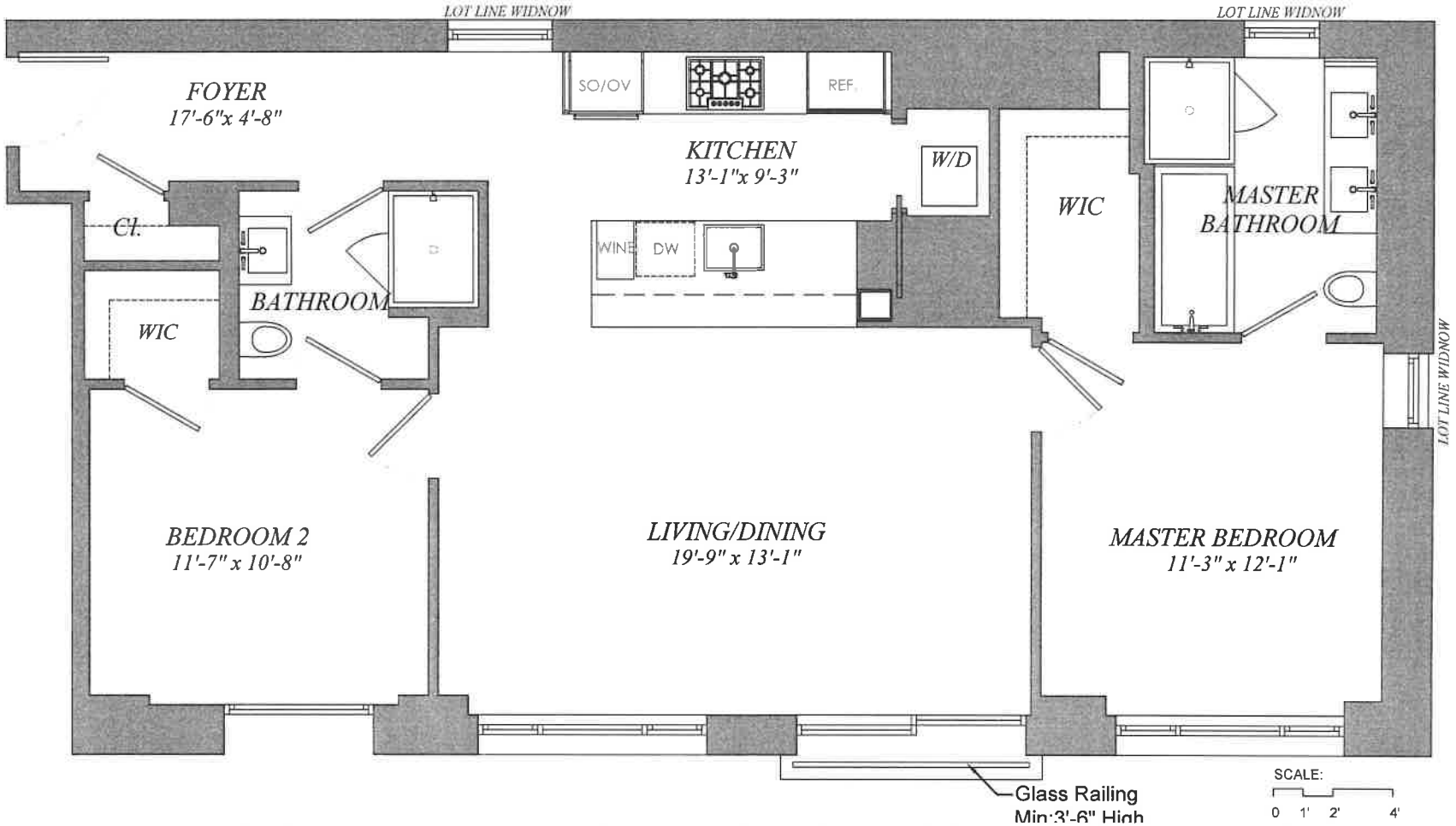
FLOOR: 8-16

2 Bedroom / 2 Bath

181 28th STREET NEW YORK

Interior 1129 Sq Ft





All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

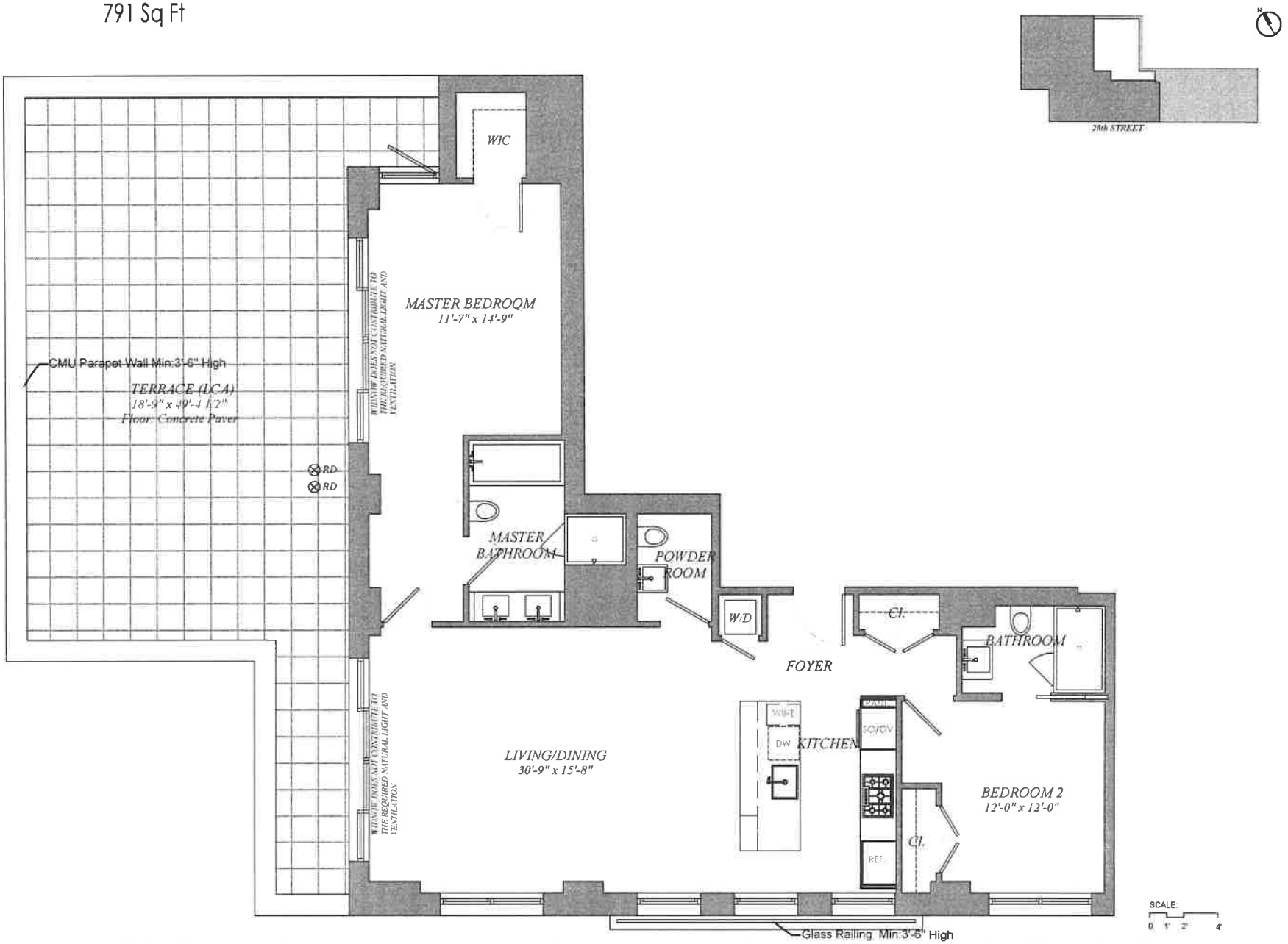
UNIT 802

FLOOR: 8

181 28th STREET NEW YORK

2 Bedroom / 2 Bath / 1 Powder Room

Interior	1267 Sq Ft
Exterior	791 Sq Ft



All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

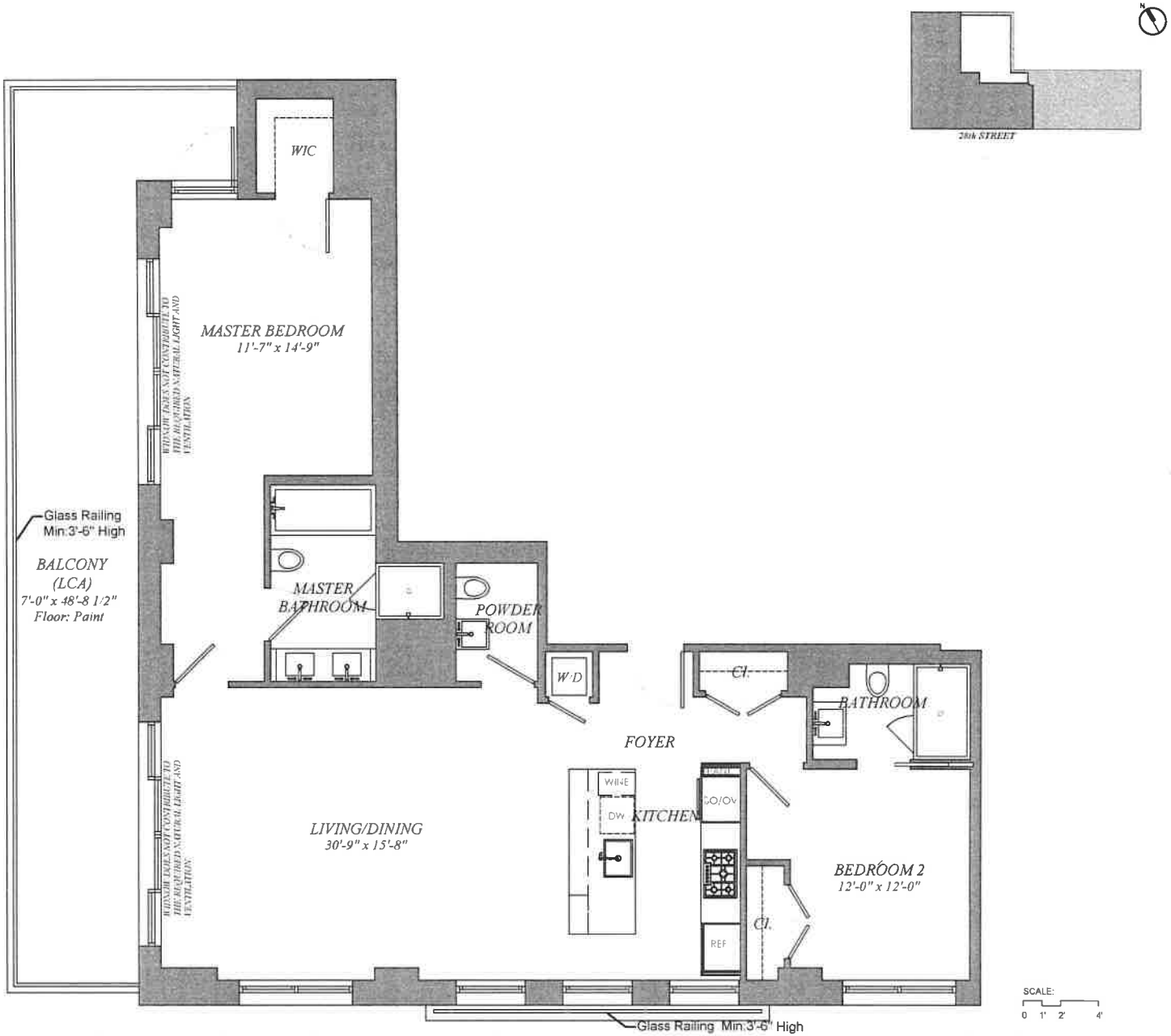
UNIT 902-1602

FLOOR: 9-16

181 28th STREET NEW YORK

2 Bedroom / 2 Bath / 1 Powder Room

Interior	1267 Sq Ft
Exterior	365 Sq Ft



All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

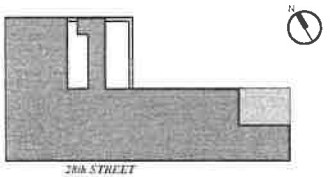
UNIT PH3

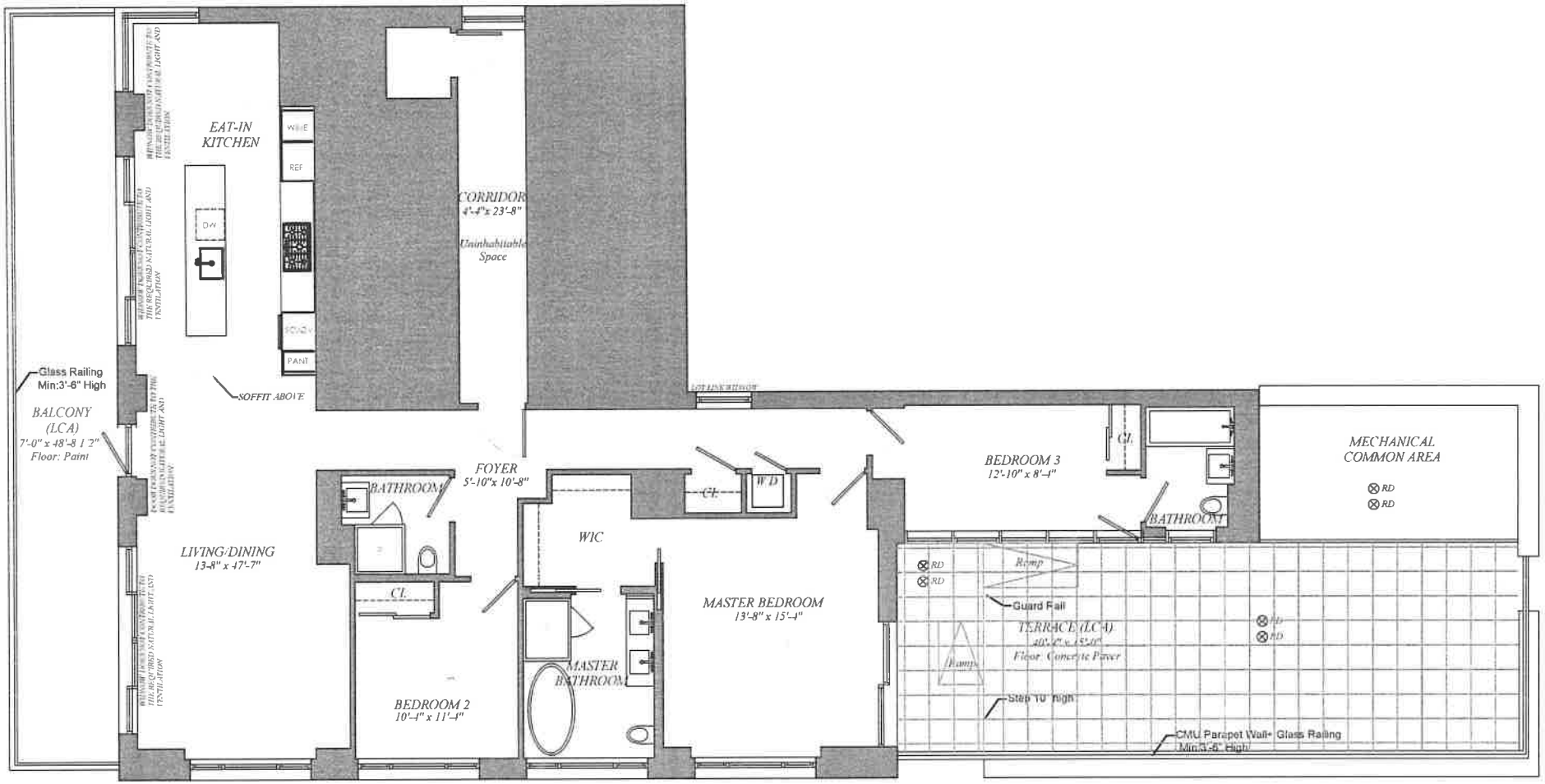
FLOOR: 17

181 28th STREET NEW YORK

3 Bedroom / 3 Bath

Interior	1755 Sq Ft
Exterior	937 Sq Ft
Uninhabitable	159 Sq Ft





SCALE

All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

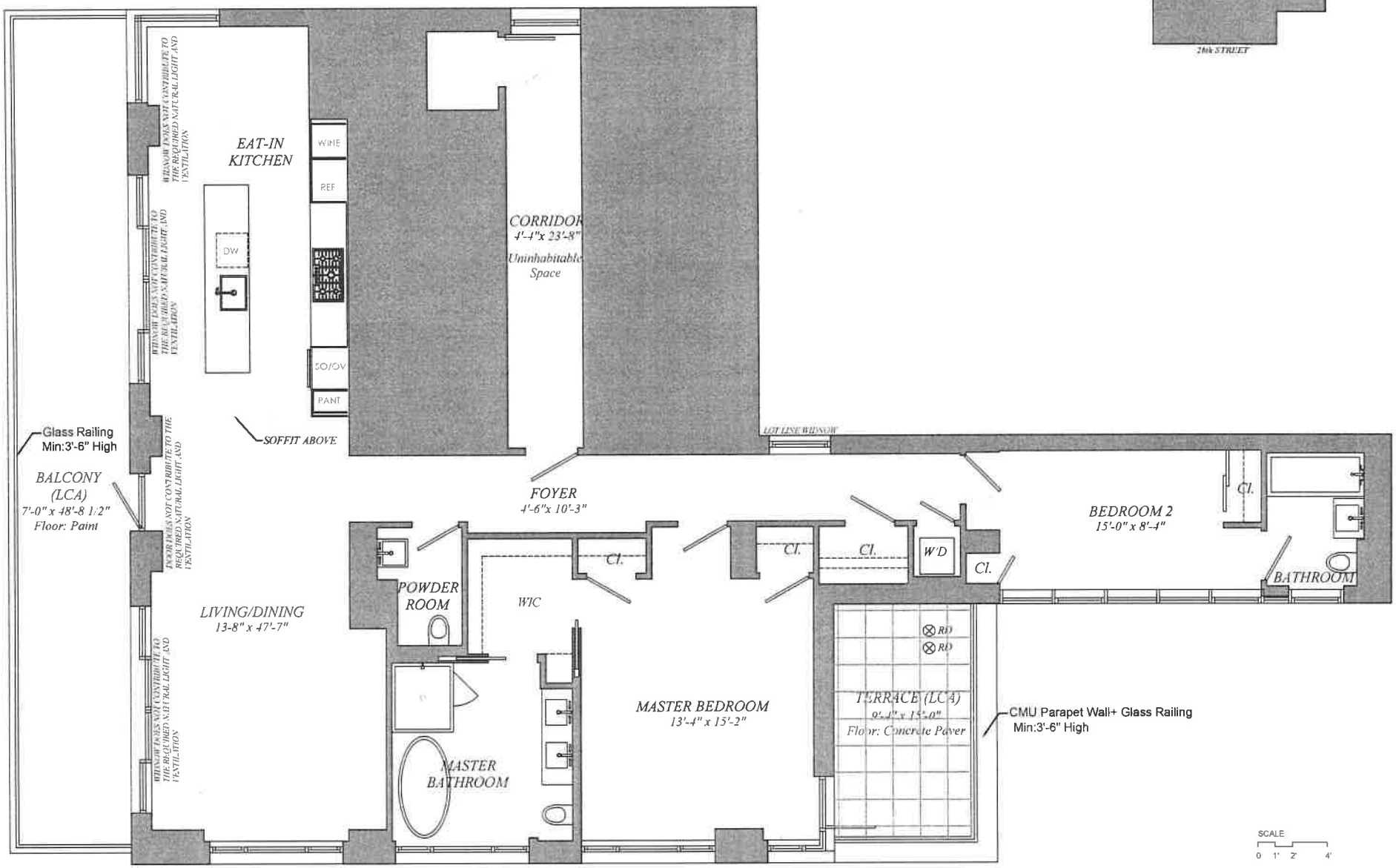
UNIT PH2

FLOOR: 18

181 28th STREET NEW YORK

2 Bedroom / 2.5 Bath

Interior	1620 Sq Ft
Exterior	479 Sq Ft
Uninhabitable	159 Sq Ft



All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

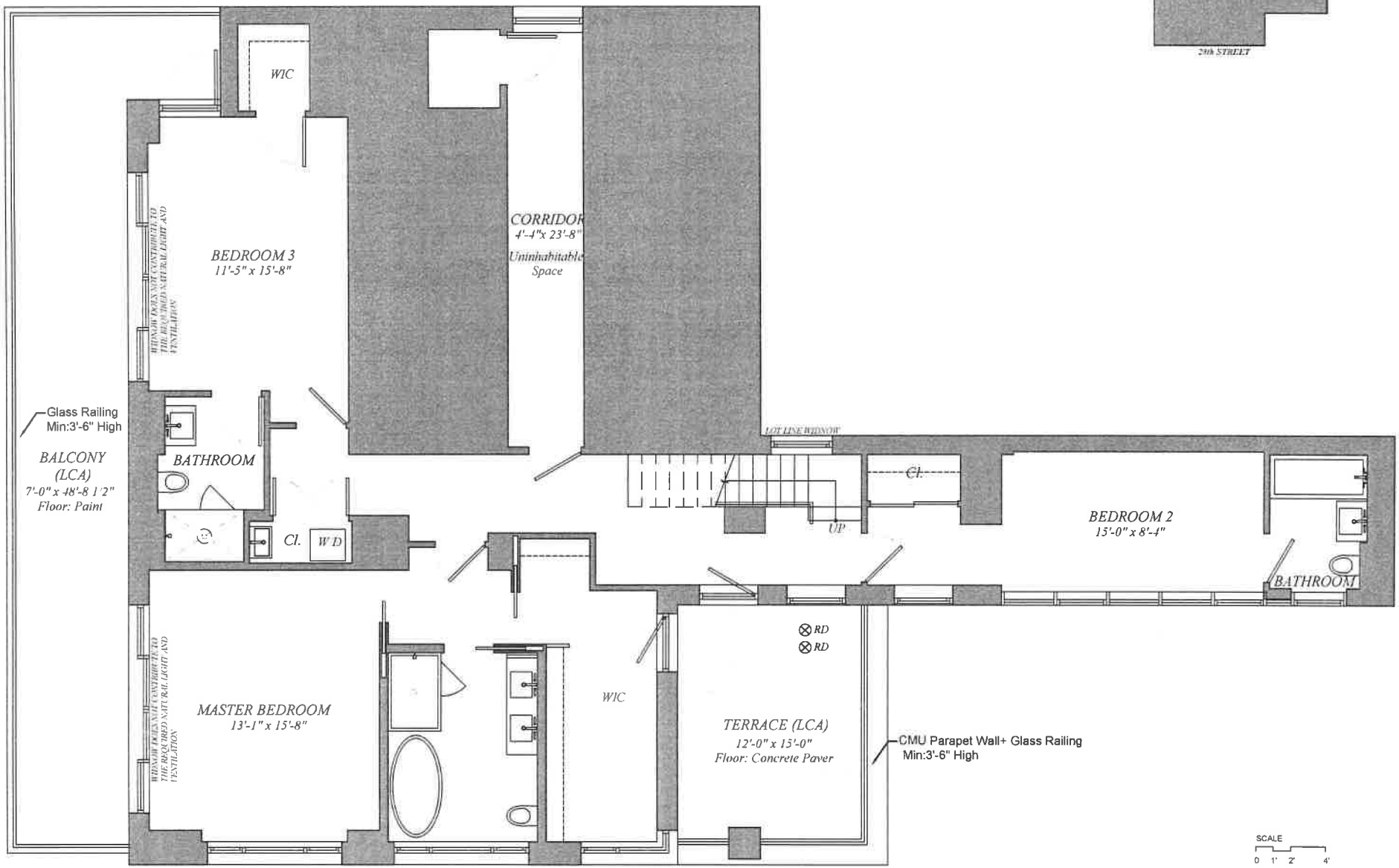
UNIT PH1- 19th FLOOR PORTION

FLOOR: 19

4 Bedroom / 4 Bath

181 28th STREET NEW YORK

19 th Floor Interior	1456 Sq Ft	19 th Floor Exterior	546 Sq Ft	19 th Floor Uninhabitable	159 Sq Ft
20th Floor Interior	1340 Sq Ft	20th Floor Exterior	559 Sq Ft	20th Floor Uninhabitable	159 Sq Ft
Total Interior	2796 Sq Ft	Total Exterior	1105 Sq Ft	Total Uninhabitable	318 Sq Ft



All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

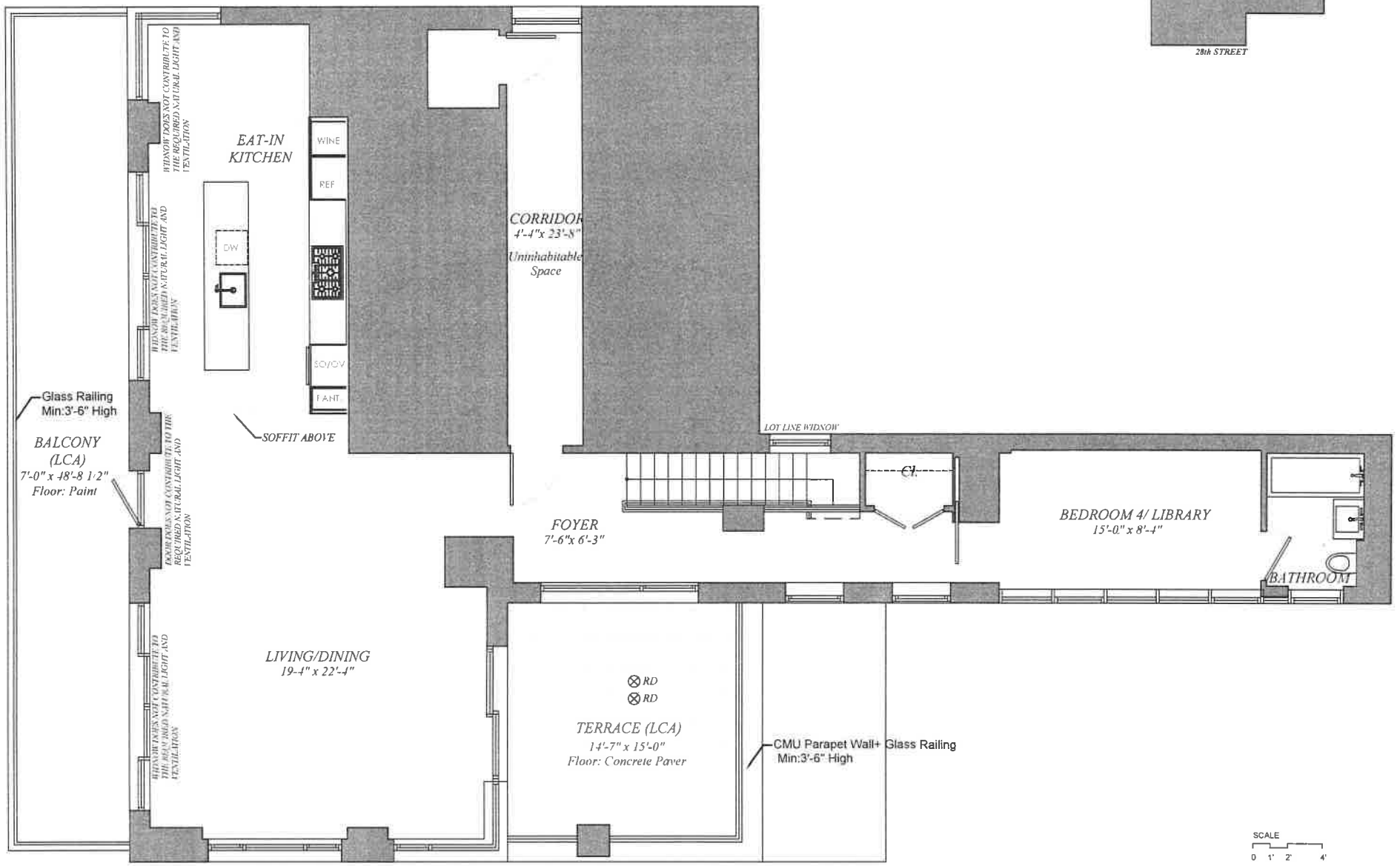
UNIT PH1A - 20th FLOOR PORTION

FLOOR: 20

4 Bedroom / 4 Bath

181 28th STREET NEW YORK

19 th Floor Interior	1456 Sq Ft	19 th Floor Exterior	546 Sq Ft	19 th Floor Uninhabitable	159 Sq Ft
20th Floor Interior	1340 Sq Ft	20th Floor Exterior	559 Sq Ft	20th Floor Uninhabitable	159 Sq Ft
Total Interior	2796 Sq Ft	Total Exterior	1105 Sq Ft	Total Uninhabitable	318 Sq Ft

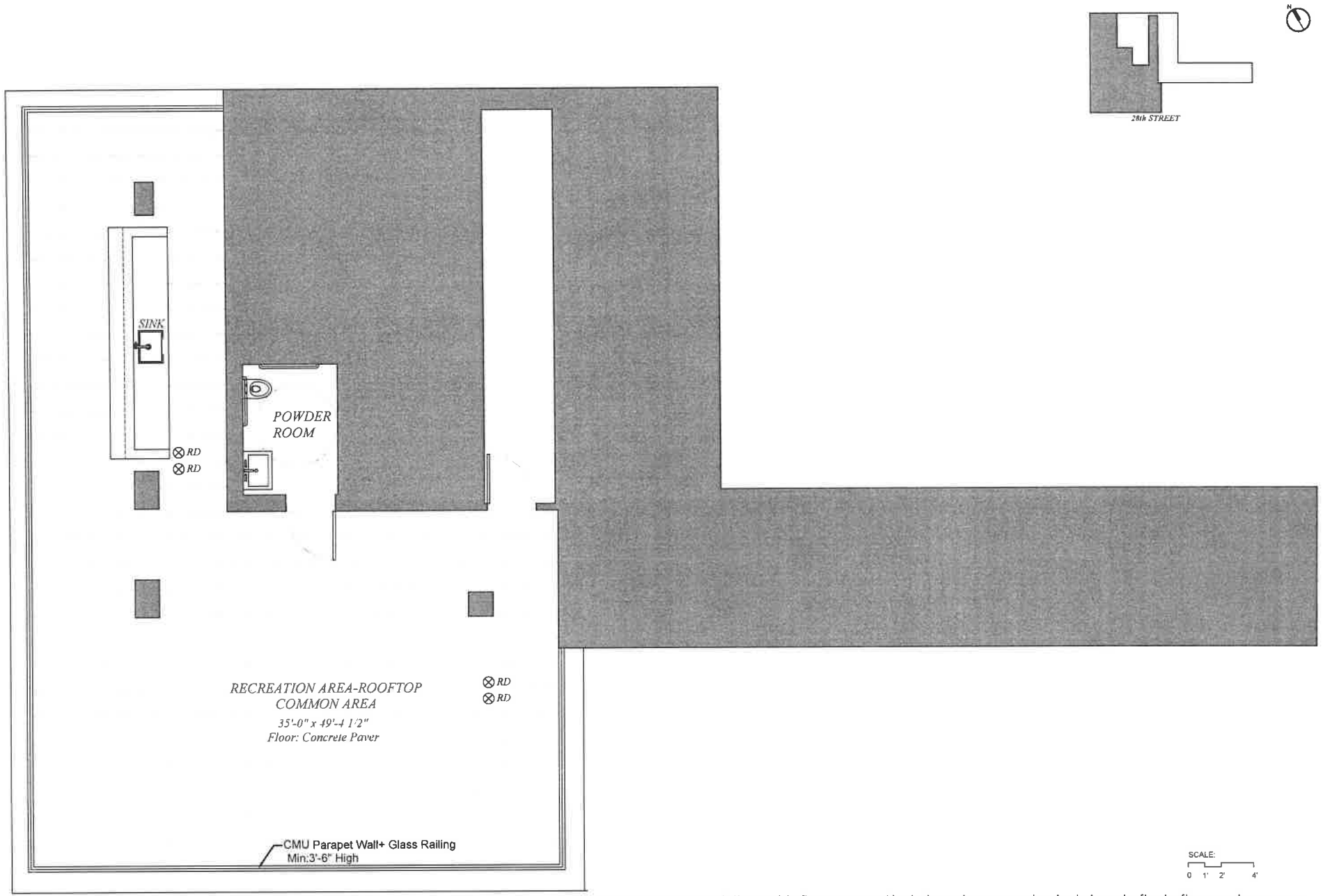


All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.

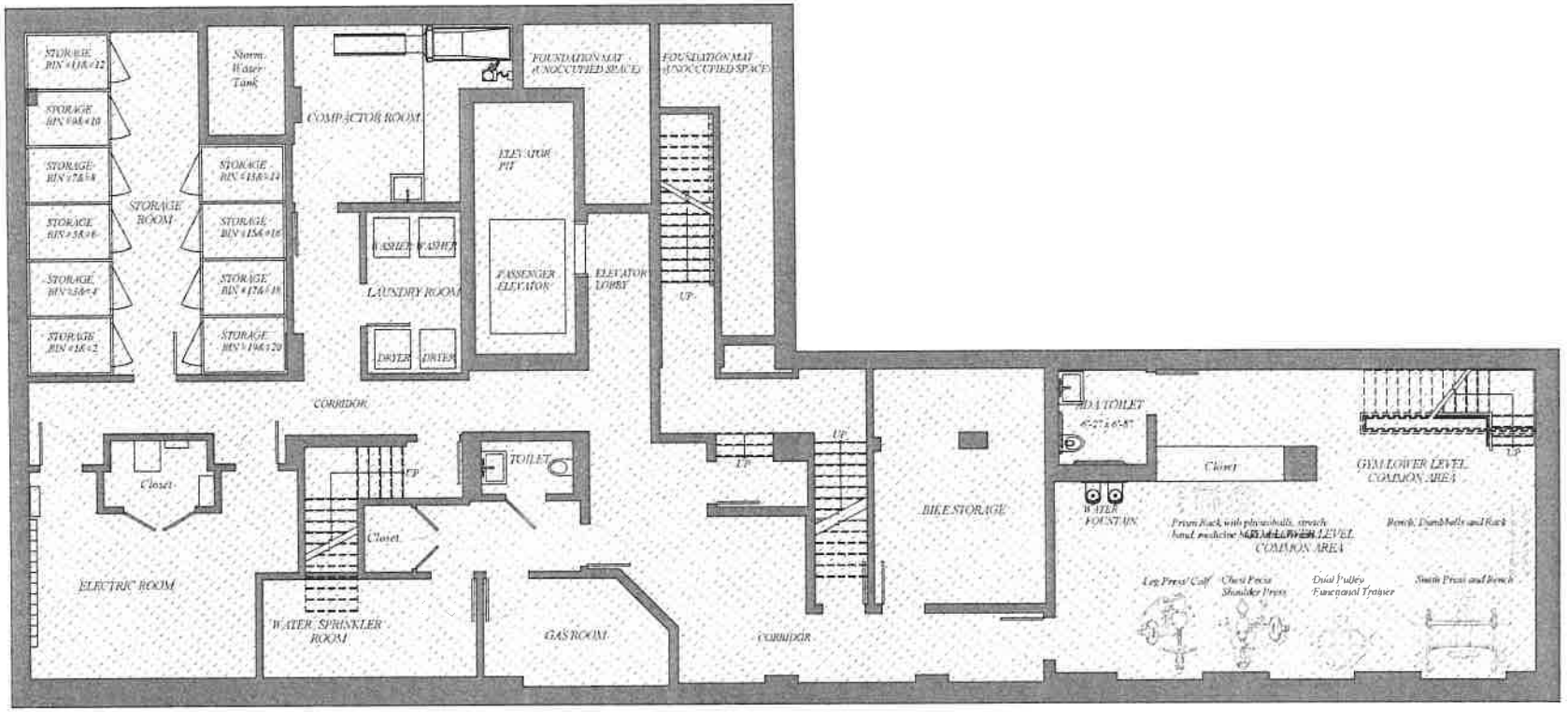
ROOFTOP

FLOOR: 21

181 28th STREET NEW YORK



All dimensions are approximate and subject to normal construction variance and tolerances. Square footage exceeds the usable floor area and includes columns, mechanical pipes shafts, shaft ways, chase ways and conduits and other Common Elements. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. Plans and dimensions may contain minor variations from floor to floor.



CELLAR FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4' 1' 8'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built; and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT

NOTE:

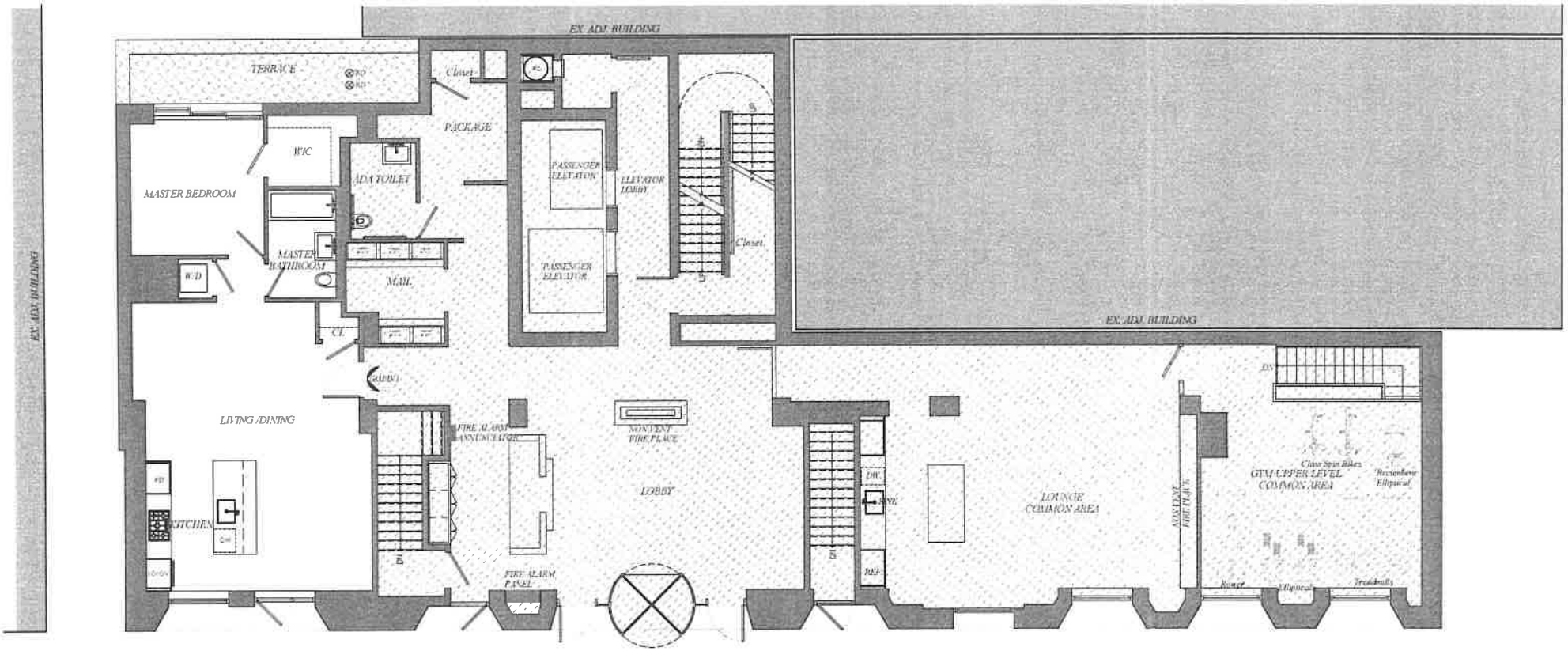
ARCHITECT:
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212.233.3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



1st FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4"
1' 8"

LEGEND

- COMMON ELEMENT
- RESIDENTIAL UNIT
- LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT.

NOTE:

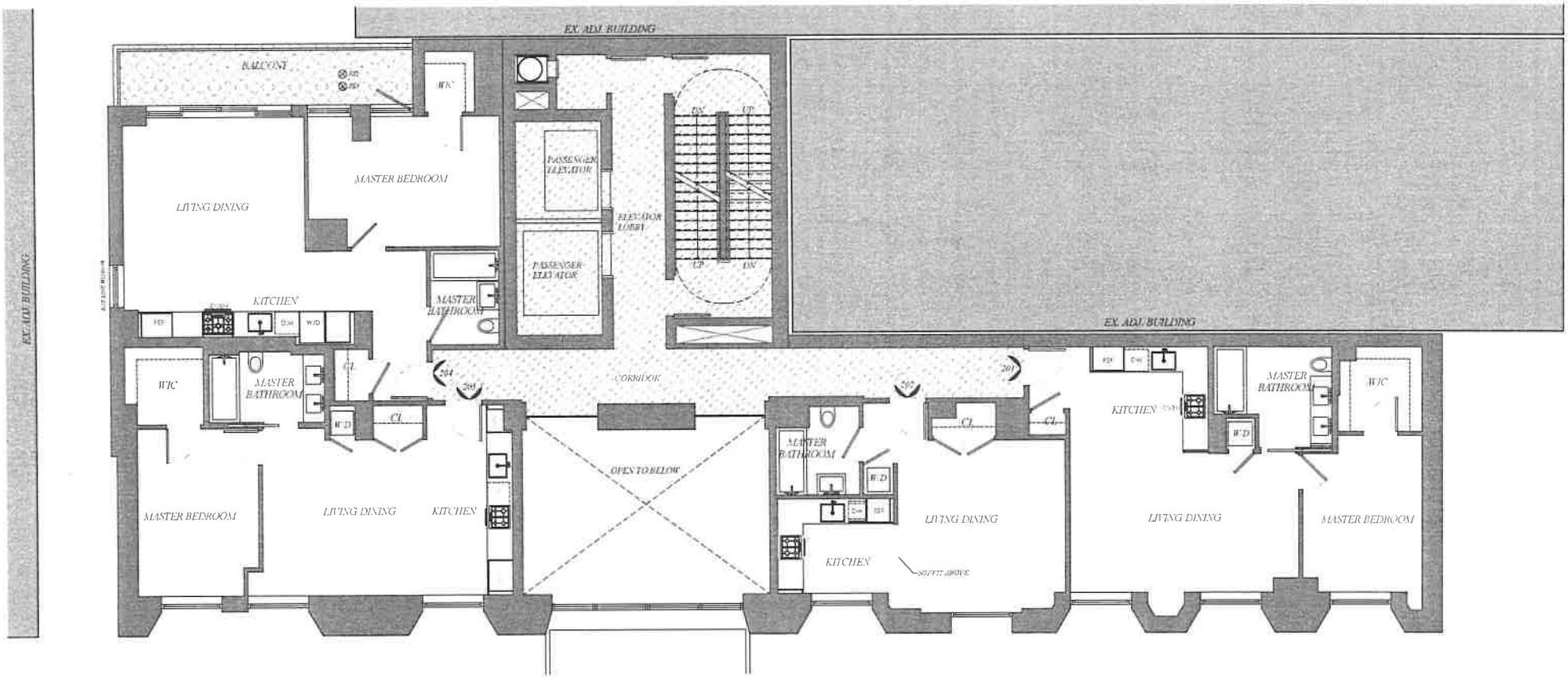
ARCHITECT:
C3D ARCHITECTURE LLC.
307 7TH AVE. SUITE 1407 NEW YORK/NY 10001
212.233.3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 11/14/19



2nd FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4" 1' 8'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built; and subject to normal construction deviation and tolerances

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT.

NOTE:

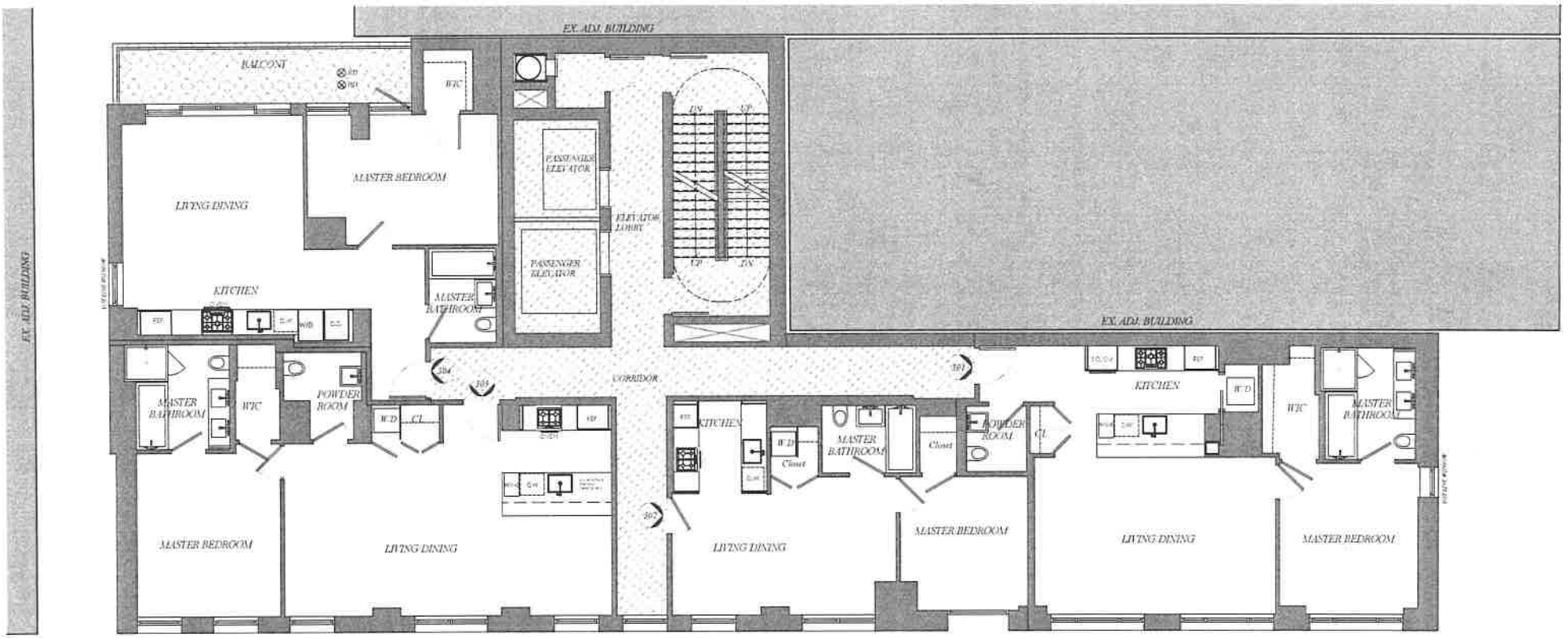
ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK,NY 10001
212.293.3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



3rd FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4' 1' 8'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT.

NOTE:

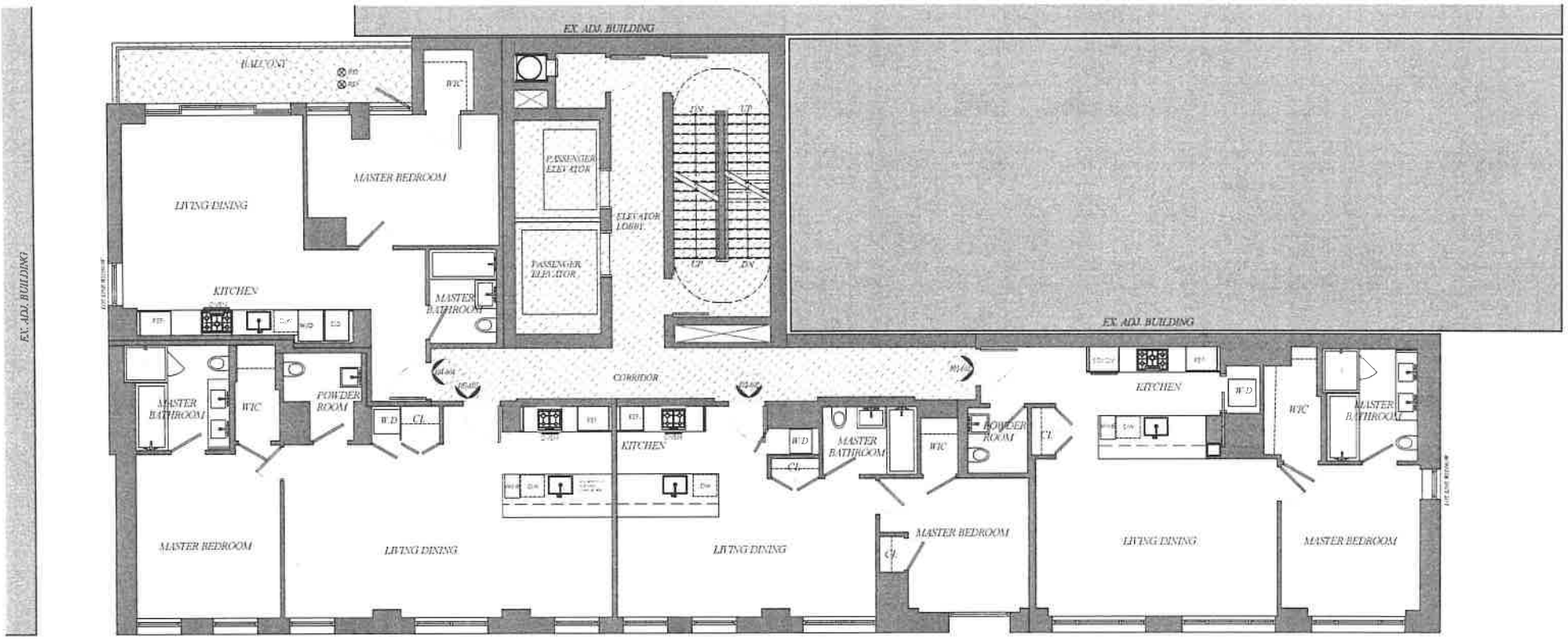
ARCHITECT:
C3D ARCHITECTURE LLC.
307 7TH AVE. SUITE 1407 NEW YORK, NY 10001
212.293.3130 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



4th-6th FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4' 1' 8'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING. ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT.

NOTE:

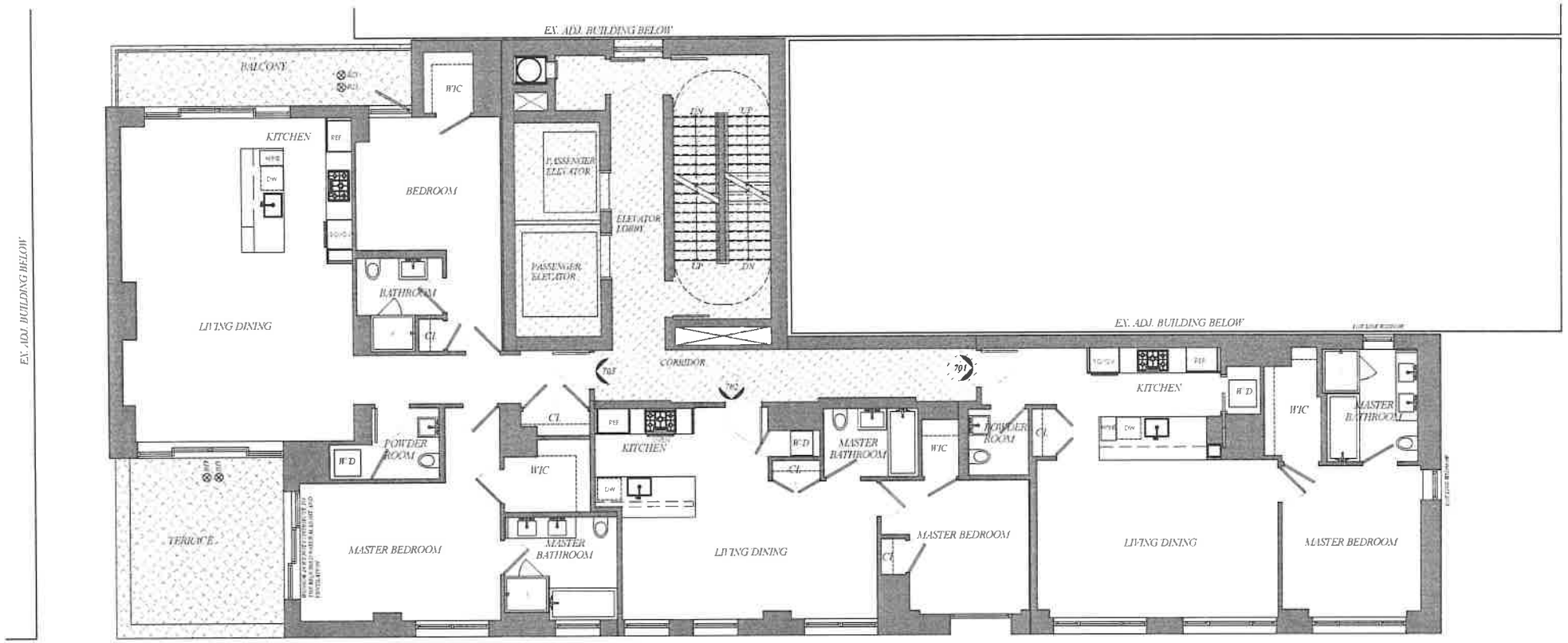
ARCHITECT
C3D ARCHITECTURE LLC.
507 7TH AVE SUITE 1407 NEW YORK/NY 10001
212.233.3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 11/14/19



7th FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4' 1' 8'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built; and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT.

NOTE:

ARCHITECT:
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212.233.3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 11/14/19



8th FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4" 1' 8"

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built; and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT

NOTE:

ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212 233 3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



9th-16th FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4' 8'
1'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT.

NOTE:

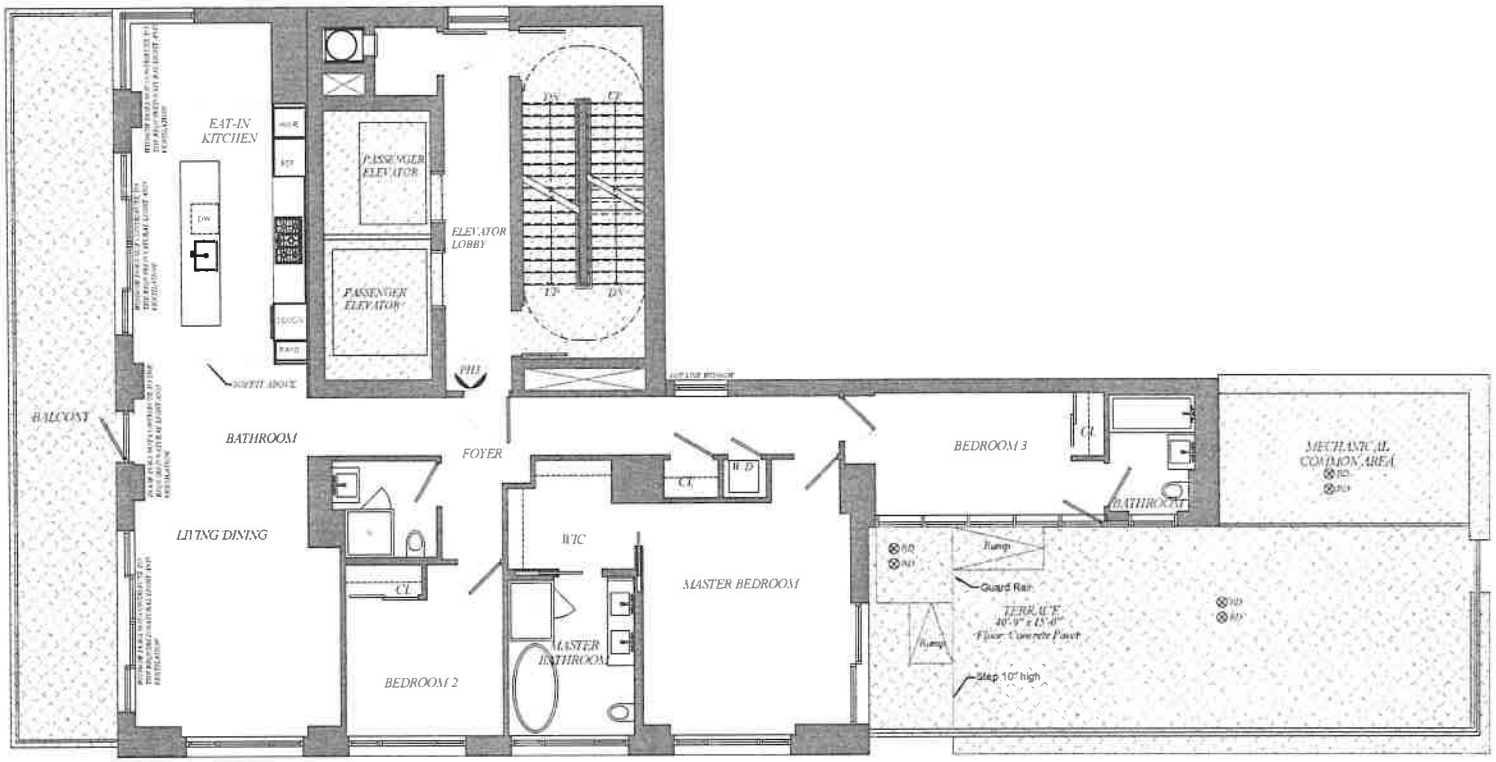
ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK,NY 10001
212 233 3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



17th FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4' 1' 8"

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT.

NOTE:

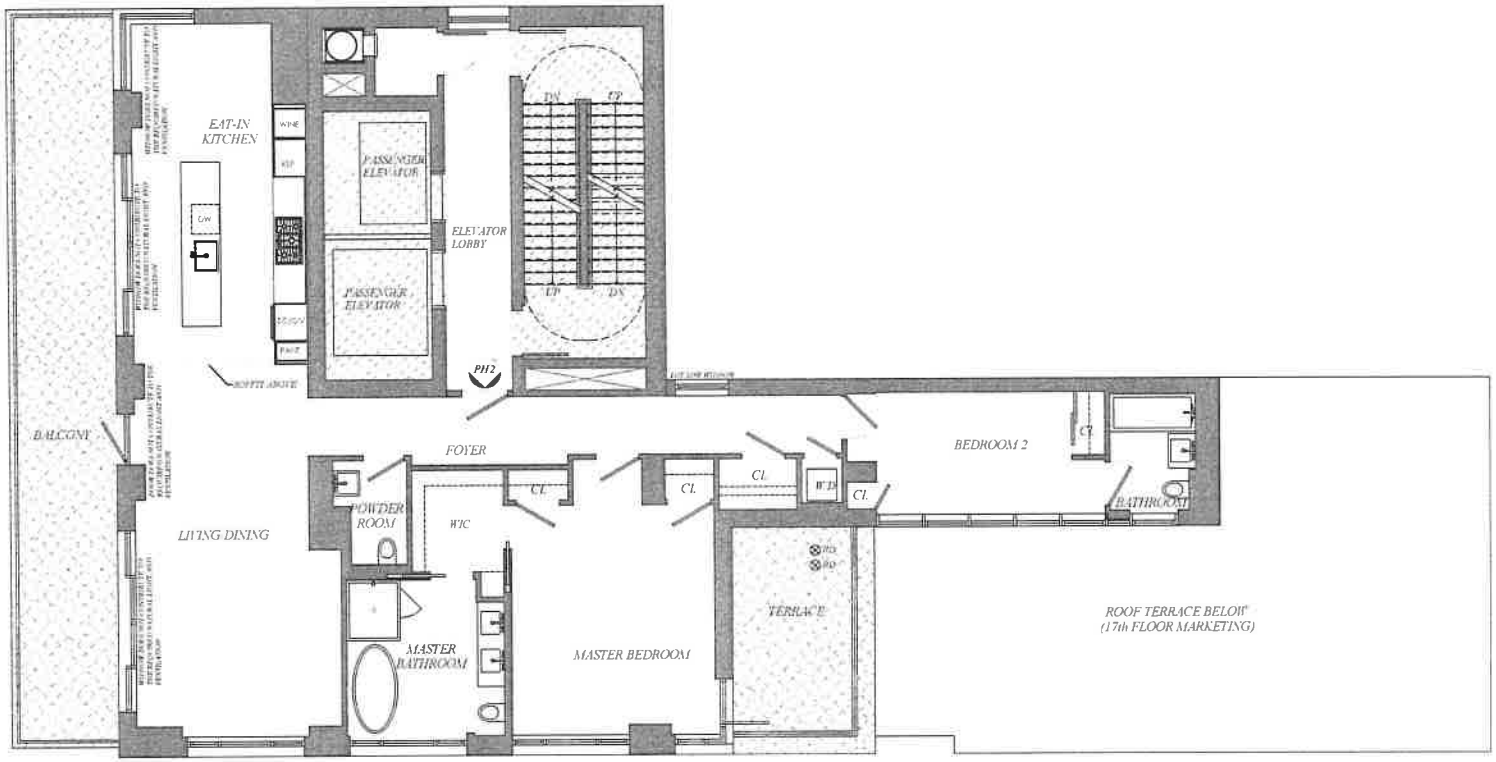
ARCHITECT:
C3D ARCHITECTURE LLC.
307 7TH AVE. SUITE 1407 NEW YORK/NY 10001
212.233.3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



18th FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4'
1' 8'

LEGEND

COMMON ELEMENT
RESIDENTIAL UNIT
LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT.

NOTE:

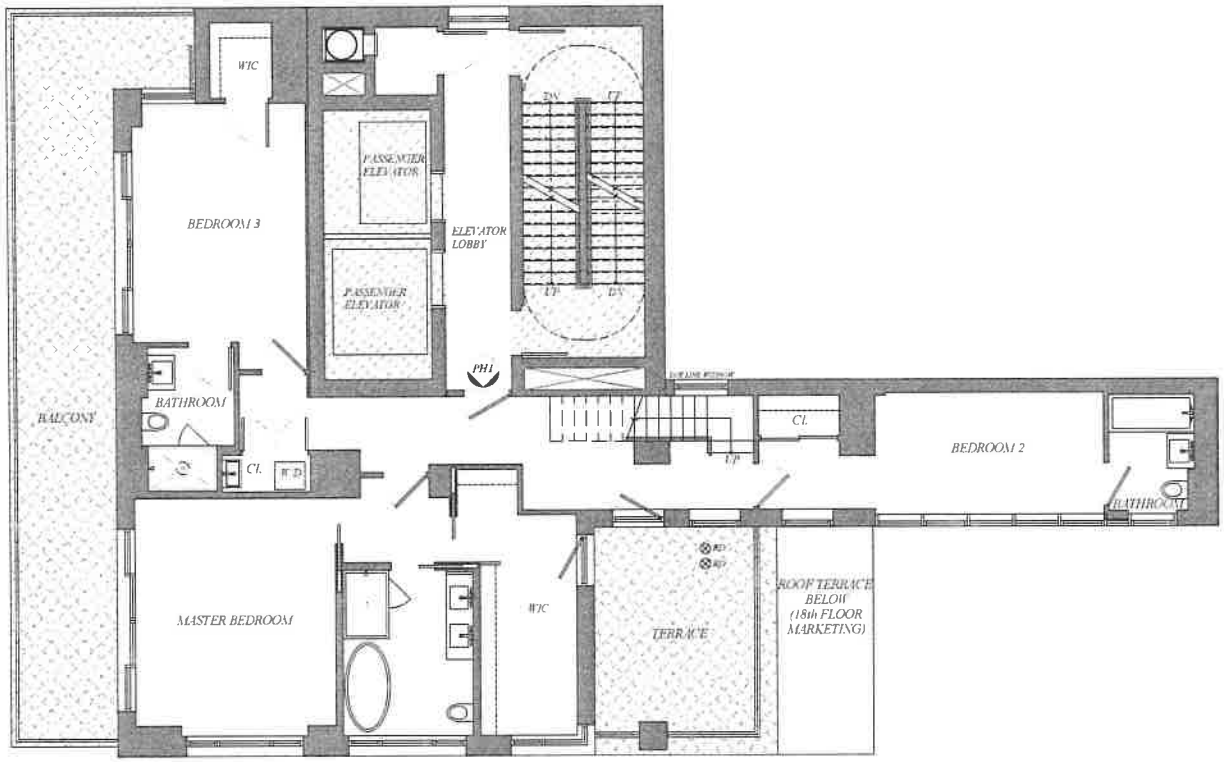
ARCHITECT:
C3D ARCHITECTURE LLC.
307 7TH AVE. SUITE 1407 NEW YORK/NY 10001
212 233 3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



19th FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4' 1' 8"

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT

NOTE:

LEGEND

COMMON ELEMENT
RESIDENTIAL UNIT
LIMITED COMMON ELEMENT

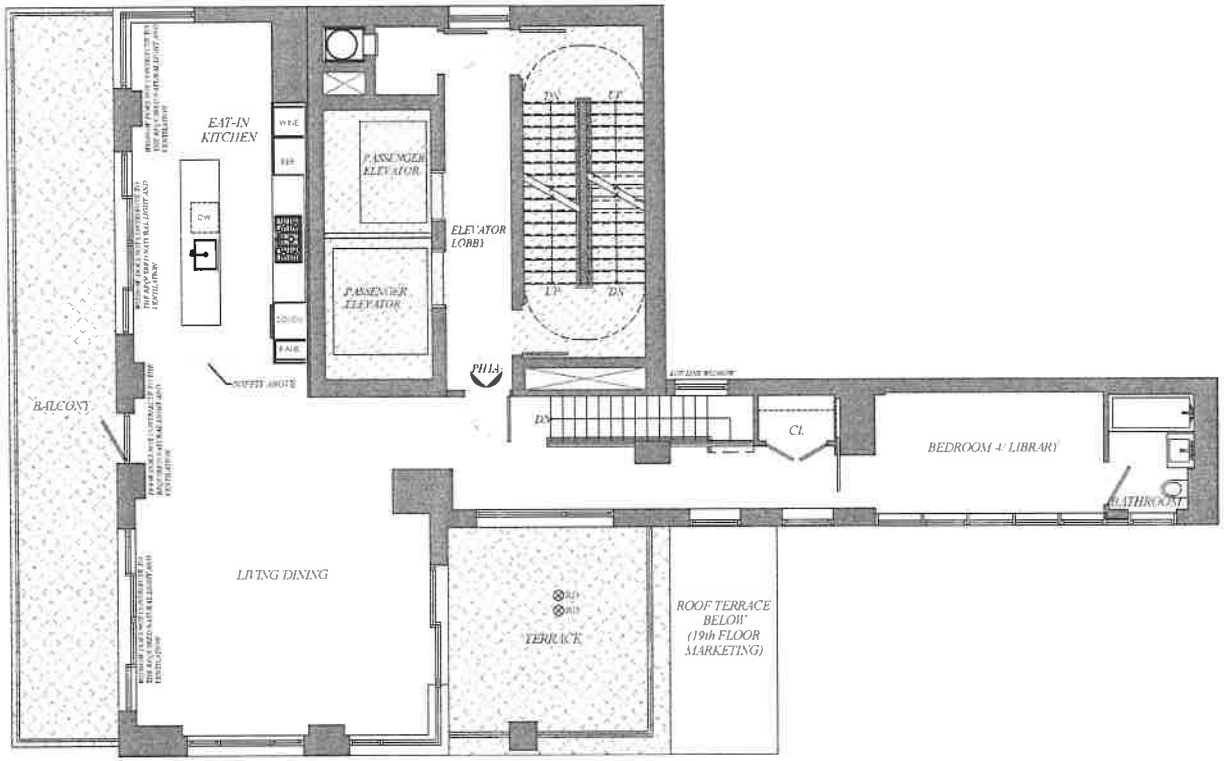
ARCHITECT:
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212 233 3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



20th FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4' 1' 8'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT

NOTE:

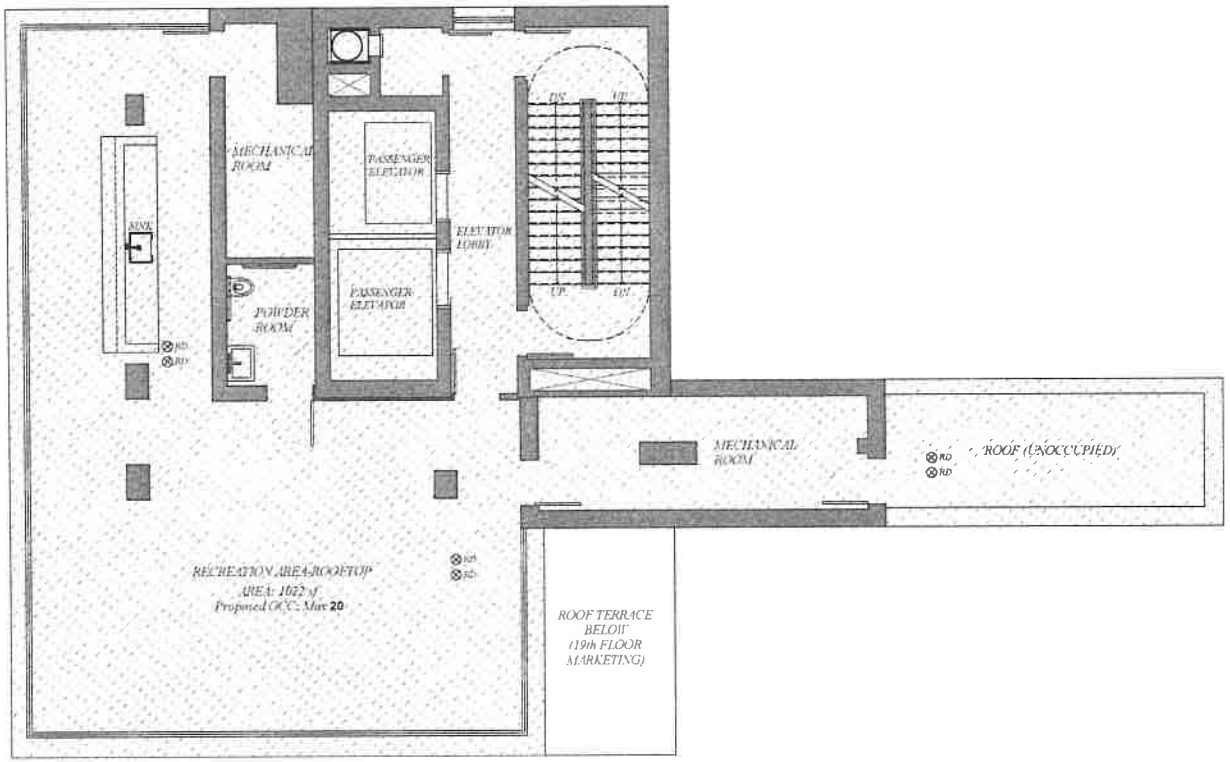
ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212.233.3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



ROOF FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4' 1' 8'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT

NOTE:

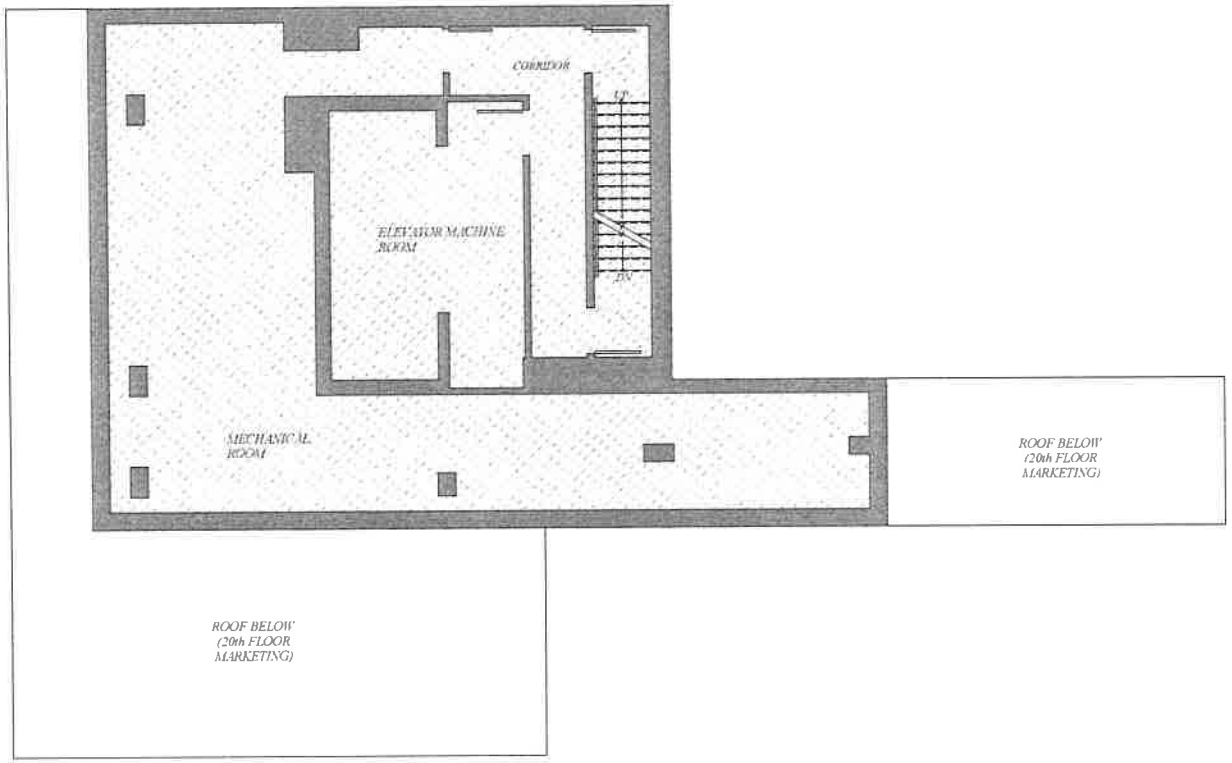
ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212.233.3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



MECHANICAL LEVEL FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4' 1' 8'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT

NOTE:

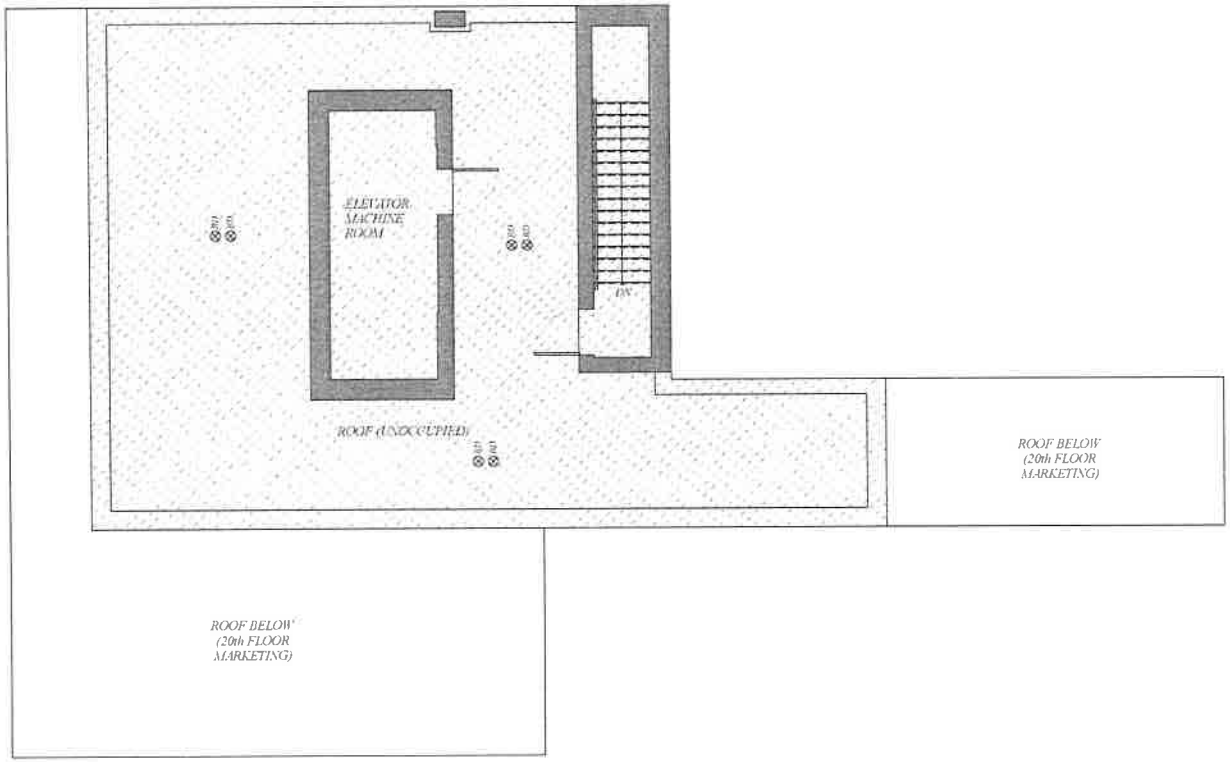
ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212 233 3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



UPPER BULKHEAD FLOOR PLAN

SCALE 1/8" = 1'-0"

0 4" 1' 8'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings..City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT

NOTE:

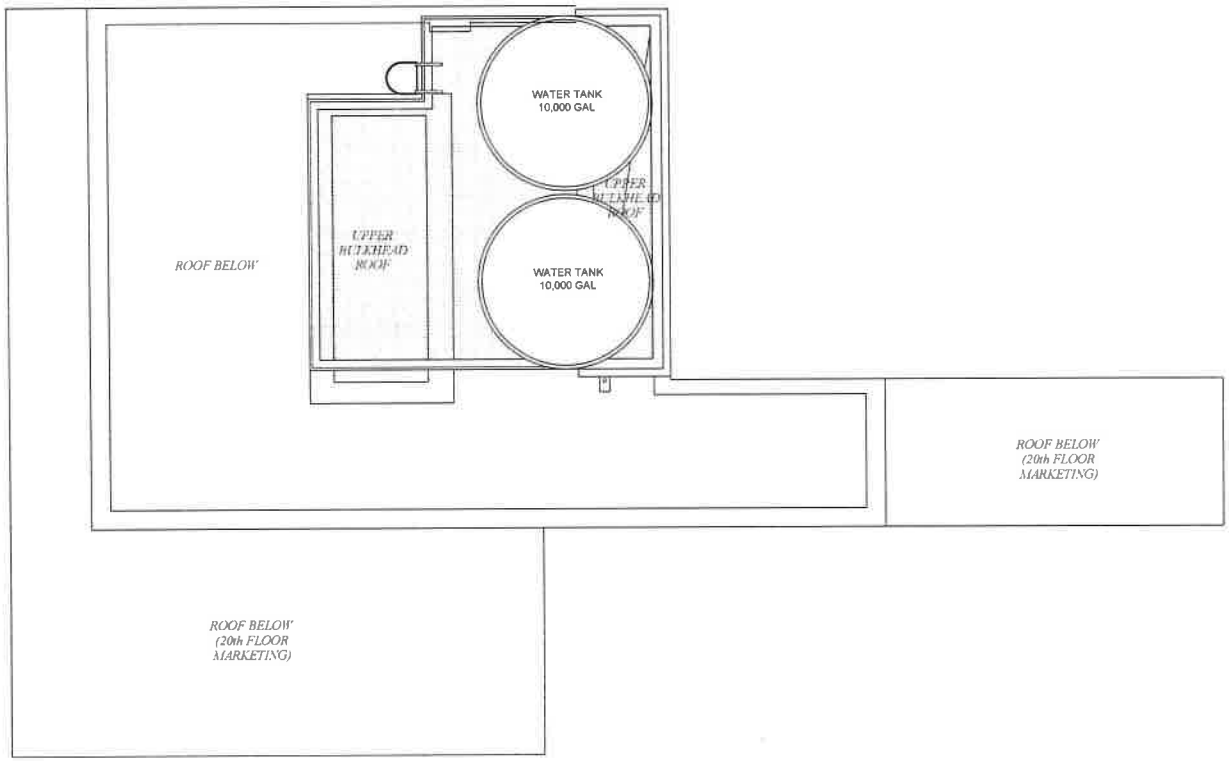
ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE. SUITE 1407 NEW YORK/NY 10001
212 233 3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



UPPER BULKHEAD ROOF/ WATER TANK

SCALE 1/8" = 1'-0"

0 4' 1' 8'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT

NOTE:

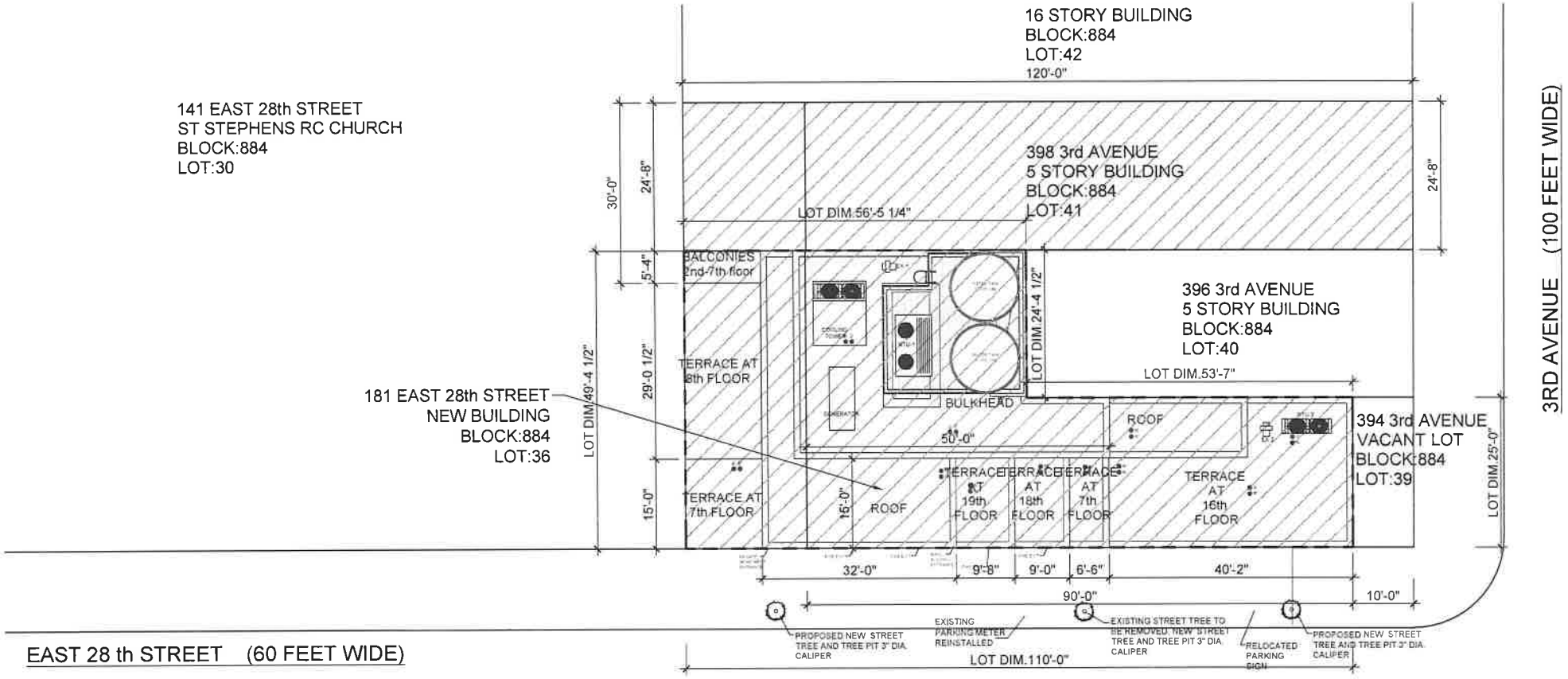
ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212.233.3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



SCALE 1/16" = 1'-0"

0 1' 15' 32'

SITE PLAN

ARCHITECTS CERTIFICATION:
State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances.

NOTE:
SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING. ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT.

NOTE:

LEGEND

MERGED ZONING LOTS

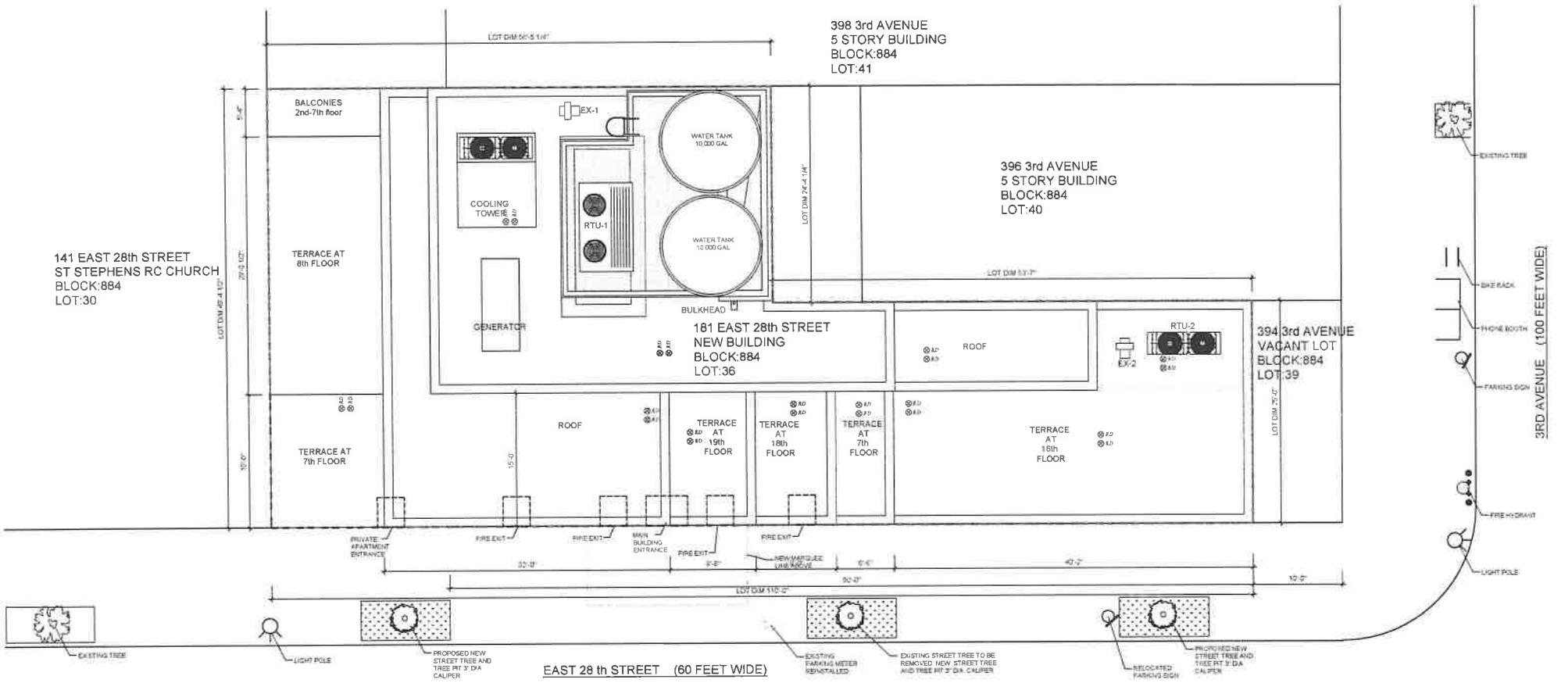
ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK,NY 10001
212.233.3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



SITE PLAN II

SCALE 3/32" = 1'-0"

0 1' 10' 20'

LEGEND

- COMMON ELEMENT
- RESIDENTIAL UNIT
- LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built; and subject to normal construction deviation and tolerances

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT

NOTE:

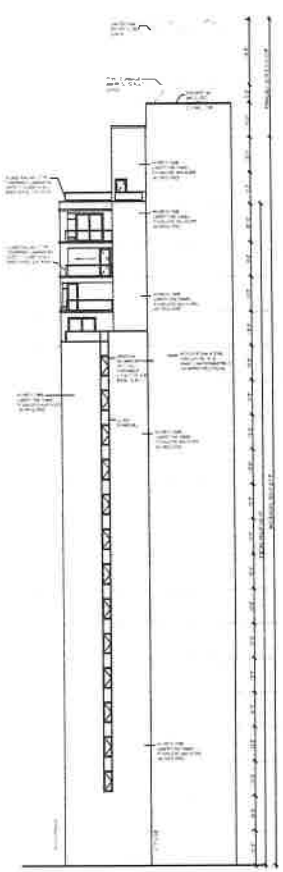
ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212 233 3100 www.c3darchitecture.com

181EAST 28TH STREET

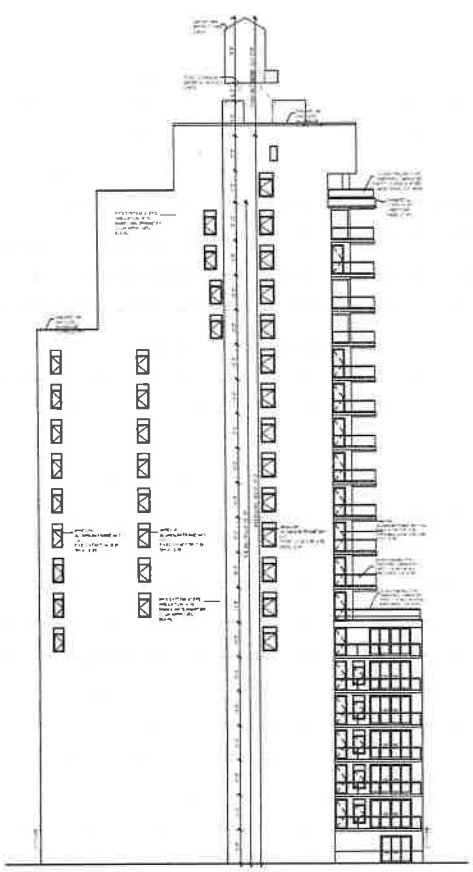
181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219 | PAGE: 18of 23

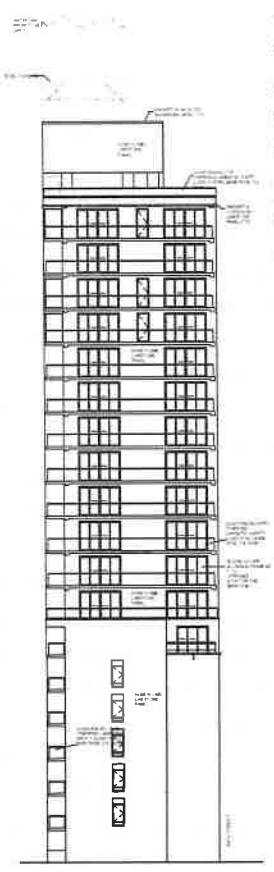
DATE: 10/30/19



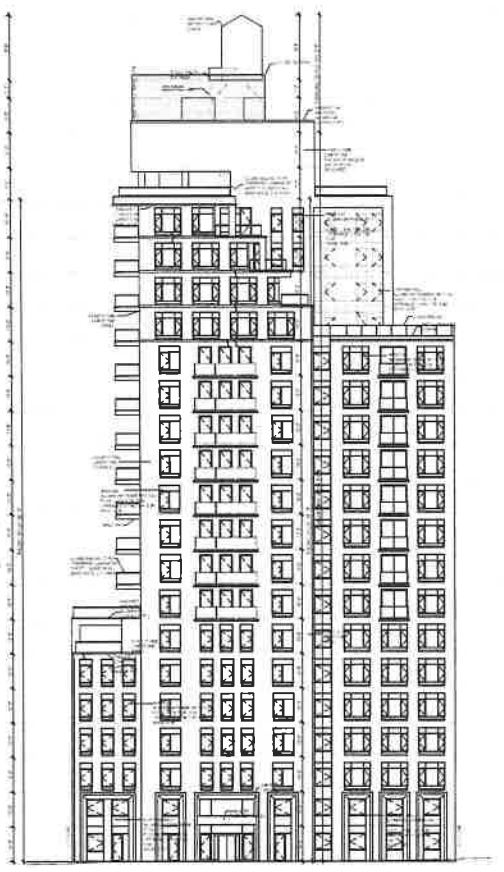
EAST ELEVATION



NORTH ELEVATION



WEST ELEVATION



SOUTH ELEVATION

ELEVATIONS

0 1' 16' 32'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT.

NOTE:

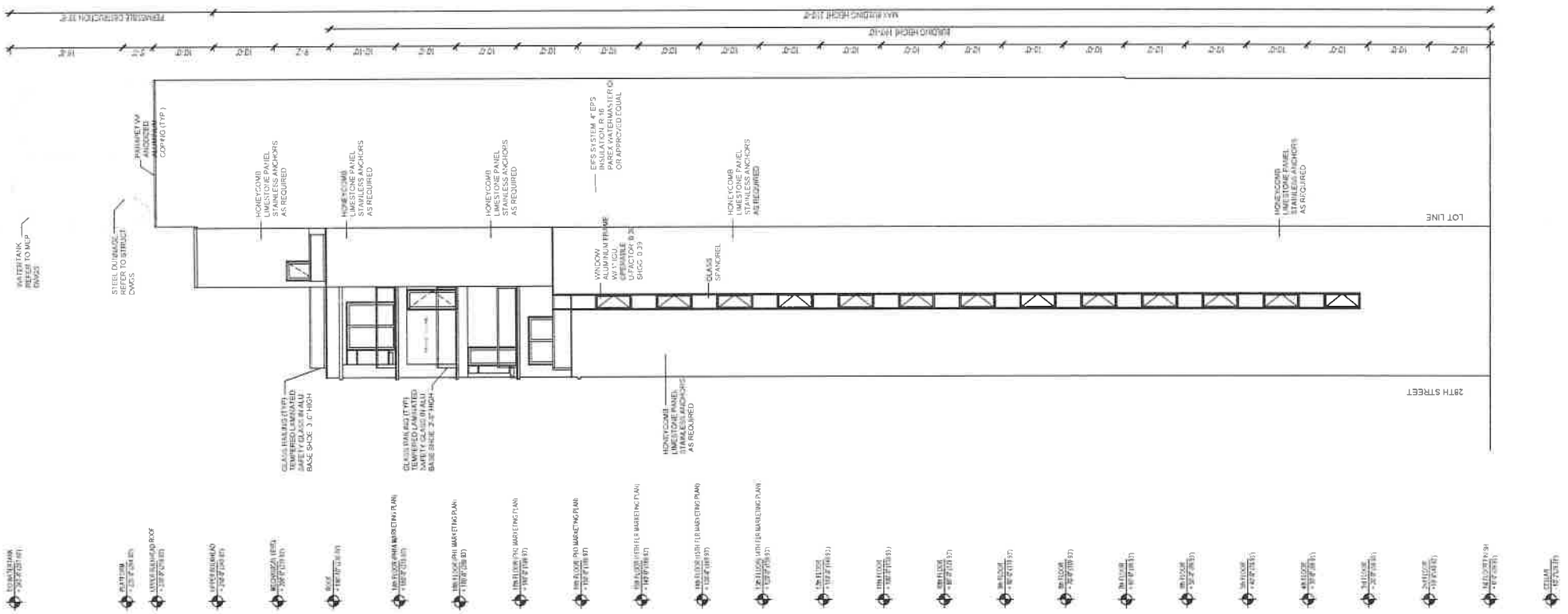
ARCHITECT:
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212.233.3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



EAST ELEVATION

ELEVATIONS

SCALE 1/16" = 1'-0"

0 1' 16'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING. ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT

NOTE:

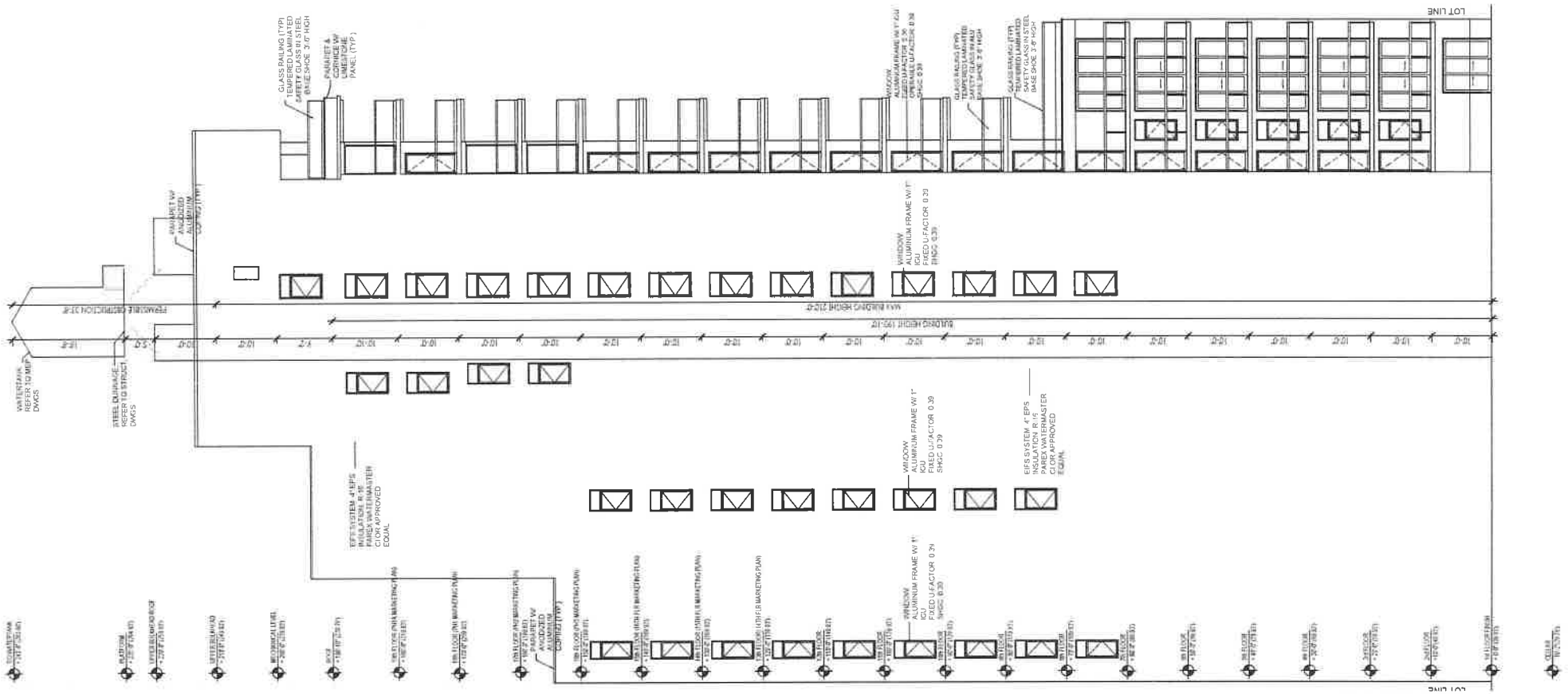
ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212 233 3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



NORTH ELEVATION

SCALE 1/16" = 1'-0"

ELEVATIONS

0 16 1'

LEGEND

COMMON ELEMENT

RESIDENTIAL UNIT

LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT.

NOTE:

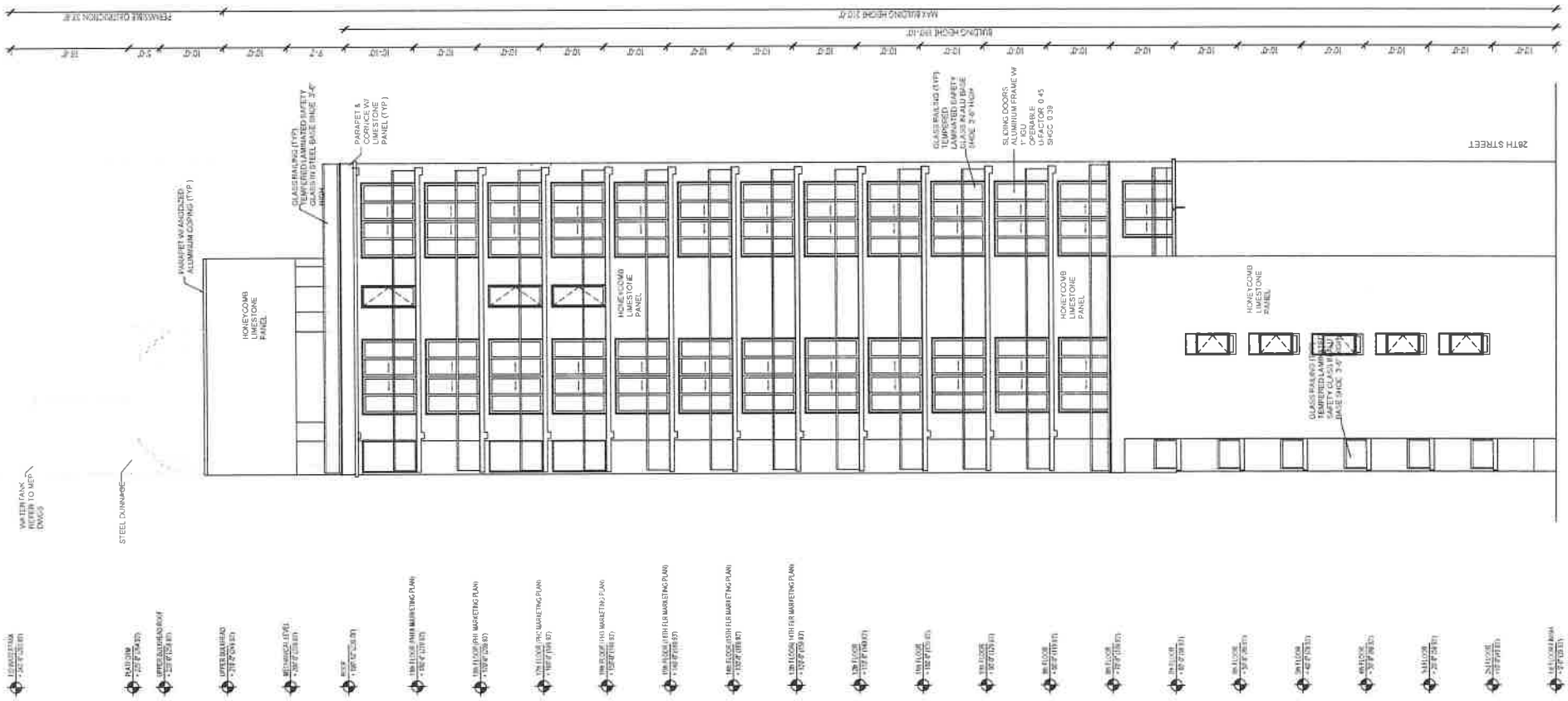
ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212.232.3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



WEST ELEVATION

ELEVATIONS

SCALE 1/16" = 1'-0"

0 16'
1'

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING. ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT

NOTE:

LEGEND

COMMON ELEMENT
RESIDENTIAL UNIT
LIMITED COMMON ELEMENT

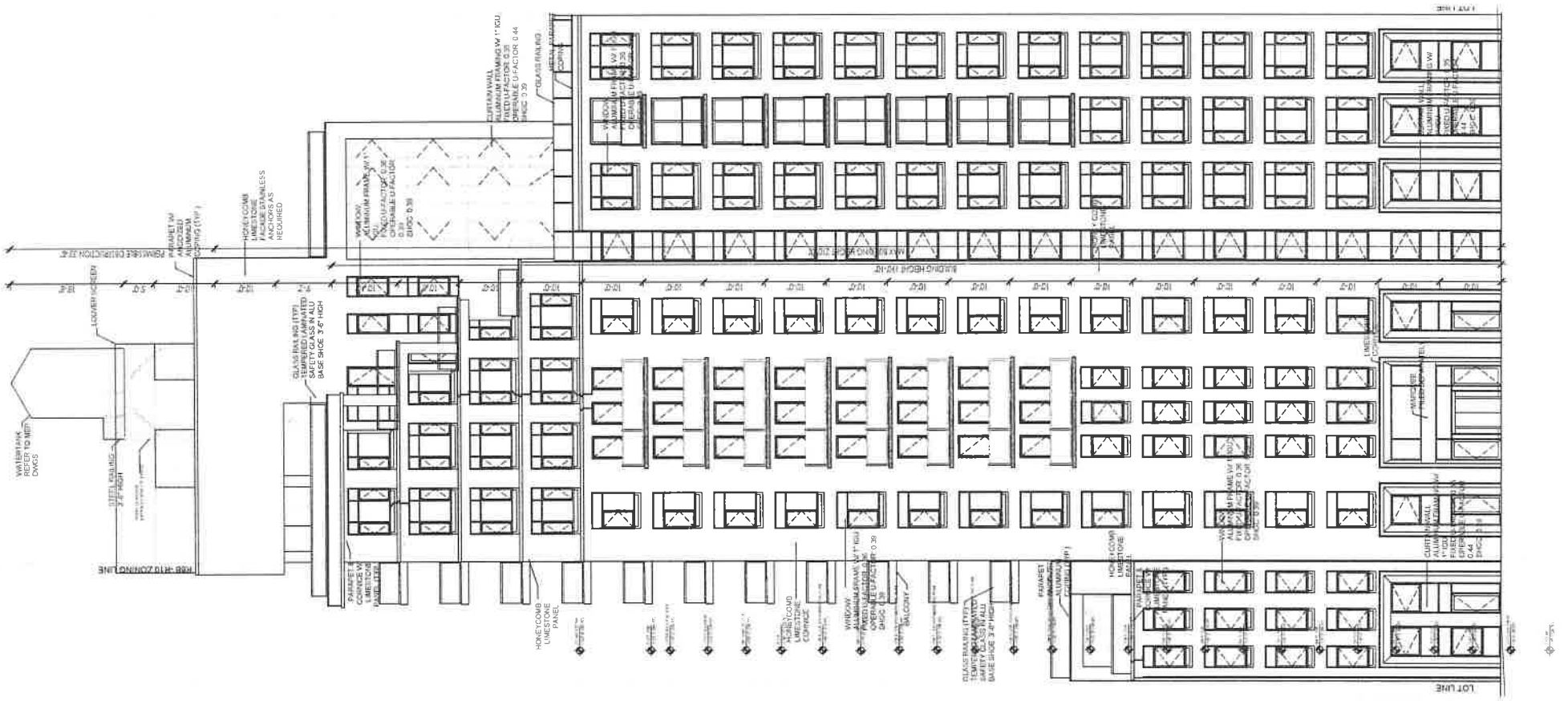
ARCHITECT:
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212 233 3100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19



SOUTH ELEVATION

SCALE 1/16" = 1'-0"

ELEVATIONS

0 1' 15'

LEGEND

- COMMON ELEMENT
- RESIDENTIAL UNIT
- LIMITED COMMON ELEMENT

ARCHITECTS CERTIFICATION:

State of New York
New York City

This is to certify that this plan is an accurate copy of a portion of the plans of the building as filed with and approved by Department of Buildings, City of New York, and fully and fairly depicts the layout, locations, unit designations and approximate dimensions of the unit as built, and subject to normal construction deviation and tolerances.

NOTE:

SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN. APARTMENT UNITS SHOWN ON THESE FLOOR PLANS ARE EXISTING; ACTUAL LAYOUTS BEING OFFERED BY THE SPONSOR MAY DIFFER. SEE INDIVIDUAL UNIT PLANS INCLUDED WITH THE OFFERING PLAN AND ANY AMENDMENT

NOTE:

ARCHITECT
C3D ARCHITECTURE LLC.
307 7TH AVE SUITE 1407 NEW YORK/NY 10001
212 235 5100 www.c3darchitecture.com

181EAST 28TH STREET

181EAST 28TH STREET NEW YORK/NY 10016

DOB BIN: 1018219

DATE: 10/30/19

EXHIBIT "8"

DECLARATION OF CONDOMINIUM

CONDOMINIUM NUMBER

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises located at
181 East 28th Street
New York, New York 10016

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:
HILLROSE 28 CONDOMINIUM

Declarant:
157-161 East 28th Street LLC
c/o Coral Realty
400 Broome Street, 11th Floor
New York, New York 10013

The land affected by the within instrument lies in
Block 884 formerly known as Base Lot 36
now known as Lots _____
on the Tax Map of the Borough of Manhattan, City of New York

Attorneys for Declarant
Holland & Knight LLP
31 West 52nd Street
New York, New York 10019
Attn: Stuart M. Saft, Esq.
(212) 513-3308

INDEX TO DECLARATION

TABLE OF CONTENTS

	PAGE
Article 1 Definitions	1
Article 2 Submission Of The Property	1
Article 3 The Land	1
Article 4 The Property	1
Article 5 The Building	2
Article 6 The Units	2
Article 7 Dimensions Of Units	4
Article 8 Common Elements	4
Article 9 Use Of Building And Units	7
Article 10 Changes In The Residential Units	8
Article 11 Condominium Governance	9
Article 12 Determination Of Percentage Interests In Common Elements	10
Article 13 Encroachments	10
Article 14 Access To Common Elements	10
Article 15 Name Of Condominium	11
Article 16 Easements	11
Article 17 Power Of Attorney To The Condominium Board	14
Article 18 Acquisition Of Units By The Condominium Board	14
Article 19 Covenants Running With The Land	15
Article 20 Amendments Of Declaration	16
Article 21 Termination Of Condominium	19
Article 22 Waiver	19
Article 23 Person To Receive Service	19
Article 24 Certain References	19
Article 25 Severability	21
Article 26 Covenant Of Further Assurances	21
Article 27 Successors And Assigns	22
Article 28 Consents	23
Article 29 Non Recourse	23
Article 30 Incorporation By Reference	23

DECLARATION
OF
HILLROSE 28 CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

157-161 East 28th Street LLC, a New York limited liability company, having an office at c/o Coral Realty, 408 Broome Street, 11th Floor, New York, New York 10013 ("Declarant"), does hereby declare as follows:

ARTICLE 1
DEFINITIONS

1.1 All capitalized terms used in this Declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

1.2 In the event of a conflict between the terms and provisions contained in this Declaration, on the one hand, and the terms and provisions of the By-Laws, on the other hand, the terms of this Declaration shall in all events govern.

ARTICLE 2
SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto does hereby establish a Condominium to be known as the "HILLROSE 28 Condominium" (the "Condominium').

2.2 Attached to this Declaration and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

ARTICLE 3
THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 4,125.14 square feet.

ARTICLE 4
THE PROPERTY

4.1 Included in the Property described in Article 2 is a building (the "Building") consisting of 43 Residential Units (collectively referred to as the "Residential Units" and individually, a "Residential Unit"), Common Elements and the Residential Limited Common Elements. The Residential Units are sometimes hereinafter collectively referred to as the "Units" and individually as a "Unit". The owner of a Residential Unit is referred to as a "Residential Unit Owner" and all the owners of the Residential Units are herein collectively referred to as the "Residential Unit Owners".

4.2 From the date hereof until the date on which a Unit is first conveyed or first distributed by Declarant to an unrelated Person, (i) Declarant shall have all the rights and obligations described herein and in the By-Laws with respect to such Unit as rights and obligations of the Unit Owner thereof and (ii) all references in this Declaration and in the By-Laws to the Unit Owner of such Unit shall be deemed to be references to Declarant.

4.3 From the date hereof until the First Closing, Declarant shall have the rights and obligations described herein and in the By-Laws as the collective rights and obligations of the Unit Owners and its Condominium Board; and, until such First Closing, all references herein and in the By-Laws to the Residential Unit Owners shall be deemed to be references to Declarant.

ARTICLE 5
THE BUILDING

The Building consists of one building with 43 Residential Units and the Common Elements (referred to as the "Building"). The Building is constructed of reinforced concrete frame with concrete slab floor systems, including reinforced concrete columns, masonry cavity walls and concrete footings. The floors in the Building are named (from bottom to top): Cellar, Floors 1 through 21, Main Roof and Bulkhead Roof. The entrance to the Building is on East 28th Street. The Residential Units occupy a portion of the First Floor and Floors 2 through the Penthouse.

ARTICLE 6
THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; floor designation; tax lot number; approximate square foot area; approximate Terrace square foot area; and the percentage interest in the General Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Buildings (the "Floor Plans") certified by C3D Architecture, PLLC, and intended to be approved by the Real Property Assessment Department of the City of New York and filed in the New York County office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other doors to such Unit, smoke detectors, all windows (including, without limitation, their panes, casements and frames) to such Unit, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, ranges and any other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing,

gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the panel and serving or benefiting only that Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 The Residential Units include all related Facilities exclusively serving the Residential Units.

6.4 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all of the Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

6.5 All excess air or developmental rights (collectively, the "Development Rights") otherwise appurtenant to the Property both (a) prior to the First Closing, in connection with any development work to be performed by Sponsor at the Building; and (b) subsequent to the First Closing, not used in connection with any development of the Building prior to the First Closing will be retained by the Declarant allocated to the Development Rights ("Development Rights"). As a result, unless Development Rights are separately acquired therefor on behalf of the Building or a Residential Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Residential Unit by any Residential Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements and otherwise, may not be possible or may be limited. The Development Rights Owner, as a result of such reservation, may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased in size as a result of such transfer or sale.

6.6 Except in the case of a sale or transfer for use in connection with other properties, the reserved Development Rights can be used by the Development Rights Owner in the Property after the First Closing solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Development Rights in excess of those used in connection with any renovation of the Building in accordance with the Plan.

ARTICLE 7

DIMENSIONS OF UNITS

7.1 The approximate floor area of each Unit has been measured horizontally, on each of one or more floors, from the centerline of the demising and the outside of exterior walls surrounding the Units and including Common Elements wholly within Units, such as columns, mechanical chases and chutes. Outdoor floor areas of Terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas. The measurement of the Units on Floors 17 through 20 include the elevator lobby of such Units and the trash rooms inside the Units. Doors and windows that open from or to a border of a Unit shall be deemed part of the Unit. However, any Common Elements located within a Unit shall not be considered a part of the Unit.

7.2 Each Unit has been measured vertically from the top of the finished floor to the underside of the ceiling above.

7.3 Outdoor areas have been measured horizontally from the outline of the façade wall and the outline of the parapet wall or edge of the balcony slab.

7.4 The floor area occupied by any Common Elements bordering or within a Unit (such as the Building's facade or exterior walls, vents, chase walls or areas, conduits, ducts, shafts or pipes) have been included in the computation of the floor area of the Unit, but such Common Elements are not part of the Unit. As a result, the square footage shown are taken from points behind the walls enclosing the Unit and exceed the Unit's usable floor area. Minor inaccuracies in a Unit's square footage will not excuse a Purchaser from completing the purchase of a Unit without recourse against the Declarant, or reduction in the price.

ARTICLE 8
COMMON ELEMENTS

8.1.1 The common elements of the Condominium (the "Common Elements") consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Limited Common Elements of the Condominium (the "Limited Common Elements") consist of the Residential Limited Common Elements, which exclusively serve one or more, but not all, of the Residential Units. The general common elements ("General Common Elements") are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the General Common Elements; the General Common Elements are for the common use of all Unit Owners.

8.1.2 As used in this Declaration, the word "Facility" or "Facilities" includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle,

outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box. The word "Facility" or "Facilities" does not include any portion of the Building that is specifically listed as a Residential Unit, a Common Element, or a Residential Limited Common Element.

8.2 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.3 The General Common Elements consist of the following:

8.3.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.3.2 Any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls together with the exterior walls and roof of the Building.

8.3.3 The Storage Room, Storm Water Tank Room, Compactor Room, Laundry Room, Electric Room, Water/Sprinkler Room, Toilets, Gas Room, Bike Storage, Foundation Mat, and Lower Level of the Gym in the Cellar.

8.3.4 Electric meters and panels, electric closets, feeders, risers and Facilities, Residential gas meter and direct burial telephone cables.

8.3.5 Kitchen, bathroom and dryer exhaust ducts, corridor and Residential Unit supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting exclusively the Units.

8.3.6 CATV riser and all other Facilities located in the Property serving or benefiting exclusively the Residential Section.

8.3.7 Lobby, Elevator Lobby, Mail Room, Package Room, Toilet, Lounge, and Upper Level of the Gym on the First Floor

8.3.8 Residential refuse rooms on each floor servicing the Residential Units and compactor room.

8.3.9 Elevators, shafts, pits, machine rooms and related equipment and surrounding lobbies, service halls and corridors (except for the elevator lobbies on Floors 17 through 20, which are Residential Limited Common Elements).

8.3.10 The stairways.

8.3.11 The Roof, the Mechanical Roof and the Upper Bulkhead Roof.

8.3.12 All doors excluding doors opening from common corridors and providing entrance to Residential Units, interior doors in the Residential Units, and doors in a Residential Unit (the excluded doors being considered part of the Residential Unit).

8.3.13 Heating and air conditioning units for the Residential Units consisting of a fan, motor, ductwork, piping and controls.

8.3.14 Corridor supply risers and ducts, kitchen and toilet exhaust risers and ducts, kitchen and toilet water vent and soil stacks, gas risers, electric risers, and shafts serving Residential Units.

8.3.15 All other facilities of the Property (including but not limited to shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Residential Section.

8.3.16 Air conditioning system for the elevator machine room on the roof including fan, motor, ductwork and controls.

8.4 The Residential Limited Common Elements consist of the following:

8.4.1 Certain portions of the Common Elements that are limited and further restricted in use to the owners of Residential Units to which such Residential Limited Common Elements are appurtenant, subject to the right of the Condominium Board to enter upon any such Residential Limited Common Element to make structural repairs or structural replacements to said Residential Limited Common Element or any other Common Element contained therein, and subject to the Rules and Regulations of the Condominium.

8.4.2 All normal and ordinary maintenance, repair and replacement of Residential Limited Common Elements (i.e., cleaning surface areas, patching chipped concrete or pavers, repairing and/or replacing fencing or railing enclosures, etc.) shall be tended to and paid for by the Residential Unit Owner(s) having the exclusive use thereof. However, washing exteriors of windows will be borne by the Residential Unit Owners as a Common Expense. Structural or extraordinary repairs to the slab beneath the Residential Limited Common Elements will be borne by the Residential Unit Owners as a Common Expense, unless the repair is necessitated by the negligence of the Residential Unit Owner having exclusive use thereof.

8.4.3 Residential Unit Owners shall be responsible for washing the interior side of any and all windows in their Unit, and replacing broken windows in their Unit unless the glass was broken through the negligence of the Condominium Board or its agent, in which case the cost or replacement shall be borne by the Residential Unit Owners as a Common Expense. In the event of a replacement of all windows in the Residential Units, each Residential Unit Owner shall bear the cost of the windows to be installed in their Unit.

8.4.4 That portion of equipment, fixtures or Facilities serving or benefiting one

Residential Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Residential Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Residential Unit Owner who is so served or benefited by such Residential Limited Common Elements shall have the exclusive right to use such Residential Limited Common Elements and shall be responsible for their normal operation, maintenance and repair at such Unit Owner's sole cost and expense.

8.4.5 All other Facilities exclusively serving one or more but not all Residential Units, excluding the Residential Units and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Residential Units.

ARTICLE 9
USE OF BUILDING AND UNITS

9.1 Use of Units.

9.1.1 As more particularly set forth and described in the By-Laws, except as otherwise herein and in the By-Laws expressly provided, Residential Units may be used only for residential purposes and, subject to compliance with the By-Laws, for a lawful home occupation, as defined in the Zoning Resolution. Residential Units may be owned or leased by an individual, corporation, partnership limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments). Residential Units may only be occupied by (i) any individual who is a Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Unit Owner or permitted lessee; (iii) any partner or employee of any partnership, which is a Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company, which is a Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of an Occupancy Plan; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Subject to the foregoing, Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations. An "Occupancy Plan" means a program, plan, entity, agreement or other arrangement for the use, occupancy, marketing, advertising or promotion of one or more Units under short-term, timeshare, fractional or shared ownership, interval exchange (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans or arrangements through which a participant in the plan or arrangement acquires a direct or indirect ownership interest in the Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Unit(s) or a portfolio of accommodations including such Unit(s) including, but not limited to services such as Air BnB.

9.1.2 Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Sponsor (and its designee) may, without the permission of the Board or any other Person use or grant permission for the use of any Unsold Unit as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject to compliance with applicable Laws.

9.2 Except as otherwise provided in the By-Laws, the Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

(a) Subject to any easements (exclusive or otherwise) and/or rights of access provided in this Declaration with respect to the Common Elements, neither the Board nor any Unit Owner shall impede the exercise of or encroach upon the rights of the other Unit Owners or anyone claiming, by, through or under them, including, but not limited to, the occupants of the Units and their respective invitees, to use the same.

(b) No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation pursuant to the By-Laws or this Declaration to maintain or repair such portion of the Property.

9.3 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may without the permission of the Condominium Board, (1) grant permission for the use of any Unsold Units owned by it as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for such Unit or any other governmental regulations and (2) use any Unsold Units owned by it as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental Laws and regulations.

9.4 No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All applicable Laws relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owner(s) or Board(s) shall have the obligation pursuant to the Declaration, and the By-Laws to maintain or repair such portion of the Property.

ARTICLE 10
CHANGES IN THE RESIDENTIAL UNITS

10.1 Except to the extent prohibited by Law, Declarant or its designee shall have the right, without the vote or consent of the Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Units;

(b) change the use (subject to Section 9.2 above) or layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting a Unit or any portion thereof to a Common Element or a Limited Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating 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 Unit; (d) designate a Common Element as part of a newly created Unit or Limited Common Element, or designate all or part of a Unit as a newly created Common Element or Limited Common Element; and (e) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (ii) Declarant or its designee, as the case may be, shall comply with all Laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its designee. By written permission of the Condominium Board, which permission, shall not be unreasonably withheld, any other Unit Owner may be given, with respect to his or her Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Units.

10.2 Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any Unsold Unit, and (ii) by either the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any other Unit.

ARTICLE 11
CONDOMINIUM GOVERNANCE

11.1 The affairs of the Condominium shall be governed and controlled by a Condominium Board, as described in the By-Laws. When in this Declaration or in the By-Laws an action is to be undertaken, or is authorized to be done by the Condominium, it shall mean the Condominium acting through its Condominium Board, unless the text clearly requires another interpretation (i.e., through a vote of the Unit Owners). When the Condominium Board is authorized or obligated to act, it shall be acting on behalf of all Unit Owners in the Condominium.

11.2 Notwithstanding anything to the contrary in the Condominium Documents, and to

the extent permitted under applicable Law, it is the intention of the Condominium Documents that while one party owns all the Units in the Condominium (either beneficially or in fee), or owns some of the Units in the Condominium (either beneficially or in fee) and controls the Owner of the remaining Unit(s) in the Condominium, such party shall operate the Property as if the Property were not subject to a condominium regime. During the period these circumstances apply, it is the intention of the Condominium Documents that such party shall be deemed to be the Condominium Board for purposes of operating the Condominium to the extent and whenever applicable Law requires that there be a Condominium Board established to operate the Condominium, but that formal procedures for meetings and decision-making by and among Unit Owners and Board Members set forth in the By-Laws shall not be required. Notwithstanding the foregoing, each Unit is and shall remain a separate Unit for its own operational purposes, and each Unit Owner shall have all the economic and other rights and burdens of real property with respect to each Unit it owns. As such, a Unit Owner may and shall maintain separate accounting records, including, without limitation, separate profit and loss statements, for each Unit it owns.

ARTICLE 12
DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

12.1 The percentage of interest in the Common Elements applicable to each Unit, as shown on Exhibit B, was determined pursuant to Section 339-i(1)(iv) of the Condominium Act, and is based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of a particular Unit. The aggregate Common Interest for all Units is 100%.

ARTICLE 13
ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant or its designee in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

ARTICLE 14
ACCESS TO COMMON ELEMENTS

14.1 Each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve his or her Unit including an easement to connect to existing

utilities including, but not limited to utilities for gas, electricity, steam and ventilation. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. In addition, the Condominium Board or its agents, to the extent the Board are permitted to act by the By-Laws for such purposes, shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Property. All easements and rights of access described in this Article 15 shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of a Non-Residential Unit or with the use of the Residential Units for their permitted purposes. Such entries shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an Emergency.

14.2 The Declarant or any of its affiliates or designees and their successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across all areas of the property for ingress to and egress from all land areas of the Property and the use thereof (in common with Unit Owners) for construction or renovation of the Building, or any part thereof, the inspection, maintenance and performance of alterations, replacements, and repairs in or about Units owned by the Declarant or its designees and for any other lawful purpose provided (i) Declarant or such other party repairs any resulting damage to the Unit or Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry, (ii) Declarant or such other party provides reasonable prior notice to the owners of the Unit to which access is required or the Board in the case of the Common Elements, and (iii) the work will not unreasonably interfere with the other Units.

ARTICLE 15
NAME OF CONDOMINIUM

The Condominium and the Building shall be designated and known as "HILLROSE 28 Condominium". For so long as Declarant owns any Units in the Building, only the Declarant shall have the right to change or assign the name of the Condominium and/or the Building.

ARTICLE 16
EASEMENTS

16.1 Except as set forth in this Declaration, each Residential Unit Owner shall have, in common with all other Residential Unit Owners, an easement for the use of the Common Elements.

16.2 Each Unit Owner shall have, in common with all other Unit Owners, an easement for ingress and egress through the Common Elements, as the case may be, and for the use of any Common Element, to the extent necessitated by an Emergency.

16.3 Each Residential Unit Owner shall have, in common with all other Residential Unit Owners, and each Unit shall be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements or Residential Limited Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Residential Units,

the Common Elements; or the Residential Limited Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than one days' notice, except that no notice will be necessary in the case of an Emergency. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry.

16.4 Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

16.5 Declarant or its designee and its successors and assigns shall, to the extent permitted by Law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property (other than on the exterior walls of the Building surrounding Units not owned by the party erecting the sign) for the purposes of advertising the sale or lease of any Unsold Residential Unit.

16.6 Declarant for so long as it shall own any Unsold Residential Unit, and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, ventilation, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Declarant, Unit Owner or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, or to complete the Building pursuant to the Plan, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Residential Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the use of the Residential Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-Laws or the Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

16.7 Declarant shall have, and the Units and Common Elements shall be subject to, an easement, (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace satellite dishes and similar equipment on the roof of the Building and the conduit and other Facilities relating thereto, other than those portions of the roof which constitute Common Elements or Residential Limited Common Elements, and (b) to maintain any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any Unit or Common Element in furtherance of such easement shall be exercised in a manner as will not unreasonably interfere with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an Emergency.

16.8 Declarant and its contractors, employees and agents for so long as Declarant shall own any Unsold Residential Unit, shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Residential Units.

16.9 All easements and rights of access described in this Article shall be exercised by the party or parties entitled to exercise such easements or rights of access (the "Exercising Party") in such manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units or with the use of the Units for their permitted purposes, and each Unit Owner whose Unit is subject to the easements and rights of access described in this Article shall be reimbursed for reasonable actual out-of-pocket costs to repair damage (but not consequential damage) incurred by said Unit Owner (the "Impacted Owner") to repair the Impacted Owner's Unit and any additional security measures incurred by the Impacted Owner as a result of the exercise of the easement and right of access hereunder (the "Access Costs"). All entries made pursuant to the easements granted in this Article shall be permitted on reasonable notice, but in no less event than five (5) business days' notice to the Unit Owner, except that no notice will be necessary in the case of an Emergency, in which event, the Exercising Party shall give such notice (which may be verbal) as is practicable given the nature of the Emergency. The Exercising Party shall reimburse the Impacted Owner within thirty (30) days of demand therefor, for the Impacted Owner's Access Costs, which demand shall be accompanied by reasonable evidence of such Access Costs. In the event the Exercising Party fails to pay the Access Costs within said thirty (30) day period, the Impacted Owner shall be entitled to interest on the Access Costs at the Default Rate, together with all rights at equity and at Law. To the extent the Condominium Board is responsible for any costs and expenses, including, without limitation, under this Article, such costs shall be allocated to the Unit Owners as Common Expenses. Notwithstanding the foregoing, if the exercise of the easements and rights of access described in this Section is required in order to remove or cure a violation or to cure a default hereunder or under the Declaration caused by the Impacted Owner or any rules and regulations adopted by the Condominium Board, or for the purpose of correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the Common Elements, such Unit Owner shall be responsible for all costs and expenses in connection with such exercise and access and any work performed in connection therewith, all of which shall be Unit Owner Expenses and the Unit Owner shall not be entitled to reimbursement for Access Costs. Any dispute by and among any Unit Owners and/or the Condominium Board as to the nature, scope or interpretation of the costs contained in this Article shall be resolved by Arbitration.

16.10 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

16.11 Sponsor and its designee(s) shall have the right, until the tenth (10th) anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions in connection with the sale and leasing of Unsold Residential Units.

16.12 Except as may otherwise be set forth in this Declaration, any easement created or

granted hereunder shall be perpetual and irrevocable for so long as the Condominium shall remain in existence.

ARTICLE 17
POWER OF ATTORNEY TO THE CONDOMINIUM BOARD

17.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease any Unit, together with its Appurtenant Interests (as defined hereinafter), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Units so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the entire Property which the Condominium Board deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the entire Property or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the entire Property or the Common Elements which the Condominium Board deems necessary or appropriate.

17.2 In addition, each Unit Owner shall grant to Declarant and its designees an irrevocable power of attorney coupled with an interest and granted for valuable consideration, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Declarant and/or its designees deems necessary or appropriate to comply with any Law, zoning resolution, or requirement of the Department of Buildings, or any other governmental authority applicable to the rehabilitation, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof.

17.3 Each Unit Owner shall grant to Declarant a power of attorney to amend the Condominium Declaration and to effectuate the rights granted to the Declarant under the Declaration and By-Laws and the Plan including the power to execute the Required Documentation.

ARTICLE 18
ACQUISITION OF UNITS BY THE CONDOMINIUM BOARD

18.1 If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements and Limited Common Elements appurtenant thereto, (ii) the

interest of such Unit Owner in any other Units theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Condominium Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with the Appurtenant Interests, or (c) the Condominium Board purchases, at a foreclosure or other similar sale, a Unit, together with the Appurtenant Interests, then, in any such event, title to any such Unit, together with the Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

18.2 The Condominium Board shall have the authority to purchase, on behalf of all Unit Owners, a Unit to be used as the residence of the Resident Manager of the Building and, in such event, title to all or any such portion of the Unit, together with its Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 19
COVENANTS RUNNING WITH THE LAND

19.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article 19, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

19.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the

Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

19.3 Subject to Section 19.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 20
AMENDMENTS OF DECLARATION

20.1 All references in this Article 20 to the "Declaration" shall mean and include the Declaration and/or the By-Laws attached hereto (whether or not the By-Laws are expressly indicated). Subject to the provisions contained herein with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Residential Units, and any rights of the mortgage holders (a) any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws; and (b) any provision of this Declaration benefiting, protecting or otherwise affecting only the Residential Section or the Residential Unit Owners may be added to, amended, modified or deleted by vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Residential Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Residential Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact.

20.2 If the number of rooms in an Unsold Residential Unit is changed, or the use, size and/or number of Unsold Residential Units is changed (whether as a result of a subdivision or

combination of Unsold Residential Units or alteration of boundary walls between Unsold Residential Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of the Board or the Unit Owners. In addition, if any Residential Unit Owner other than Declarant or its designee causing such changes is given the right by the Board to make the changes described in this Section 20.2 with respect to such Unit Owner's Residential Unit or Residential Units, all in accordance with Article 10 hereof, then such Residential Unit Owner shall have the right to require the Condominium Board 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 (in the reasonable judgment of the Condominium Board) to reflect the changes made by the Residential Unit Owner, all without the approval of the Board, other Unit Owners or the Residential Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.3 The provisions of 20.1 and 20.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or its designee.

20.4 Notwithstanding anything to the contrary contained in Article 20 above:

20.4.1 No amendment shall be adopted which would: (i) unreasonably interfere with the sale, lease or other disposition of an Unsold Residential Unit; (iii) abridge, modify, suspend, eliminate or otherwise adversely affect any right, power, easement, privilege or benefit reserved to the Declarant or its designee (as owner of a Unit); or (iii) impose any discriminatory charge or fee against the Declarant or its designee, and no such amendment shall be effective against the Declarant or such designee or their Units, unless the Declarant or such designee shall, in each instance, consent thereto, by joining in the execution of such amendment;

20.4.2 No amendment shall be adopted which would change the permitted use of any Unit or such Unit's Common Interest and no such amendment shall be effective against such Unit or such Unit Owner, unless the Unit Owner of such affected Unit shall consent thereto by joining in the execution of such amendment.

20.5 The Declarant shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Board or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at the Declarant's sole option, to require the Board or any other Unit Owners to execute, acknowledge and record) in the City Register's Office and elsewhere, if required by applicable Law, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), together with such other documents, plans and maps the

Declarant deems appropriate: (a) to reflect any change in the Unsold Residential Units and/or the reapportionment of the respective Common Interests of the affected Units resulting therefrom made by the Declarant in accordance with the terms of Article 10 hereof and to file any amended Floor Plans required by the New York Real Property Law Section 339-p in connection therewith and the filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p of the Condominium Act; or (b) if required by (i) an institutional lender designated by the Declarant to make a loan secured by a mortgage on any Unsold Residential Unit, (ii) any governmental agency having regulatory jurisdiction over the Condominium or (iii) any title insurance company selected by the Declarant to insure title to any Unit; *provided, however*, that any amendment made pursuant to the terms of this Section 20.8 shall not (x) change the Common Interest of any Unit other than a Unit owned by the Declarant or (y) require a material, physical modification of any Unit other than a Unit owned by the Declarant, unless the Unit Owner of such affected Unit consents thereto by joining in the execution of such amendment, or (z) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender unless the holder of such mortgage consents thereto by joining in the execution of such amendment. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office.

20.6 In addition, a copy of this Declaration and the By-Laws and any amendments thereto shall be filed with the New York State Department of State. Any amendment to this Declaration may be executed: (a) if on behalf of the Declarant, only by a person authorized by, or having authority to act on behalf of the Declarant; or (b) if on behalf of the Unit Owners, by the President or Vice President and the Secretary or an Assistant Secretary of the Condominium Board. If the amendment requires the approval of a specified 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 certification, 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 certification 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. Any person authorized to sign, acknowledge and record an amendment to this Declaration is also authorized to cause to be properly certified and filed and/or recorded with the tax assessor (and other governmental authority having jurisdiction) and in the City Register's Office any appropriate amendments to the Floor Plans whenever required in connection with such amendment to this Declaration (such as in the case of an amendment to this Declaration to reflect a Unit subdivision or Unit combination pursuant to Articles 10 or 11. A conformed copy of any amendment to the Condominium Documents shall be filed promptly with the Secretary or Assistant Secretary of the Condominium or the Condominium's Managing Agent by the applicable person recording the amendment and shall be made available by the Condominium Board at the Property or the office of the Managing Agent for inspection (without charge) and copying (at a reasonable charge) by all Unit Owners, Mortgage Representatives, if any, and prospective Purchasers, mortgage lenders, and authorized representatives of each of the foregoing. Each person authorized to sign an amendment to this Declaration shall be deemed to execute such amendment as attorney-in-fact for the Unit Owners, coupled with an interest and granted for valuable consideration for such purpose.

ARTICLE 21
TERMINATION OF CONDOMINIUM

21.1 The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, without the written consent of Declarant, until such time as Declarant and its designees have conveyed title to all Residential Units, provided that in no event shall Declarant's consent be required more than five years after the First Closing pursuant to the Plan. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his or her share of such net proceeds all liens on his Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

21.2 To the fullest extent permissible under the Law, each Unit Owner shall be deemed to have waived any right to seek partition of the Property. In the event said withdrawal is authorized as aforesaid, and only to the extent the waiver contained in the preceding sentence shall be inapplicable or unenforceable, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale, together with the net proceeds of any applicable insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

ARTICLE 22
WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23
PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process at One Commerce Place, 99 Washington Avenue, Albany, New York 12231 in any action which may be brought against the Condominium. The Secretary of State shall be directed to mail a copy of any process served to the Condominium Board of HILLROSE 28 Condominium, 157-161 East 28th Street, New York, New York 10016.

ARTICLE 24
CERTAIN REFERENCES

24.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

24.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

24.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

24.4 When used in this Declaration or the By-Laws, the terms "now," the "date hereof" or the "date of this Declaration" shall mean the date on which this Declaration is filed in the Office of the New York City Register, New York County. The term "hereafter" when used in this Declaration or the By-Laws shall mean after the date on which this Declaration is filed in the Office of the New York City Register, New York County.

24.5 Whenever in the Declaration or the By-Laws the term "including" is used, it shall be deemed to mean "including, without limitation," whether or not so stated.

24.6 Wherever there is a requirement in the Declaration or the By-Laws that a consent or approval of a party hereto not be "unreasonably withheld" or words of similar import, such terms shall be construed as if followed by the phase "conditioned or delayed" whether or not so stated.

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

24.8 The term "requirements of insurance bodies" and words of like import shall mean rules, regulations, orders and other requirements of the New York Board of Fire Underwriters and/or the New York Fire Insurance Rating organization and/or any other body performing the same or similar functions and having jurisdiction or cognizance of the Condominium and/or the Property or any part thereof, including any Unit or any part of the Common Elements.

24.9 All references to the "By-Laws" in this Declaration shall include the Rules and Regulations promulgated thereunder, unless the context otherwise requires.

24.10 The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 25
SEVERABILITY

Subject to the provisions of 19.2 and 19.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law.

ARTICLE 26
COVENANT OF FURTHER ASSURANCES

26.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction (a "Required Action").

26.2 A Unit Owner, or any other party which is subject to the terms of this Declaration must within ten (10) business days after its receipt of written request therefore, (a) take a Required Action or (b) object to taking a Required Action. In the event any Unit Owner or any other party does not take the Required Action or does not object to same within the aforementioned ten (10) business days then, the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party. Any objection by a Unit Owner as to whether or not a request pursuant to this Section 26.2 involves a "Required Action" shall be resolved by Arbitration. In the event the arbitrator determines that the action in question is a Required Action, then, the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

26.3 Each Unit Owner shall have the affirmative duty to maintain its respective Unit and its appurtenant Limited Common Elements in such a manner so as to reasonably prevent and avoid inflicting a deleterious effect upon the other Units, the Limited Common Elements, the General Common Elements or the Building. In the event any Unit Owner fails to make any payments required under the terms of this Declaration and the By-Laws or causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, any Limited Common Elements, the General Common Elements or the Building (the "Defaulting Unit Owner"), the Condominium Board shall give written notice to the Defaulting Unit Owner and to any recognized mortgagee in accordance with Article 7 of the By-Laws, including a request that the Defaulting Unit Owner take specific steps to ameliorate such a condition ("Remedy Notice"). If the Defaulting Unit Owner fails to remedy the condition within seven (7) days of the receipt of

the Remedy Notice, or, if the condition is such that it cannot be remedied within seven days, fails to commence appropriate remedies, the Condominium Board may, upon ten (10) business days (or such shorter time that the Condominium Board reasonably determines is necessary to prevent irreparable damage in the event of an Emergency) additional notice to the Defaulting Unit Owner, enter into the Unit and effect a reasonable remedy, at the Defaulting Unit Owner's sole cost and expense. In the event a Unit Owner reasonably believes another Unit Owner has caused, permitted, or failed to prevent a condition that has a deleterious effect on its Unit, the first Unit Owner may request that the Condominium Board send a Remedy Notice. If the Condominium Board fails or otherwise determines not to send the Remedy Notice, the Unit Owner shall have all rights to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such condition or breach and to seek reimbursement for any costs or expenses incurred in connection therewith. Any such costs or expenses expended by the Condominium Board or a Unit Owner as aforesaid shall be deemed Unit Owner Expenses as to which the Condominium Board will have the lien rights more particularly set forth in the By-Laws. Each Unit Owner and the Condominium Board shall indemnify, defend and hold harmless the other Unit Owners, Permitted Users and the Condominium Board (collectively, the "Indemnitees") from the gross negligence or willful misconduct of, or violations of the terms and conditions of the Declaration or the By-Laws by such Unit Owner or Condominium Board, however applicable, including, but not limited to, reasonable legal fees.

26.4 Notwithstanding anything to the contrary set forth herein, to the maximum extent permitted by Law, Declarant specifically disclaims all implied warranties of fitness for a particular purpose, merchantability and habitability, and all other implied or express warranties of any kind or character. To the extent any such additional warranties are imposed by statute and cannot be disclaimed, such warranties shall apply. However, to the extent such warranties can be disclaimed by Law, including implied or express warranties of any kind or character, the same are specifically disclaimed. Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or implied warranties as to design, construction, view, light quality, sound and/or odor transmission, furnishing and equipping of the Condominium, the existence of molds, mildews, spores, fungi and/or other toxins within the Condominium, to the extent applicable and to the extent that same have not expired by their terms. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or implied warranties as to design, construction, view, light quality, sound and/or odor transmission, furnishing and equipping of the Condominium, the existence of molds, mildews, spores, fungi and/or other toxins within the Condominium, to the extent applicable and to the extent that same have not expired by their terms. Declarant has not given and the Board has relied on or bargained for any such warranties. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty or otherwise).

ARTICLE 27
SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or, with the consent of Declarant or its designee, any transferee of some or all of the then Unsold Residential Units then owned by Declarant or its

designee, as the case may be. Subject to the foregoing, Declarant, and/or its designee, as the case may be, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ARTICLE 28
CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unsold Residential Units.

ARTICLE 29
NON RECOURSE

Except as otherwise expressly provided in the Declaration, the By-Laws or the Rules and Regulations, in no event shall Declarant nor any Unit Owner nor any member nor any partner, member, shareholder, employee, director, officer, beneficiary, trustee, manager, agent or affiliate of Declarant, any Unit Owner or any member or any officer of the Condominium Board, nor any partner, member, shareholder, employee, director, officer, manager, agent or affiliate, beneficiary, trustee or any heir, legal representative or successor or assign of the foregoing have any personal liability for the payment or performance of the duties or obligations contemplated by the Declaration, the By-Laws or the Rules and Regulations.

ARTICLE 30
INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ____ day of _____, 20___.

157-161 EAST 28TH STREET LLC

By: _____
Name:
Title:

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ___ day of ____ in the year 20__, before me, the undersigned personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT A

LEGAL DESCRIPTION

[TO BE DISCLOSED IN THE POST-CLOSING AMENDMENT FOR THIS PLAN]

EXHIBIT B

DESCRIPTION OF THE UNITS

[TO BE DISCLOSED IN THE POST-CLOSING AMENDMENT FOR THIS PLAN]

Unit Designation	Unit Approximate Size in Square Feet	Limited Common Element Approximate Size in Square Feet	Tax Lot Number	Common Interest (%)	Location in Building	Common Elements to which Unit has access
TOTAL:				**100.0000**		

EXHIBIT C

DEFINITIONS

"Access Costs" shall have the meaning ascribed thereto in Section 16.12.

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

"Agreement" refers to an agreement to purchase a Residential Unit pursuant to the Plan, the form of which is set forth in Part II of the Plan.

"Alteration" shall have the meaning ascribed thereto in Section 6.13 of the By-Laws.

"Annual Budget" shall have the meaning ascribed thereto in Section 6.1.3 of the By-Laws.

"Appurtenant Interest" shall have the meaning ascribed thereto in Section 18.1 of the Declaration.

"Arbitration" refers to the process described in Article 11 of the By-Laws.

"Award" shall have the meaning set forth in Section 9 of the By-Laws.

"BCL" shall have the meaning ascribed thereto in Section 2.13.1 of the By-Laws.

"Board" refers to the Condominium Board.

"Board Member" shall have the meaning ascribed thereto in Section 2.13.1 of the By-Laws.

"Budget" refers to the Annual Budget or any other budget prepared in accordance with the By-Laws, as applicable.

"Building" refers to the structures and improvements including above and below grade segments, known as 157-161 East 28th Street, New York, New York in which the Units of the Condominiums are located.

"Building System" refers to any of the systems in the Building providing heat, sprinkler, water, electric, steam, gas, sewer and fire protection or similar services serving more than one Unit or the Common Elements.

"By-Laws" refers to the By-Laws governing the operations of the Condominium.

"City" refers to the City of New York.

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

"Claim" shall have the meaning ascribed thereto in Section 2.13.2 of the By-Laws.

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

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

"Common Elements" refer to the Common Elements and the Residential Limited Common Elements.

"Common Expenses" refer to the costs and expenses incurred from General Common Expenses.

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

"Condemnation Estimate" shall have the meaning ascribed thereto in Section 9 of the By-Laws.

"Condominium" refers to HILLROSE 28 Condominium.

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

"Condominium Board" refers to the Board of Managers of the Condominium Unit Owners.

"Condominium Documents" refers to this Declaration and By-Laws and any other documents governing the Condominium.

"CPI Increase Factor" shall have the meaning ascribed thereto in Section 12.3.4 of the By-Laws.

"Declarant" refers to 157-161 East 28th Street LLC, a New York limited liability company, and its successors and assigns.

"Declarant and/or its designee(s)", "Declarant or a designee of Declarant" or similar terms refers to Declarant and any designee of Declarant.

"Declaration" refers to this instrument creating the Condominium, as the same may be amended from time to time.

"Defaulting Unit Owner" shall have the meaning ascribed thereto in Section 26.3 of the Declaration.

"Default Rate" shall mean four percent (4%) interest per annum.

"Depository" shall have the meaning ascribed thereto in Section 12.5 of the By-Laws.

"Development Rights" shall have the meaning ascribed thereto in Section 6.5 of the Declaration.

"Emergency" refers to any situation where the applicable Person, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any material portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unforeseen and unforeseeable suspension of any necessary material service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the Building or Property.

"Emergency Repairs or Replacements" shall mean repairs or replacements to the Building to abate an emergency and to protect any person from death or serious injury.

"Enterprise" shall have the meaning ascribed thereto in Section 2.13.2 of the By-Laws.

"Environmental Laws" shall have the meaning ascribed thereto in Section 6.16.4 of the By-Laws.

"Executive Committee" shall have the meaning ascribed thereto in Section 2.15 of the By-Laws.

"Exercising Party" is defined in Section 16.12 of the Declaration.

"Facility" and "Facilities" have the meanings contained in Section 8.1.2 of the Declaration.

"First Annual Meeting" shall have the meaning contained in Section 2.3.2.2 of the By-Laws.

"First Closing" refers to the date fee title to a Residential Unit is first conveyed to a Purchaser pursuant to the Plan.

"Floor Plans" shall have the meaning ascribed thereto in Section 6.1 of the Declaration.

"General Common Elements" shall have the meaning ascribed thereto in Section 8.1.1 of the Declaration.

"Hazardous Materials" shall have the meaning ascribed thereto in Section 6.16.4 of the By-Laws.

"Impacted Owner" shall have the meaning ascribed thereto in Section 16.12 of the Declaration.

"Indemnitees" shall have the meaning ascribed thereto in Section 26.3 of the Declaration.

"Initial Control Period" shall have the meaning ascribed thereto in Section 2.2.7 of the By-

Laws.

"Inspectors of Election" shall have the meaning ascribed thereto in Section 3.8.5 of the By-Laws.

"Institutional Mortgage" shall have the meaning ascribed thereto in Section 7.5.1 of the By-Laws.

"Insurance Requirements" shall be defined as the requirements of the Condominium Board, a Unit Owner or a tenant to obtain insurance under the By-Laws, a lease or a Permitted Mortgage, as the case may be, provided in all events such requirements shall be the greater of the requirements imposed under any of the aforementioned as applicable to such Person.

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

"Law" or "Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, the Land, the Building, and Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to law, and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Lawsuit" shall have the meaning ascribed thereto in Section 2.13.12 of the By-Laws.

"Legal Requirements" shall mean all Laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen and unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Property, or any part thereof.

"Limited Common Elements" shall have the meaning ascribed thereto in Section 8.1.1 of the Declaration.

"Maintenance" or "Maintain" or "Maintaining" refers to the maintenance, repair, reconditioning, refurbishing, reconfiguration, inspection, testing, cleaning, improvement, decorating, painting, installation, alteration, addition, reconstruction, construction, demolition, restoration and replacement as and when necessary or desirable of any portion of the Building.

"Majority of Unit Owners" shall have the meaning ascribed thereto in Section 3.10 of the By-Laws.

"Managing Agent" refers to the managing agent or manager of the Residential Section or of the Condominium, as applicable, at the time in question.

"Merger" shall have the meaning ascribed thereto in Section 32.5 of the Declaration.

"Mortgage" shall have the meaning ascribed thereto in Section 6.2.8 of the By-Laws.

"Mortgage Representative(s)" shall have the meaning ascribed thereto in Section 7.5.1 of the By-Laws.

"Non-Occupying Owner" shall have the meaning ascribed thereto in Section 6.4.6 of the By-Laws.

"Occupancy Plan" shall have the meaning ascribed thereto in Section 9.1 of the Declaration.

"Offeree Unit Owner" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Opposing Party" shall have the meaning ascribed thereto in Section 6.13.1 of the By-Laws.

"Outside Offer" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Outside Offeror" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Payments" shall have the meaning ascribed thereto in Section 6.4.6.1 of the By-Laws.

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

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

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

"Person" or "Persons" refers to an individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any Federal, State, County or municipal government, or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

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

"Plans and Specifications" refer to the plans and specifications for the Building which (to the extent required by Law) are filed with, and approved by, the Department of Buildings of the

City of New York, which plans and specifications may, from time to time, have been amended or changed, or may hereafter be amended or changed in accordance with the provisions of the Plan.

"Projected Budget for First Year of Operation" refers to the Budget contained in Schedule B to the Plan.

"Project Standards" means the highest of the following standards: (1) the standard required to maintain and operate the Condominium (and all Units therein) in a condition and a quality level no less than that which existed at the time that the initial construction of the Building was completed (ordinary wear and tear expected) and (2) the standards maintained in similar mixed-use buildings in Manhattan.

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

"Proponent" shall have the meaning ascribed thereto in Section 6.13.1 of the By-Laws.

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

"Remedy Notice" has the meaning specified in Section 26.3 of the Declaration.

"Required Action" has the meaning specified in Section 26.1 of the Declaration.

"Required Documentation" shall have the meaning ascribed thereto in Section 6.11.5 of the By-Laws.

"Resident Manager" refers to the resident manager of the Condominium.

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

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

"Rules and Regulations" collectively refers to the Rules and Regulations, together with all modifications, amendments or additions thereto.

"Satellite" or "Satellite Antenna" refers to an antenna and related satellite/telecommunications equipment together with transmission lines, communication facilities and similar related equipment including without limitation facilities for the operation of such Satellite Antenna and transmission of information received or transmitted from the Satellite Antenna to a location elsewhere in the Building.

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

"Schedule B" refers to the projected "Budget for the First Year of Condominium

"Waiver Period" shall have the meaning ascribed in Section 6.1.3 of the By-Laws.

"Waiver Period Operating Expenses" is defined in Section 6.1.3 of the By-Laws.

"Working Capital Fund" shall have the meaning ascribed thereto in Section 8.1.8 of the By-Laws.

"ZLDA" shall have the meaning ascribed thereto in Section 32.1 of the Declaration.

"Zoning Lot Declaration" shall have the meaning ascribed thereto in Section 32.1 of the Declaration.

"Zoning Resolution" refers to the New York City Zoning Resolution of 1961, as same may be amended from time to time.

EXHIBIT D

BY-LAWS

OF

HILLROSE 28 CONDOMINIUM
157-161 EAST 28TH STREET
NEW YORK, NEW YORK 10016

EXHIBIT E

POWER OF ATTORNEY

POWER OF ATTORNEY

_____

TO

AND

THE CONDOMINIUM BOARD OF HILLROSE 28 CONDOMINIUM

AND

181 EAST 28TH STREET LLC

HILLROSE 28 CONDOMINIUM

157-161 EAST 28TH STREET, NEW YORK, NEW YORK 10016

UNIT _____

COUNTY: NEW YORK

BLOCK: 884

LOT:

POWER OF ATTORNEY

Terms used in this Residential Unit Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 157-161 East 28th Street LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as HILLROSE 28 Condominiumand by the street number 181 East 28th Street, New York, New York 10016 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 20__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned (the "Principal"), the owner of the Residential Unit (the "Unit") in HILLROSE 28 Condominium which is (are) designated and described as Residential Unit No. _____ in the Declaration and also designated as Tax Lot _____, in Block 884 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute:

A. the Condominium Board (hereinafter collectively referred to as "**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 Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium, which the Board, deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Board deems necessary or appropriate

or (c) following due authorization by any affected Unit Owner(s), to the extent required in the Declaration and By-Laws, any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or any of the Common Elements, in each case that the Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Board shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall be irrevocable; and

B. the **Declarant**, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-Laws and the Declaration then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Residential Units, and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x)Permitted Mortgagee designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (a) or (b) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by a Permitted Mortgagee covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Unit Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This Unit Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

PRINCIPAL signs here: =>_____

=>_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT "9"

CONDOMINIUM BY-LAWS

TABLE OF CONTENTS

PAGE

ARTICLE 1 GENERAL 1
1.1 Purpose 1
1.2 Applicability of By-Laws. 1
1.3 Principal Office of Condominium. 1

ARTICLE 2 BOARD OF MANAGERS 1
2.1 Number, Term and Qualification. 1
2.2 Powers and Duties 2
2.3 Managing Agents and Managers. 6
2.4 Resignation and Removal. 6
2.5 Vacancies. 7
2.6 Organizational Meetings of the Board. 7
2.7 Regular Meetings of the Board. 7
2.8 Special Meetings of the Board. 7
2.9 Resolutions of the Board. 7
2.10 Waiver of Notice. 7
2.11 Determinations by Board; Quorums. 8
2.12 Compensation. 8
2.13 Indemnification of Board Parties. 8
2.14 Fidelity Bond. 11
2.15 Committee. 11
2.16 Principal Offices of Board. 11
2.17 Status of Board. 11
2.18 Incorporation of Board. 11
2.19 Board as Agent of Unit Owners. 11
2.20 Prohibited Transactions. 11

ARTICLE 3 UNIT OWNERS 12
3.1 Annual Meetings. 12
3.2 Place of Meetings. 12
3.3 Special Meetings. 12
3.4 Notice of Meetings and Actions Taken. 13
3.5 Adjournment of Meetings. 13
3.6 Order of Business. 13
3.7 Title to Units. 13
3.8 Voting. 14
3.9 Election of Board Members; Rights of Declarant 14
3.10 Majority of Unit Owners. 15
3.11 Quorum. 15
3.12 Majority Vote. 15
3.13 Meetings. 15
3.14 Confidentiality. 15
3.15 Conflicts of Interest 15

3.16 New Business. 19

ARTICLE 4 OFFICERS 19
4.1 Designation. 19
4.2 Election of Officers. 19
4.3 Resignation and Removal of Officers. 19
4.4 President. 19
4.5 Vice President. 19
4.6 Secretary. 20
4.7 Treasurer. 20
4.8 Execution of Documents. 20
4.9 Compensation of Officers. 20
4.10 Liability of Officers. 20

ARTICLE 5 NOTICES 20
5.1 Notices. 20
5.2 Waiver of Service of Notice. 21

ARTICLE 6 OPERATION OF THE PROPERTY 21
6.1 Determination of Common Expenses and Fixing of Common Charges 21
6.2 Insurance. 23
6.3 Repair or Reconstruction after Fire or Other Casualty. 25
6.4 Payment of Common Charges. 26
6.5 Collection of Common Charges 28
6.6 Default in Payment of Common Charges. 28
6.7 Foreclosure of Liens for Unpaid Common Charges. 28
6.8 Statement of Common Charges. 28
6.9 Maintenance and Repairs. 29
6.10 Violations of Maintenance Obligations. 31
6.11 Structural Alterations, Additions, Improvements and Repairs of Units. 31
6.12 Alterations, Additions, Improvements, Repairs or Replacements to Common Elements 33
6.13 Alterations of Certain Common Elements. 33
6.14 Restrictions on Use of Units. 34
6.15 Use of Common Elements. 35
6.16 Other Provisions as to Use. 36
6.17 Right of Access. 37
6.18 Rules and Regulations 37
6.19 Real Estate Taxes, Water Charges and Sewer Rents. 38
6.20 Heat. 38
6.21 Gas. 39
6.22 Electricity. 39
6.23 Utilities Serving the Common Elements 40
6.24 Abatement and Enjoinment of Violations by Unit Owners. 40
6.25 Reimbursement of Condominium Expenses 40
6.26 Use of Common Elements; Use of Adjacent Sidewalks 40

ARTICLE 7 MORTGAGES 43
7.1 Notice to the Board. 43
7.2 Notice of Default and Unpaid Common Charges. 43
7.3 Performance by Permitted Mortgagees. 43
7.4 Examination of Books. 43
7.5 Representatives of Mortgagees. 43
7.6 Consent of Mortgagees. 44

ARTICLE 8 SELLING, LEASING AND MORTGAGING OF UNITS 44
8.1 Selling and Leasing. 44
8.2 Consent of Unit Owners to Purchase or Lease of Units by Condominium Board. 46
8.3 No Severance of Ownership. 47
8.4 Release by Condominium Board of Right of First Refusal. 47
8.5 Certificate of Termination of Right of First Refusal. 47
8.6 Financing of Purchase of Units by Condominium Board. 47
8.7 Exceptions. 47
8.8 Gifts and Devises, etc. 48
8.9 Unauthorized Sales or Leases of Units. 48
8.10 Charges Imposed on Sale or Lease of Units. 48
8.11 Power of Attorney. 48
8.12 Notices Concerning Unit Occupancy 48
8.13 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. 49
8.14 Payment of Assessments. 49
8.15 Mortgage of Units. 49
8.16 Transfer of Units to Trusts and Other Entities. 49
8.17 Lease or Purchase of Unit or Other Apartment for Resident Manager's Residence. 49
8.18 Transfer of Interests in Entities Owing Units. 49
8.19 Limitations on Sale. 49

ARTICLE 9 CONDEMNATION 49

ARTICLE 10 RECORDS AND AUDITS 50
10.1 Records. 50
10.2 Audits. 50
10.3 Availability of Documents. 51
10.4 Confidential Information. 51

ARTICLE 11 ARBITRATION 51

ARTICLE 12 MISCELLANEOUS 52
12.1 Waiver. 52
12.2 Captions. 52
12.3 Certain References. 52
12.4 Severability. 52

12.5 Depository. 52
12.6 Successors and Assigns 53
12.7 Covenant of Further Assurances. 53
12.8 Indemnity. 54
12.9 Mold. 54

ARTICLE 13 AMENDMENT TO BY-LAWS 54
13.1 Amendments by Unit Owners. 54
13.2 Scrivener Errors. 55

ARTICLE 14 CERTAIN DAMAGES 55
14.1 Self Help. 55
14.2 Abatement and Enjoinment 55
14.3 Remedies Cumulative. 56
14.4 Costs and Expenses 56
14.5 Liability for Litigation Costs. 56

BY-LAWS

HILLROSE 28 CONDOMINIUM

ARTICLE 1
GENERAL

1.1 **Purpose.** The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of Hillrose 28 Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 4,125.14 square feet of land (the "Land") which forms a part of Block 884 Lot 36 on the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County Office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All terms used herein including, but not limited to, "Declarant or its designee" and "Declarant or a designee of Declarant," which are not separately defined herein, shall have the meanings given to those terms in the Declaration.

1.2 **Applicability of By-Laws.** These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 **Principal Office of Condominium.** The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2
BOARD OF MANAGERS

2.1 **Number, Term and Qualification.**

2.1.1 As more particularly set forth in 2.2, the affairs of the Condominium shall be governed by a Condominium Board of the Condominium (the "Condominium Board").

2.1.2 During the Initial Control Period the Condominium Board shall consist of the three (3) persons appointed by the Declarant. During the Initial Control Period, Declarant reserves the right to designate fewer than three (3) persons to the Condominium Board.

2.1.3 From and after the First Annual Meeting called after the end of the Initial Control Period the Condominium Board shall consist of seven (7) persons.

2.1.4 Except as otherwise provided herein, members of the Condominium Board shall be elected at the annual meetings of Residential Unit Owners and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board Member may serve.

2.1.5 The Condominium Board is herein sometimes referred to collectively as the "Board".

2.1.6 Except for Board Members elected or designated by Declarant or its designee (a) all members of the Board shall be either Unit Owners or officers, directors, shareholders, partners, principals, employees or beneficiaries of corporations, partnerships, fiduciaries or any other entities which own Units, Permitted Mortgagees, or the spouse of individual Unit Owners. Other than Board members elected or designated by Declarant or its designee no Board member shall continue to serve after ceasing to be qualified as set forth above.

2.1.7 In no event shall any Unit Owner (or its proxy) or another interested party be eligible for election to the Board, and any such Unit Owner (or its proxy) or other party may be removed as a Board member by a majority vote of the other Board members, if such Unit Owner or the owner of the Unit in which the Board Member resides is then in arrears, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Board to be paid or the Unit Owner's Unit offered for sale. In addition, no member of the Board (or his or her proxy) may continue to participate as a member thereof after the Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

2.2 **Powers and Duties.**

2.2.1 The Board shall collectively have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by Law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners).

2.2.2 Subject to the provisions of 2.2.1 and without limiting the generality thereof:

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1(a) Operation, care, upkeep, maintenance, repair and replacement of the General Common Elements, including contracts for utilities, services and supplies;

2.2.2.1(b) The amount of Common Charges.

2.2.2.1(c) Employment and dismissal of the personnel necessary for the maintenance and operation of the General Common Elements.

2.2.2.1(d) Adoption of, and amendments and additions to, the Condominium's Rules and Regulations.

2.2.2.1(e) Making additions and improvements to, or alterations of, the General Common Elements.

2.2.2.1(f) Making repairs and restorations of the General Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.1(g) Enforcing obligations of the Unit Owners.

2.2.2.1(h) Levying fines against Unit Owners for violations of the Condominium's Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owner or Board against which they are levied).

2.2.2.1(i) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.1(j) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) as set forth in 6.2.

2.2.2.1(k) Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the General Common Elements; provided, however, that (i) the consent of at least 51% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $250,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years) unless the funds are required for Emergency Repairs or Replacements, and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph 2.2.2.1(k) is not repaid by the Condominium Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.1(l) Organizing corporations to act as designees of the Condominium Board with respect to such matters as the Board may determine.

2.2.2.1(m) Execution, acknowledgment and delivery of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Building, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems

necessary or appropriate.

2.2.2.1(n) Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.1(o) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of 6.2.

2.2.2.1(p) Operation, maintenance and supervision of all Common Elements and Residential Limited Common Elements.

2.2.2.1(q) Purchasing or leasing, in the name of the Board, space for the storage of personal property of Residential Unit Owners, and in connection therewith, licensing such space to Residential Unit Owners and the promulgation of conditions, rules and regulations for the operation and supervision thereof. Notwithstanding the foregoing, Declarant will have the right to cause the Board to license any Storage Bins that are not already licensed to a Residential Unit Owner or acquired by the Board and Declarant shall retain the purchase price for the Storage Bins for which the Board grants such licenses.

2.2.2.1(r) Imposition of (i) move-in fees and charges, (ii) transfer fees in connection with the sale or lease of a Residential Unit, and (iii) fines for violating the Residential Rules and Regulations, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant or any Declarant Designee.

2.2.2.1(s) Commencement of summary eviction proceedings in the name of or on behalf of the Board and/or Unit Owner or Unit Owners, as the case may be, against an authorized guest and/or a Tenant of a Unit Owner if such authorized guest and/or Tenant does not conform to the Rules and Regulations, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Unit Owner.

2.2.2.1(t) Establishing rules and regulations for the use of the amenities and Storage Bins.

2.2.2.1(u) Carrying out any other duties imposed upon the Board pursuant to the Declaration and these By-Laws.

2.2.3 Any act with respect to a matter determinable by the Board and deemed necessary or desirable by the Board in connection therewith shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board.

2.2.4 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or its designee shall continue to own any of the Units but in no event later

than five years from the First Closing of a sale made under the Plan, the Condominium Board may not, without Declarant's prior written approval: (i) make any addition, alteration or improvement to the General Common Elements, or to the Residential Limited Common Elements or to any Residential Unit; (ii) increase or decrease the number, or change the kind of employees initially hired for the Residential Section of the Condominium; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium; (v) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise a right of first refusal to lease or purchase a Residential Unit; provided that Declarant's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board to comply with Laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

2.2.5 The Condominium Board shall bring any litigation except to enforce the terms of the Declaration or By-Laws without first receiving the written approval of the owners of three-quarters of the Units and the owners of three-quarters of the percentage interests in the Common Elements.

2.2.6 Notwithstanding anything to the contrary contained in these By-Laws, (including, without limitation, in Section 2.2.2 above) for a period which shall end upon the early to occur of: (a) the fifth anniversary of the First Closing of title to any Unit, by the Sponsor, pursuant to an Agreement (as the terms "Sponsor" and "Agreement" are defined in that certain Plan for the sale of Units at the Condominium); or (b) the closing of title by Sponsor of all the Residential Units (the "Initial Control Period"), the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Residential Unit (unless required by any applicable Laws, statutes and ordinances, including, without limitation, environmental Laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof ("Legal Requirements"); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B — "Projected Budget for First Year of Condominium Operation" set forth in the Plan; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium unless any such borrowing is approved by the owners of Units representing at least seventy-five percent (75%) both in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Residential Unit. However, the Board may perform any function or take any actions enumerated in subsections (i) through (v) hereinabove, without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is

necessary, and no other alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five (5) years after the First Closing or whenever the Unsold Residential Units constitute less than five percent (5%) of the Common Interest, whichever is sooner.

2.2.7 The Condominium Board, as to the Common Elements, and the Unit Owners, as to each Unit Owner's Unit, shall perform all routine inspections, maintenance, repairs and replacements required by the owner's manual and their professional advisors.

2.3 **Managing Agents and Managers.** With respect to matters the determinations concerning which the Board is entitled to make, the Board may employ a managing agent and/or a manager at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to such managing agent or manager other powers granted to the Board by these By-Laws, except the powers set forth in 2.2.2.1(b), (e), (h), (1), (m), (n), (o) and (p).

2.3.2 **Board**.

2.3.2.1 **First Board**. During the Initial Control Period, the Condominium Board shall consist of the three (3) persons appointed by the Declarant.

2.3.2.2 **Later Board**. Within thirty (30) days after the end of the Initial Control Period, the Board will call a special meeting of the Residential Unit Owners (the "First Annual Meeting"), to be held not less than ten (10) days nor more than forty (40) days after such date, at which time the Unit Owners will elect seven (7) members to the Condominium Board. Each member of the Condominium Board shall have an equal vote. In the event the Initial Control Period has not ended by the third anniversary of the First Closing, the First Annual Meeting of Unit Owners will take place on the third anniversary of the First Closing, whether or not Sponsor is obligated to relinquish control at said meeting.

2.4 **Resignation and Removal.** Any Board Member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of 3.9.3, any member of the Board may be removed, with or without cause, by a majority vote of Residential Unit Owners present in person or by proxy at a regular or special meeting of Residential Unit Owners, at which a quorum is present. Any Board Member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, any member of the Board who is designated as such by Declarant or its designee, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have

the right to designate the replacement for such member. A Board Member, who fails to attend three consecutive meetings of the Board or five meetings in any twelve month period or who ceases to be a Unit Owner or who is more than two months in arrears in paying common charges and assessments shall be deemed to have resigned from the Board.

2.5 **Vacancies.** Subject to the provisions of 3.9.3, any vacancy of the members of the Board for whatever reason shall be filled by the remaining members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of the Unit Owners, when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Board, created by the resignation, removal or any other cause which results in the Board Member designated by Declarant or its designee, ceasing to be a member of any the Board, Declarant or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

2.6 **Organizational Meetings of the Board.** The first meetings of the Board following each annual meeting of the Unit Owners shall be held immediately following each such annual meeting.

2.7 **Regular Meetings of the Board.** Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that in the case of the Board, at least four such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, e-mail or telegram, at least five business days prior to the day named for such meeting. Unit Owners or their representatives may only attend Board meetings with the prior written approval of the Board.

2.8 **Special Meetings of the Board.** Special meetings of the Board may be called by the President or Vice President of the Board by giving five business days' prior notice to each member of the Board by personal delivery, mail, e-mail or telegram, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Board shall be called in like manner and on like notice on the written request of at least two members of the Board.

2.9 **Resolutions of the Board.** The Board shall cause to be promptly delivered to the Residential Unit Owners copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable Law, (b) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

2.10 **Waiver of Notice.** Any Board Member may at any time waive notice of the Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of a Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of a Board, no notice shall be required and any business may be transacted at such meeting.

2.11 **Determinations by Board; Quorums.**

2.11.2 Except as otherwise set forth in 2.11.4, all determinations by the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Condominium or Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of the Board.

2.11.3 If at the Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.4 Members of the Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of the Board.

2.12 **Compensation.** No member of the Board shall receive any compensation for acting as such.

2.13 **Indemnification of Board Parties.**

2.13.1 Business Corporation Law. The indemnification provisions of the New York Business Corporation Law ("BCL") for corporate directors and officers shall apply respectively to the members of the board (each, a "Board Member", collectively, the "Board Members") and officers of the Condominium to the same effect as though the Condominium were a corporation and the Board Members and officers of the Condominium were respectively a board of directors and officers of such corporation.

2.13.2 Indemnity. The Board on behalf and as agent of the Unit Owners shall indemnify to the fullest extent provided in the BCL, the Board Members and officers of the Condominium, made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Board or any corporation of any type or kind, or any partnership, limited liability partnership, limited liability company (a "Claim"), joint venture, trust, employee benefit plan or other enterprise, whether domestic or foreign (each an "Enterprise"), which such Board Member or officer or other person on behalf of the Board heretofore or hereafter served in any capacity at the request of the Board, by reason of the fact that such person, whether testate or intestate, was a Board Member or officer, or served such other Enterprise in any capacity, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees and disbursements actually and necessarily incurred as a result of the threat of, the commencement of and/or the continuation of such action or proceeding, or any appeal therein, if such Board Member or officer acted, in good faith, for a purpose which such person reasonably believed to be in, or, in the case of service for any such Enterprise, not opposed to, the best interests of the Board and the Condominium and, in criminal proceedings, in addition,

had no reasonable cause to believe that his or her conduct was unlawful.

2.13.3 No Presumption. The termination of any such civil or criminal proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such Board Member or officer did not act in good faith, for a purpose which such person reasonably believed to be in, or, in the case of service for any such Enterprise, not opposed to, the best interests of the Board and the Condominium or that such person had reasonable cause to believe that his or her conduct was unlawful.

2.13.4 Expenses. Expenses incurred in defending a civil or criminal action or proceeding by a Board Member, officer or other person to be indemnified under this Article shall be paid by the Board on behalf and as agent of the Unit Owners in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such Board Member, officer or other person to repay such amounts as, and to the extent, required by BCL Section 725(a). The indemnification provided by the preceding Section 2.13.2 shall not be deemed exclusive of any other rights to which a Board Member or officer seeking indemnification or advancement of expenses may be entitled, whether contained in this Declaration or the By-Laws, or a resolution of Unit Owners, a resolution of disinterested Board Members, or an agreement providing for such indemnification or under any statute, provided that no indemnification may be made to or on behalf of any Board Member or officer if a judgment or other final adjudication adverse to the Board Member or officer establishes that such Board Member's or officer's acts were committed in bad faith or were the result of active and deliberate dishonesty or willful misconduct and were material to the cause of action so adjudicated, or that such Board Member or officer thereby personally gained a financial profit or other advantage to which he or she was not legally entitled.

2.13.5 Other Person. A person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in BCL Section 722 shall be entitled to indemnification as authorized by such section.

2.13.6 Specific Case. Except as provided in BCL Section 723(a), any indemnification under BCL Section 721, unless ordered by a court under BCL Section 724, shall be made by the Board on behalf and as agent of the Unit Owners, only if authorized in the specific case set forth in BCL Section 723(b).

2.13.7 Standard of Conduct. Any determination as to whether a person has met an applicable standard of conduct shall be made in accordance with the provisions of BCL Section 723.

2.13.8 Employees Agents and Committee Members. The Board on behalf and as agent of the Unit Owners may, to the extent authorized from time to time by resolution of a majority of the Board Members, provide indemnification to employees or agents of the Board or members of committees appointed by the Board, with such scope and effect as determined by said majority of the Board Members, but in no event shall such indemnification be greater than would be available to such individual under this Declaration or the By-Laws, if such individual were a Board Member.

2.13.9 Remedies. If a Claim for indemnification under this Article is not paid in full by the Board within thirty (30) days after a written Claim has been received by the Board, the claimant may at any time thereafter bring suit against the Board to recover the unpaid amount of the Claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the reasonable expense of prosecuting such Claim. It shall be a defense to any such action (other than action brought to enforce a Claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Board) that the claimant has not met the standards of conduct prescribed hereunder, but the burden of proving such defense shall be on the Board. Neither the failure of the Condominium Board (including its independent legal counsel or the Unit Owners) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper under the circumstances because he or she has met the applicable standard of conduct set forth herein or in the BCL, nor an actual determination by the Board (including its independent legal counsel or the Unit Owners) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

2.13.10Insurance. The Board on behalf and as agent of the Unit Owners shall have the power to purchase and maintain insurance to indemnify: (a) the Condominium Board for any obligation which it incurs as a result of the indemnification of Board Members and officers under the provisions of this Article; (b) the Board Members and officers in instances in which they may be indemnified by the Board under the provisions of this Article; (c) the Condominium Board for any obligation which the Board incurs on behalf and as agent of the Unit Owners; and (d) Board Members and officers under any indemnification provided in this Declaration or the By-Laws, a resolution of Unit Owners, a resolution of the Board, or any agreement.

2.13.11 Interpretation. The intent of the foregoing indemnification provisions in this Article is both to provide and to expand upon the indemnification provided by the BCL, as the BCL may from time to time be amended, so as to maintain and continue to attract persons of high quality to serve on the Board as Board Members, officers or in similar capacities.

2.13.12 Notice of Claim or Lawsuit. Promptly after being notified of a Claim or served in a lawsuit for which indemnity is sought (a "Lawsuit"), the indemnified party shall give notice thereof to the Board.

2.13.13 Control of Defense. The Board on behalf and as agent of the Unit Owners, as a Common Expense, shall be entitled: (a) to control the defense, compromise and settlement of such Claim or Lawsuit, provided the indemnified party shall not be adversely affected by the proposed compromise or settlement and shall be fully and unconditionally released and discharged in writing from all liabilities and expenses with respect to such Claim by all claimants or with respect to such Lawsuit by all plaintiffs or petitioners or counter-claimants or cross-claimants (such release and discharge to be in form and content as shall be reasonably approved by the indemnified party); and (b) to choose the attorneys, who shall be reasonably satisfactory to the indemnified party.

2.13.14 Cooperation. The indemnified party shall cooperate fully and make available to the Condominium Board such information and documents under the control or in the

possession of the indemnified party as are reasonably related to the defense of the Claim or Lawsuit.

2.13.15 Participation. The indemnified party shall have the right, but not the obligation, at such indemnified party's sole cost and expense, to participate and be represented by separate counsel (chosen by the indemnified party) in the defense, compromise and settlement of the Claim or Lawsuit.

2.14 **Fidelity Bond.** The Board shall obtain or ensure maintenance of fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds shall constitute General Common Expenses.

2.15 **Committee.** The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an Executive Committee and such other committees as the Board may deem appropriate, each to consist of as many members as the Board shall deem appropriate for the purpose of making such reports and studies as each the Board deems appropriate. For so long as Declarant is entitled to designate members to the Board, any committee appointed by any the Board shall have as at least one of its members a member appointed by Declarant.

2.16 **Principal Offices of Board.** The principal offices of the Board shall each be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by the Board.

2.17 **Status of Board.** In addition to the status conferred upon each of the Board under or pursuant to the provisions of the Condominium Act, the Board shall, to the extent permitted by applicable Law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of 2.18, the provisions of this Section 2.17 shall no longer be applicable to the Board.

2.18 **Incorporation of Board.** To the extent and in the manner provided in the Condominium Act, the Board may by action of the Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates, it shall have, to the extent permitted by applicable Law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and By-Laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and By-Laws.

2.19 **Board as Agent of Unit Owners.** In exercising their respective powers and performing their respective duties under the Declaration and these By-Laws, each Board shall act in good faith as, and shall be, the agent of the Unit Owners the Board represents, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.20 **Prohibited Transactions.** Each member of the Board shall perform his or her

duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable Law, no contract or other transaction between the Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; *provided, however*, that either: (1) the fact thereof is disclosed to, or known by, the Board or a majority of the members thereof and noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction less the number of such Unit Owners who are also such members involved in such contract or transaction; and (3) the contract or transaction is professionally reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board or of the Unit Owners which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

ARTICLE 3
UNIT OWNERS

3.1 **Annual Meetings.**

3.1.1 On or no more than thirty (30) days after the end of the Initial Control Period, the Board will call the First Annual Meeting of the Unit Owners. Such meeting shall be held not less than 10 days nor more than 40 days after such date. At such meeting, the Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as otherwise provided in these By-Laws) seven (7) persons (including the Declarant), subject to Declarant's rights pursuant to paragraph 3.9.3. Thereafter, annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the members of the Board shall be elected and there shall also be transacted such other business as may properly come before such meetings.

3.1.2 Only the Unit Owners or their proxy holders and the Condominium's professional advisors may attend Unit Owners' meeting without the prior approval of the Board.

3.2 **Place of Meetings.** Meetings of all or any Unit Owners, shall be held at the principal office of the Condominium, or, at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the Board.

3.3 **Special Meetings.** The President of the Board shall call a special meeting of Unit Owners, if so directed by resolution of the Board or upon a petition signed and presented to the

Secretary of the Board by not less than 25% in Common Interest of Unit Owners.

3.4 **Notice of Meetings and Actions Taken.** Notice of each annual or special meeting shall be given by the appropriate Secretary to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, mail or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the appropriate Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 **Adjournment of Meetings.** If any joint or separate meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 **Order of Business.** The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(a) Call to order;

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Board;

(g) Reports of committees;

(h) Election of inspectors of election (when so required);

(i) Election of members of the Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 **Title to Units.** Title to Units may be taken by any individual, corporation,

partnership, association, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 **Voting.**

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on his or her behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; *provided, however*, that no designation to act as a proxy shall be effective for a period in excess of twelve months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or his or her proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast a vote equal to the Unit Owner's percentage interests in the Common Elements.

3.8.3 When ownership is in the names of two or more persons in the absence of written directions from the Unit Owners to the contrary, at any meeting of Unit Owners, any one or more of such Unit Owners may cast, in person or by proxy, the vote to which such ownership is entitled. In the event an attempt is made to cast conflicting votes, in person or by proxy, by the persons in whose names the Unit is owned that Unit's one vote shall be split among the persons who own the Unit and are present in person or by proxy at such meeting.

3.8.4 Inspectors of Election. In advance of or at any meeting of Unit Owners, the Board may appoint any person, other than nominees for election to the Board or their relatives or employees or existing Board Members, as "Inspectors of Election" to act as such at the meeting or any adjournment. Any such appointments may be altered at the meeting. If Inspectors of Election are not so appointed, the President may, or on the request of not fewer than ten percent (10%) of the votes represented at the meeting, shall make such appointment at the meeting. In case any person appointed as an Inspector of Election fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Board in advance of the meeting or at the meeting by the President. Unless otherwise prescribed, the duties of such Inspectors of Election shall include: verifying the number of common interests, the Units represented at the meeting, the existence of a quorum, and the authenticity, validity and number of proxies, receiving votes, ballots, hearing and determining all challenges and questions in any way arising in connection with the rights to vote; counting and tabulating all votes or consents; determining the result; and such act as may be proper to conduct the election or vote with fairness to all Unit Owners.

3.9 **Election of Board Members; Rights of Declarant.**

3.9.1 All elections of Board Members shall be determined by plurality vote.

3.9.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with 3.9.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the First Annual Meeting of Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it (excluding Unsold Units purchased by Declarant or its designee). In addition, for so long as Declarant owns at least one (1) Unsold Unit (excluding Unsold Units purchased by Declarant or its designee) as the case may be, (a) Declarant shall have the right to either designate one member of the Board or vote the Common Interests attributable to Unsold Units owned by it and (b) the number of members of the Board may not be increased without the consent of Declarant. Any vacancy created by removal of a Board Member designated by Declarant, or by any other cause which results in a Board Member designated by Declarant ceasing to be a member of the Board, shall be filled by a person designated by Declarant.

3.10 **Majority of Unit Owners.** Except as may otherwise be provided by Law, as used in these By-Laws, the terms "Majority of Unit Owners" means either those Unit Owners, having more than 50% of the total authorized votes of all Unit Owners, as the case may be, determined in accordance with the provisions of 3.8, who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11 **Quorum.** Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 50% of the aggregate Common Interests applicable to all of the Units shall constitute a quorum at all joint meetings of Unit Owners.

3.12 **Majority Vote.** Except where otherwise provided by Law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

3.13 **Meetings.** Any action required or permitted to be taken at any meeting of the Condominium Board or any committee thereof may be taken without a meeting if all members of the Condominium Board or the committee, as the case may be, consent in writing to the adoption of a resolution authorizing the action and if the resolution and the written consents thereto are filed with the minutes of the proceedings of the Condominium Board or the committee.

3.14 **Confidentiality.** Information disclosed to Board Members should be kept in confidence and not disclosed under any circumstance until a decision is made by the Board to make the information public. Once determined, decisions of the Board are to be presented in their final form, and any discussions leading up to such decisions are confidential. Board Members should never disclose how other Board Members voted.

3.15 **Conflicts of Interest.**

3.15.1 Duties of Board Members and Officers

(a) The Board Members and Officers of the Condominium owe a duty of loyalty to the Condominium which requires that in serving the Condominium they act, not in their personal interests or in the interests of others, but rather solely in the interests of the Condominium. Board Members and Officers must have an undivided allegiance to the Condominium and may not use their position as Board Members or Officers, information they have about the Condominium, or the Condominium's property, in a manner that allows them to secure a pecuniary or other material benefit for themselves or their relatives. Accordingly, no Board Member or Officer may use his or her position at the Condominium for personal gain or to benefit another at the expense of the Condominium, its mission, or its reputation.

(b) Every Board Member and Officer must discharge his or her duties in good faith, with the degree of care that an ordinarily prudent person in a like position would exercise under similar circumstances. No Board Member or Officer may take personal advantage of a business opportunity that is offered to the Condominium unless the Condominium Board first determines not to pursue such opportunity.

(c) Each Board Member or Officer must protect the confidential information of the Condominium and must not use confidential information of the Condominium for his or her personal benefit, or use such confidential information or his or her position as a Board Member or Officer to the detriment of the Condominium. Confidential information is information obtained through the Board Member's or Officer's position that has not become public information.

3.15.2 Direct or Indirect Financial or Other Material Interest

(a) Contracts, transactions, or arrangements (a "Transaction") of the Condominium in which a Board Member or Officer has a direct or indirect financial or other material interest (an "Interest") shall not be prohibited, but they shall be subject to scrutiny. Any such proposed Transaction is to be reviewed to determine that it is in the best interests of the Condominium.

(b) For the purposes of this Policy, a Board Member or Officer an Interest in a proposed or existing contract, transaction or arrangement if he or she, or one of his or her relatives: (a) has interest directly in the proposed or existing contract, transaction or arrangement; or (b) holds a position as trustee, Board Member, officer, member, partner, or employee in any such party.

(c) A Board Member's or Officer's Interest will be considered substantial if it involves: (a) an ownership or investment interest representing more than 1% of the outstanding shares of a publicly traded company or 5% of the outstanding shares or comparable interest of a privately owned company with which the Condominium has or is negotiating a Transaction or that is an involved Condominium with respect to the Transaction; or (b) an ownership or investment interest, which produces a income for or constitutes a part of the net worth of the Board Member or Officer, or a relative of the Board Member or Officer, in any entity with which the Condominium has or is negotiating a contract, transaction, or arrangement or that is an involved

Condominium with respect to the Transaction; or (c) a compensation arrangement of any kind with any entity or individual with which the Condominium has or is negotiating a Transaction, or with any involved Condominium with respect to the contract, transaction, or arrangement.

3.15.3 Disclosure of Interest and Participation in Meeting

(a) Each Board Member and each Officer of the Condominium shall promptly disclose in writing to the President with a copy to each member of the Board any Interest which he or she has or reasonably expects to have in any proposed or existing Transaction with the Condominium prior to the start of any negotiations with respect to such matter. Such disclosure shall include all material facts and supply any reasons why the Transaction might be or not be in the best interest of the Condominium. The President shall refer the issue to the full Board or Board Committee having decision-making authority over the substantive matter in question (the "Board or Committee").

(b) The Board Member or Officer who discloses an Interest in a Transaction may make a presentation and respond to questions by the Board or Committee, but after such presentation, he or she shall leave the meeting during the discussion of, and the vote on, the Transaction that results in the conflict of interest. As part of any such presentation, the Board Member or Officer shall provide to the Board or Committee any reasons why the Transaction might be or not be in the best interest of the Condominium. The Board or Committee shall determine whether the Condominium can obtain a more advantageous Transaction with reasonable efforts from a person or entity that would not give rise to a conflict of interest. The Board or Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed contract, transaction, or arrangement. If a more advantageous Transaction is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or Committee shall determine by majority vote of the disinterested members of the Board or Committee whether the Transaction is in the Condominium's best interest and whether it is fair and reasonable to the Condominium and shall make its decision as to whether to enter into the Transaction in conformity with such determination.

(c) The existence of a quorum shall not be broken by the non-participation of a Board Member or Officer who has disclosed a direct or indirect financial or other material interest in any substantive matter.

(d) The names of the Board Members and Officers who disclosed or otherwise were found to have a direct or indirect Interest in a proposed or existing Transaction of the Condominium, the nature of the Interest, and the extent of the Board Member's or Officer's participation in the relevant Board or Committee meeting on matters related to the financial or other material interest shall be recorded in the minutes for that meeting. The minutes also shall include a record of any determination as to whether the Transaction was in the best interest of and fair and reasonable to the Condominium. The names of the persons who were present for discussions and votes relating to the proposed or existing Transaction, the content of the discussion, and a record of any votes taken in connection therewith.

(e) *Co-Investment Interest*. Each Board Member and each Officer of the Condominium also shall disclose whether he or she, or one of his or her relatives, has personal

funds invested with an investment manager providing, or expected to provide, investment management services to the Condominium or in a professionally managed investment fund in which the Condominium is invested or is considering investing.

(f) *Failure to Disclose*. If the Board or Committee has reasonable cause to believe that a Board Member or Officer has failed to disclose a direct or indirect financial or other material Interest, it shall inform the Board Member or Officer of the basis for such belief and afford the Board Member or Officer an opportunity to explain the alleged failure to disclose.

(g) *Managing Agent and Employees Covered by Policy*. This Policy shall also apply to the Condominium's Managing Agent and employees of the Condominium.

(h) *Business Corporation Law § 713*. Every calendar year prior to December 31st, every Director shall receive a copy of the then current version of BCL§713.

(i) *Annual Disclosure Statement*. Promptly following the adoption of this Policy, and thereafter, on an annual basis, not later than the fifth day of January of the following year, each Board Member and Officer shall acknowledge his or her familiarity with this Policy, will confirm the receipt of BCL§713 and shall disclose in writing to the Board any existing financial or other material Interests subject to this Policy by completing a Conflict Of Interest Disclosure Statement. The Conflict Of Interest Disclosure Statements shall be retained in the confidential files of the Board.

3.15.4 Conflict Of Interest Disclosure Statement

The Conflict of Interest Policy of the Condominium requires any Board Member or Officer of the Condominium to disclose any direct or indirect financial or other material interest or co-investment interest which he or she has or reasonably expects to have in any proposed or existing Transaction with the Condominium, or in any other matter under consideration or to be considered by the Condominium Board, or any Board committee.

Please initial <u>each</u> statement that applies to you:

___ I have read and am familiar with the Conflict of Interest Policy.

___ I am not aware of any direct or indirect financial or other material interest or co-investment interest which is required to be disclosed under the Conflict of Interest Policy.

___ I have a direct or indirect financial or other material interest or co-investment interest which is required to be disclosed under the Conflict of Interest Policy. Such interest is described in the attached letter. (Please attach a letter providing complete details of any direct or indirect financial or other material interest or co-investment interest subject to the Policy.)

During the time I am a Board Member or Officer of the Condominium, I agree to report promptly any future situation that might involve or appear to involve me or any of my relatives in any potential conflict of interest with the Condominium.

Signature: _____ Date: _____

3.16 **New Business.** Any new business to be taken up at the annual meeting shall be stated in writing and filed with the secretary of the Condominium at least five (5) days before the date of the annual meeting, and all business so stated, proposed, and filed shall be considered at the annual meeting; but no other proposal shall be acted upon at the annual meeting. Any Unit Owner may make any other proposal at the annual meeting and the same may be discussed and considered, but unless stated in writing and filed with the secretary at least five days before the meeting, such proposal shall be laid over for action at an adjourned, special, or annual meeting of the Unit Owners taking place thirty (30) days or more thereafter. This provision shall not prevent the consideration and approval or disapproval at the annual meeting of reports of officers, Board Members, and committees; but in connection with such reports, no new business shall be acted upon at such annual meeting unless stated and filed as herein provided.

ARTICLE 4
OFFICERS

4.1 **Designation.** The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof. The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Board Members until the first organizational meeting of the Board after the First Annual Meeting of Unit Owners. Any one may hold multiple offices.

4.2 **Election of Officers.** The officers shall be elected annually by the Board at the organizational meetings thereof, except that the initial officers shall be elected, by the initial Board and shall hold office at the pleasure of the Board and until their successors are elected.

4.3 **Resignation and Removal of Officers.** Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board which elected such officer. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board electing him, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 **President.** The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as he or she may in his or her discretion decide are appropriate to assist in the conduct of the affairs of the entire Condominium.

4.5 **Vice President.** The Vice President shall take the place of the President under whom he serves and perform his or her duties whenever the President shall be absent or unable to

act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some member of the Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board or by the President.

4.6 **Secretary.** The Secretary of the Condominium shall keep the minutes of all joint meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Board shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 **Treasurer.** The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent appointed by the Board) in such depositories as may from time to time be designated by the Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 **Execution of Documents.** Unless otherwise delegated by the Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, any expenditure in excess of $2,500 by the Condominium Board must be countersigned by two members of the Board. If for any reason whatsoever one member refuses to countersign such an expenditure which has been authorized, the Condominium Board shall designate and authorize another Board Member to countersign the expenditure.

4.9 **Compensation of Officers.** Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

4.10 **Liability of Officers.** To the extent permitted by applicable Law, no officer of the Condominium shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable Law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each officer against any liability or claim except those arising out of such officer's own bad faith, willful misconduct, illegal acts, fraud or gross negligence.

ARTICLE 5
NOTICES

5.1 **Notices.** All notices required or desired to be given hereunder to the Board shall be personally delivered or sent by registered or certified mail to the office of the Board or to such other address as the Board may designate from time to time, by notice in writing to all Unit Owners,

and if there is a managing agent of the Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 **Waiver of Service of Notice.** Whenever notice is required to be given by Law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6
OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 Except as otherwise provided herein, all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements ("Common Expenses") shall be determined by the Condominium Board as set forth below. Common Expenses shall include all such other items provided for in the Declaration or these By-Laws to be Common Expenses. Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements. The Condominium Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners, pro rata in accordance with the aggregate respective Common Interests of the Unit Owners (except as otherwise provided in the Declaration or these By-Laws or to the extent a different method of allocation is described in Schedule B, Projected Budget for First Year of Condominium Operation), charges as set forth in the Plan ("Common Charges") to meet Common Expenses. Such budgets shall include such amounts for reserves as the Condominium Board deems appropriate. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with sub metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of Law.

6.1.2 From time to time the Condominium Board may increase or decrease the amount of Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Common Expenses for such fiscal year or any portion thereof. The Condominium Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each annual budget to all Unit Owners and Permitted Mortgagees thereof ("Annual Budget"). Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.3 Sponsor shall have the right, in its sole and absolute discretion, to cause the Board to waive the collection of the Common Charges for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all remaining expenses to operate the Condominium during the Waiver Period (the "Waiver Period Operating Expenses"). In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor shall provide notice to Unit Owners, disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration, and shall subsequently disclose the expiration of the Waiver Period in an amendment to the Plan; (iii) that during any such Waiver Period, Sponsor will timely pay all Waiver Period Operating Costs of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders to the extent otherwise included in Schedule B – "Projected Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents.

6.1.4 All Waiver Period Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B – "Projected Budget for First Year of Operation of the Residential Units". Purchasers should note that Schedule B – "Projected Budget for First Year of Operation of the Residential Units" will not be in effect until the expiration of the Waiver Period. In all instances the Residential Unit Owners will remain responsible for the payment of their allocable share of real estate taxes. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Residential Unit Owners terminate the Waiver Period.

6.1.5 Notwithstanding anything to the contrary herein, no part of the net earnings of the Condominium may inure (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any Unit Owner or individual.

6.1.6 The failure or delay of the 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 the event of such failure by the Board, the Common Charges thereafter allocable to the Units until a new determination of Common Charges is made shall be computed as set forth in the By-Laws. 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 can be made.

6.1.7 In addition to the foregoing duty to determine the amount of and to assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses (or a prior period's deficit, in accordance with subsection 6.1.2). All special assessments shall be levied against all Unit Owners (or, as applicable, all Unit Owners) in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges

(including, without limitation, perfecting a lien against the defaulting Unit).

6.1.8 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any General Common Element or Residential Limited Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Board, as agent for and on behalf of all Unit Owners (in the case of any General Common Element) or the Unit Owners (in the case of the Residential Limited Common Elements), and shall constitute income of the Unit Owners or the Unit Owners, as applicable. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental, licensing or use of any space in the Building be deemed to be derived from the rental, licensing or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.9 Subject to the terms of this Article 6, the Common Expenses shall initially be allocated among the Units as set forth in the footnotes to Exhibit B to the Offering Plan. Except as otherwise specifically provided herein, the Common Charges and assessments payable by each Residential Unit Owner will be in proportion to such Unit's percentage Common Interests compared to the total of all Units. The Board shall periodically, but not less than once per year, review the Common Expenses to determine whether each category of Unit Owners is paying its fair share of the Common Expenses. If, as a result of a regular review, a redetermination based upon changed circumstances, or a redetermination requested by Unit Owners, such Unit Owners and the Board cannot agree upon any decision or determination to be made, the same shall be submitted for arbitration in accordance with the terms of Article 11 of these By-Laws. Pending the resolution of the dispute, the Unit Owners in question shall continue to pay Common Charges upon the allocations theretofore in force, and any variation in such Common Charges based upon such resolution shall be retroactive to the date of the review, redetermination, or request for redetermination, as the case may be. In addition to basing allocations of Common Expenses on Common Interests, the Board may also make allocations and assessments of Common Expenses based upon submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law.

6.2 **Insurance.**

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and

New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Board and all officers, directors, managing agents and employees of the Condominium; (i) directors and officers liability insurance; and (j) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be borne by the Unit Owners in such proportions between them, with due consideration to their respective risks, liabilities and replacement values, as are equitable (as determined by the respective insurance carriers thereof or their agents, brokers or other such parties designated by the Condominium Board).

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board if the loss affects only the Common Elements. Insurance proceeds with respect to any loss shall be payable to the Board, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to a New York City bank or trust company designated by the Condominium Board as Depositary pursuant to the provisions of Section 12.5.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least thirty (30) days prior to expiration of the then current policies.

6.2.4 The Condominium Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Board may from time to time determine, covering (i) the Board, the managing agent or agents thereof, each Board Member, and each officer and employee of the Condominium, (ii) the Unit Owners, all officers, directors and employees thereof, and its managing agent or agents, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit or within the Limited Common Elements, if any, exclusive to his Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.4 shall also cover cross-liability claims of one insured against another.

6.2.5 Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Board determines.

6.2.6 The Condominium Board is not required to obtain or maintain any insurance with respect to any furniture, fixtures, equipment, furnishings or personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all

claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Condominium Board from time to time and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements, furniture, fixtures, equipment, furnishings or betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. The Condominium Board and the Managing Agent shall not be responsible for ensuring that Unit Owners are insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

6.2.7 If the use of any Unit causes an increase in the premium for the insurance which the Board is required to obtain and maintain, as set forth herein or otherwise, then the owner of such Unit shall be obligated to pay to the Board a sum equal to the amount of such increase attributable to such use.

6.2.8 Until payment of the debt under the mortgage securing Declarant's construction Loan (the "Mortgage") is made in full or until such Mortgage is assigned by Lender to Declarant's designee, whichever occurs first, the Board must comply with the obligations of the Mortgage (which provisions set forth the Board's obligations with respect to the maintenance of insurance during such period).

6.2.9 If any insurance policy maintained by the Condominium Board contains a deductible, then that portion of any loss or claim which is not covered by insurance due to the application of a deductible, as well as any claim or loss for which the Condominium is self-insured, may be assessed by the Condominium Board against the individual responsible for the loss.

6.3 Repair or Reconstruction after Fire or Other Casualty.

6.3.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Condominium Board with respect to any damage to or destruction of the Common Elements, will arrange for the prompt repair and restoration of the Common Elements (including the exterior walls of each Unit and bringing utilities to the Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit) and the Board or the Depositary, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If said damage or destruction, however, affects only the Common Elements, then any deficit or surplus in insurance proceeds shall be borne as a general Common

Expense or profit, respectively, as provided in subsection 6.1.1 or shared by all Unit Owners in proportion to their Common Interests. Any surplus payable to any Unit Owner pursuant to this subsection 6.3.1 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.2 If three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof or if the Building cannot be restored to its original size, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners by apportioning such proceeds in the aggregate among the Unit Owners pursuant to an appraisal of fair market values to be performed by a panel of three (3) independent appraisers; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

6.3.3 As used in this Section 6.3, the words "promptly resolve" shall mean not more than 60 days after the date of the damage of destruction in question occurs.

6.3.4 Any dispute between the Board and a Unit Owner under this Section 6.5 shall be settled by Arbitration (as provided in Article 11).

6.4 **Payment of Common Charges.**

6.4.1 The Unit Owners shall be obligated to pay to the Condominium Board the Common Charges assessed to them by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a sale or other conveyance by him or her (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then existing with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to the Board or its designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges, as the case may be, thereafter accruing. A Purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him or her of such Unit, and, to the extent permitted by Law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and

unpaid against such Unit prior to the acquisition by said purchaser of such Unit. In the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. The Board will also have the right to assess any unpaid balance as a Common Charge against all Unit Owners. Except to the extent prohibited by Law, the Condominium Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit. All liens provided for in 6.4.2, to the extent permitted by applicable Law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.3 Notwithstanding 6.4.2, neither the seller nor the purchaser of a Unit 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 a written statement from the Condominium Board.

6.4.4 In the event that prior to the Units being separately assessed for real estate tax purposes, the Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and the Board shall have a lien (as provided in Section 6.4.2) for any such accrued and unpaid amounts.

6.4.5 Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by any foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of these By-Laws.

6.4.6 For the purposes of this subsection 6.4.2, "non-occupying owner" shall mean a Unit Owner who or which does not occupy its Unit.

6.4.6.1 If a non-occupying owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges or any other amounts payable by such Unit Owner to the Board, including, without limitation, assessments and/or late fees (all of the foregoing, collectively, "Payments") for such Unit within 60 days of the expiration of any grace period after the same are due, upon notice in accordance with subdivision (b) of this subsection, all rental payments from the tenant shall be directly payable to the Board.

6.4.6.2 If the Payments for any Unit have not been paid in full, within 60 days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Board at the address listed on the notice. Where a majority of the Board has 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 Board. At such time as Payments 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 Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within 30 days of the ate that such Board receives notice that such owner seeks to dispute such claim.

6.4.6.3 Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other Law or agreement.

6.4.7 Payment by a rental tenant to the Board made in connection with this subsection shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner against such tenant for such rent.

6.5 **Collection of Common Charges.** The Board shall take prompt action to collect any Common Charges due to the Board which remain unpaid for more than thirty days after the due date for payment thereof.

6.6 **Default in Payment of Common Charges.** In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one percent (1%) of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by Law. All such "late charges", interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein.

6.7 **Foreclosure of Liens for Unpaid Common Charges.** In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Condominium Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 **Statement of Common Charges.** The Board shall promptly provide any Unit

Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.9 **Maintenance and Repairs.**

6.9.1 The Unit Owners shall take possession of their Units and their appurtenances and fixtures in "as is" condition. Except as otherwise provided in the Declaration or these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws and the entrance doors thereto) shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, or (b) in or to a 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.

6.9.2 Notwithstanding the provisions of 6.9.1:

6.9.2.1 In the event that any painting, decorating, maintenance, repairs or replacements to the Property, any Unit, or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner, or anyone visiting, residing or working in the Unit, 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, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2 In the event of damage to the Unit by fire, casualty or a leak from outside of the Unit, unless the Unit Owner caused the casualty or the leak, the Board shall repair the damage to the Unit caused by the fire, casualty or leak, but the Unit Owner shall be responsible for the Unit Owner's furniture, furnishings, fixtures, personal property, equipment, wall, floor and ceiling coverings and decorations. In the event the casualty was caused by the negligence or misconduct of the Unit Owner or anyone residing, visiting or working in the Unit, the Unit Owner shall be responsible for repairing the damage caused by the casualty.

6.9.2.3 The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and the windows may not be modified, altered or replaced without the consent of the Board. Terraces are Limited Common Elements. All normal maintenance, repairs and replacements of any Terrace shall be made by the Unit Owner having access to such Terrace at the Unit Owner's own cost and expense, but any structural or extraordinary repairs or replacements to such Terrace (excluding any leaks which are not caused by the negligence of the Unit Owner having access to the Terrace) shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. Unless caused by the Unit Owner, the slab beneath the Terrace shall be the Board's responsibility and the surface of the Terrace above the slab shall be the Unit Owner's responsibility. No plantings, structures or installations may be placed on Terraces without the prior written approval of the Condominium Board. The Condominium Board may require a Unit Owner to remove plantings and other installations placed on Terraces by said Unit Owners if the Condominium Board determines, in its reasonable discretion, that such plantings and other installations adversely affect the integrity of the surface beneath the Terrace. The Condominium

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

6.9.2.4 The exterior surface of all windows in the Condominium if so determined by the Condominium Board, shall be washed and cleaned by the Board and the cost and expense thereof shall be a Common Expense. Otherwise, the exterior of all windows in the Condominium shall be washed or cleaned at the cost and expense of the Unit Owner. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at his or her sole cost and expense.

6.9.2.5 Unit Owners shall have the right, at their sole cost and expense, to replace the windows in their Unit providing, however, that Residential Unit Owners shall only replace the windows in their Unit with a style of window approved by the Board and any applicable government agency. In the event the Board shall determine, in its sole but reasonable discretion, that (a) because one or more windows in a Unit are dangerous, no longer airtight or watertight, the Unit Owner shall replace the window or windows at its sole cost and expense or (b) all of the windows in the Building should be replaced, the cost of the replacement shall be allocated among the Unit Owners as follows: (i) each Unit Owner shall pay for the cost to acquire and install the windows in the Unit Owner's Unit; and (ii) all of the Unit Owners shall share the common costs (e.g., architects and engineer's fees, site safety, sidewalk bridges, permits and necessary approvals, the cost to dispose of the old windows and environmental remediation, if required and related costs, based on each Unit Owners' percentage interest in the Common Elements.

6.9.2.6 The exterior of all front doors of Units shall not be painted or decorated other than in accordance with the standard for the Condominium.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any Terrace, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Board with respect to such parts of the Building required to be maintained by it, and (b) each Unit Owner with respect to the windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his Unit.

6.9.4 In the event the Unit Owner or the Unit Owner's predecessor in interest replaced the windows or doors or modified the plumbing, gas or electrical lines ("Utility Lines") servicing the Unit or made any other repairs or replacements affecting the Unit or the Building (collectively "Renovations") and such windows, doors or Utility Lines require repair, the Unit Owner shall be responsible for the cost of making such repairs including repairs to the Utility Lines running from the Unit to the riser in the event the Renovations or the item that was repaired or replaced require repair or replacement in the future or in the event any renovation adversely affect the Building.

6.10 **Violations of Maintenance Obligations.**

In the event that any Unit Owner, within a reasonable time after receipt of written notice from the Condominium Board, fails to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Condominium Board may, but shall not be obligated to, perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within thirty (30) days after receiving notice of such default from 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 by the Condominium Board, together with interest thereon at the rate of 2% per month from the date on which the Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.11 **Structural Alterations, Additions, Improvements and Repairs of Units.**

6.11.1 Alterations of any Unit shall not encroach or impinge on public areas of the Building. Any alterations of a common hallway by a Unit Owner shall only be made with the consent of the Board and each Unit Owner having a Unit adjacent to that hallway. Any consent to proposed alterations shall be subject to such terms and conditions as the Condominium Board shall impose, including the Unit Owner's execution of an agreement in form and substance satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration may be made, including, without limitation the hours and days during which any alteration work may be performed, a per diem penalty for delays in completion of work beyond the time specified in the alteration agreement and the delivery of a security deposit (in an amount determined by the Board) to ensure compliance with the terms of the alteration agreement.

6.11.2 The Board shall not consent to any alteration until the Unit Owner cures any defaults under the Declaration, By-Laws or Rules and Regulations and pays such sums, to be fixed by the Condominium Board, to cover reasonable legal, architectural, engineering and other expenses of the Board and its managing agent in connection with such proposed alterations.

6.11.3 Except as otherwise provided in the Declaration, no Unit Owner shall make any structural alteration, addition, improvement or repair in or to his or her Unit without the prior written approval of the Condominium Board. The Board shall have the obligation to answer any written request by Unit Owners for approval of a proposed structural alteration, addition, improvement or repair in or to such Unit Owner's Unit within thirty (30) days after such request is received, and the failure to do so within the stipulated time shall constitute the Board's consent to the proposed alteration, addition, improvement or repair. Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the Board may exercise the right to reasonably approve the Unit Owner's contractors and suppliers, and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such

alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. The Board may impose fees upon a Unit Owner to reimburse the Condominium for its costs incurred in reviewing or supervising the aforesaid work. Notwithstanding anything to the contrary contained in this subsection 6.11.3, neither Declarant or its designee nor a Permitted Mortgagee (or its designee) of Declarant or its assignee shall be required to obtain the approval of the Board for any structural alteration, addition, improvement or repair in or to Unsold Units or enter into any alteration agreement with respect thereto. Any contractor performing work shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

6.11.4 All structural alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all Laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any structural alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.11.5 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the Board shall, if required by Law or such department or authority, be executed by the Board or, provided that the Board shall incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant is hereby authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units and Common Elements as Declarant is entitled to perform in accordance with the terms of the Declaration and these By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Declarant, shall execute the Required Documentation.

6.11.6 In the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Units or the Building, then upon the written request of Declarant or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the Declarant or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.11.7 Until such time as the initial construction of the building is complete, including the completion of "punch list" work, neither the Board nor the Unit Owner shall use or suffer to be used in any part of the Buildings any labor forces incompatible with the labor forces

which are completing the construction of the Building on behalf of Declarant. In addition, the prosecution of the work necessary to complete initial construction of the Building, including the completion of "punch list" work by or on behalf of Declarant, shall take precedence over the prosecution of any other work at the Buildings.

6.12 **Alterations, Additions, Improvements, Repairs or Replacements to Common Elements.**

Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements, repairs or replacements in or to any Common Element or Limited Common Element shall be made by the Board or Unit Owner(s) required to maintain such Common Element or Limited Common Element and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense. Whenever in the judgment of the Condominium Board, the cost of any addition, or improvement would exceed $250,000 in the aggregate in any calendar year (except if such addition or improvement is provided for in a duly approved budget), then such proposed addition, or improvement shall not be made unless first approved by a Majority of Unit Owners, who shall be required to bear the cost and expense thereof as aforesaid with respect to additions, or improvements made by the Board. Except as otherwise provided in the Declaration or these By-Laws, all such additions, or improvements costing in the aggregate $250,000 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners. Alterations, repairs or replacements to the Common Elements including replacement of existing Common Elements of the Building shall be made by the Board in its own discretion regardless of the cost.

6.13 **Alterations of Certain Common Elements.**

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the Board or Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.13 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners or the Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Board or Unit Owner (referred to in this Section 6.13 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within thirty (30) days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such 30-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for maintaining and repairing such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common

Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the Building.

6.13.2 Nothing contained in subsection 6.13.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval.

6.14 **Restrictions on Use of Units.**

6.14.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Unit shall be used as described below.

6.14.1.1 A Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Unit may only be occupied by: (i) any individual who is a Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above; (A) the designated officer, director, shareholder, partner, member, fiduciary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any foregoing.

6.14.1.2 Except as set forth herein, a Unit may be used for any purpose permitted by Law, provided such use (1) does not violate the then existing certificate of occupancy for such Unit, (2) does not adversely affect the use and enjoyment of neighboring or adjacent Units, and (3) complies with all applicable governmental regulations.

6.14.1.3 No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this Subsection 6.14.1) may be accommodated therein.

6.14.1.4 Each Unit Owner shall notify the Managing Agent in writing when a child or children aged ten (10) years old or under lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Managing Agent. Please see the Section of the Plan entitled "Rights and

Obligations of Unit Owners and the Condominium Board" for further details.

6.14.1.5 Smoking is not permitted anywhere on the Property, including in Residential Units, except that, subject to law, smoking is permitted on the terraces and balconies appurtenant to the Units, provided that the smoke does not enter into other Units or Common Elements. The Board shall have the right to obtain a court order enjoining the occupant of a Unit from smoking on his or her terrace or balcony if the smoke enters into other Units or Common Elements and the Board shall have the right to seek the eviction of a tenant, who smokes on a terrace or balcony if the smoke enters into other Units or Common Elements. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium to cause the smoke infiltration into the Common Elements or another Unit to cease (including legal fees) in enforcing this provision.

6.14.2 Notwithstanding the provisions of subsection 6.14.1, Declarant or its designee may, without the permission of the Condominium Board, (a) grant permission for the use of any Unsold Unit as a professional office or for any purpose, provided such use is permitted by Law, does not violate the Deed Restrictions, does not violate the then existing certificate of occupancy for such Unit and the user of such Unit complies with all applicable governmental regulations and (b) use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable governmental Laws and regulations.

6.14.3 The Condominium Board may, in its sole discretion, consent to the use of a Unit as a professional or business office or for any purpose provided that the nature and manner of such use complies with Law and does not violate the then existing certificate of occupancy covering the Building. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior written consent of the Condominium Board before using such Unit for any purpose other than that set forth in paragraph 6.14.1.

6.15 **Use of Common Elements.**

6.15.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.15.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the Common Elements or Limited Common Elements other than in (a) Limited Common Elements for the exclusive use of a particular Unit Owner or (b) in the areas designated as storage areas or storage bins, without the prior consent of the Condominium Board as to the Common Elements. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.15.3 Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages,

merchandise or other objects.

6.15.4 The owner of any two or more Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by Law and with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation, maintenance and repair of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys his or her Unit to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.15.5 The owner of any Unit containing lot line windows, shall comply with all requirements of Law applicable thereto and, to the extent such lot line windows are provided with sprinklers, no decoration, alteration or installation can be made which would block or otherwise interfere with the operation of the sprinkler heads or be in violation of Law.

6.16 **Other Provisions as to Use.**

6.16.1 No nuisance shall be allowed in the Condominium nor shall any use or practice be allowed in the Condominium which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Condominium or any portion thereof. All valid Laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property.

6.16.2 The Board may, in its discretion, grant permission for the use of a Unit for a use other than its original intended use, provided such use is permitted by Law or court order, does not violate the then existing certificate of occupancy for such Unit, these By-Laws or the Declaration, and the Unit Owner thereof complies with all Legal Requirements. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval of the Board before using such Unit for any purpose other than those expressly set forth above.

6.16.3 Declarant or its designee, without the permission of the Board, may (a) use or grant permission for the use of any Unsold Unit for any purpose (including, without limitation, use for a home occupation), provided such use is permitted by Law or court order, does not violate the then existing certificate of occupancy for such Unit, and the user of such Unit

complies with all applicable Legal Requirements; (b) use any one or more Unsold Units as models and sales and/or leasing offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable legal requirements; and (c) lease Unsold Units to any party(ies).

6.16.4 Each Unit Owner shall promptly comply with all legal requirements applicable to its Unit. No Unit Owner shall use or permit the use of hazardous materials on, about, under, or in its Unit or the Property. Each Unit Owner agrees to indemnify and hold harmless the Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property. As used herein, the term "Hazardous Materials" means petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law; and "Environmental Laws" means all federal, state and local Laws, rules, regulations, ordinances, requirements and orders whether now existing or hereafter enacted, promulgated or issued, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material and/or the protection of human health and the environment.

6.17 **Right of Access.**

6.17.1 A Unit Owner shall grant a right of access to his or her Unit to the Declarant for the completion of the Building including but not limited to any punch list work in such Unit Owner's Unit, and to the Board, the managing agents, managers, Resident Manager and/or any other person authorized by any of the foregoing. A Unit Owner shall grant a right of access to his or her Unit, and the Board shall grant rights of access to the Common Elements and the Limited Common Elements to Declarant and its contractors, subcontractors, agents and employees, for the completion of punch list work, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In an Emergency, in the event the Condominium incurs any expense as a result of a Unit Owner's failure to provide access to the Unit or if access is otherwise impeded or the Unit Owner has failed to leave a full set of the Unit's keys with the Condominium's personnel at the Building, the Unit Owner shall reimburse the Condominium for the Condominium's costs in obtaining access including without limitation the cost of a locksmith.

6.18 **Rules and Regulations.** Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Common Elements and Limited Common Elements. The Condominium Board may from time to time, modify, amend or add to the Rules and Regulations except that a Majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition. The Condominium Board shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Unit Owners.

6.19 **Real Estate Taxes, Water Charges and Sewer Rents.**

6.19.1 Water and sewer services shall be supplied to and for all of the Units and the Limited Common Elements through one or more building systems by the City of New York. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered.

6.19.2 Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Property to the Department of Finance of the City of New York (or directly to Declarant if Declarant has paid such taxes) and allocate the cost thereof among the individual Units, in proportion to the Units' percentage interests in the Common Elements as set forth in Schedule A of the Offering Plan. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium or any Unit. If Declarant fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Condominium and/or any other Unit, Declarant will immediately cause such lien to be removed at its sole cost and expense. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from, the nonpayment of real estate taxes assessed against any other Units.

6.19.3 In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such Owner's Unit to the date of the closing of title to such Unit.

6.19.4 The Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Units on behalf of and as agent for the respective Unit Owners thereof, but only with respect to such Units as to which the respective Unit Owners thereof have, in writing requested and authorized the Board to do so, and indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Unit Owners making such request to the Board will share the costs in connection therewith in proportion to the benefits derived therefrom by such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies, defends and holds the Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

6.20 **Heat.** Heat for the Building shall be supplied by boilers using oil and the charges therefor shall be paid by the Condominium Board. The costs incurred by the Condominium Board shall be allocated to the Unit Owners as a Common Charge. Until such time as the Units are submetered, the cost of steam shall be allocated as set forth in "Schedule B-Projected Budget for First Year of Condominium Operation" in Part I of the Plan.

6.21 **Gas.** Gas for the Condominium will be supplied from the Con Edison gas distribution system and charges therefor shall be paid by the Condominium Board. The cost of gas consumed in the Condominium will be borne by the Unit Owners as a Common Charge.

6.22 **Electricity.**

6.22.1 Electricity for each Unit shall be supplied through a separate electric meter for each Unit (or portion thereof). However, the Condominium Board, at its sole discretion, shall have the right to require that electricity be supplied to the Condominium, through one or more electrical meters and that the cost thereof be borne by each Unit Owner based upon sub-metering or any other reasonable basis, as determined by the Board. Each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit (or portion thereof) directly to the utility company, except that in the event that the Condominium Board has elected to sub-meter electricity to each Unit, then in such event each such Unit Owner shall be required to pay bills for electricity consumed or used in his or her Unit either to the Board or to the utility company as directed by the Board.

6.22.2 In the event the Property is submetered, no Unit Owners will be charged an amount (including any charge for billing costs) which exceeds the rate contemporaneously paid by customers who are served directly by the utility company and who are in the service classification that would be applicable if the Unit Owners were served directly by the utility company.

6.22.3 A Unit Owner who has a complaint about his or her submetered electricity bill shall first attempt to resolve any dispute regarding electrical service or charges with the Managing Agent. If a satisfactory resolution is not obtained then a Unit Owner shall bring said complaint in writing before the Condominium Board and shall send a copy of the complaint to the Managing Agent. If the Condominium Board is unable to provide a satisfactory resolution to the Unit Owner within 30 days after the Condominium Board receives the complaint, then the complainant will be provided written notice of the grievance procedure rules summarized below and the complaint shall be submitted to arbitration proceedings which shall be conducted in accordance with the rules of the American Arbitration Association. The cost of such arbitration shall be paid by the Condominium Board. The American Arbitration Association shall be asked to appoint the arbitrator.

6.22.4 The arbitrator shall be obliged to provide a full and fair hearing within fifteen (15) days of the filing of the compliant with the arbitrator, unless the Unit Owner requests a longer period to prepare his case. At the hearing both sides may be represented by counsel or other designated persons, produce witnesses, submit documentary evidence and cross-examine adverse witnesses. The arbitrator shall be obligated to issue a written decision specifying the grounds for its decision and evidence relied upon therein, within ten (10) days of the hearing. The decision of the arbitrator shall be binding on all parties to the proceeding, and shall not be appealable. Records on all such complaints and decisions shall be maintained by the Condominium Board for at least three (3) years from the date the complaint is first brought.

6.22.5 Notwithstanding the fact that a Unit Owner has filed a complaint about an electricity bill or that an arbitration is pending or proceeding, the complaining Unit Owner must

continue to pay his or her electricity bill to the Condominium Board or its agent. Failure to make any payment when due may subject the Unit Owner to penalties and/or interest charges, as the same may be established, from time to time by the Condominium Board. Any refund due a complaining Unit Owner will be paid or credited to such Unit Owner by the Condominium Board or its agent promptly upon receipt by the Condominium Board or its agent of such payment or credit from the utility company.

6.22.6 Rates and charges to be paid by Unit Owners shall be based on the actual cost of the energy consumed. The Condominium Board or its agent may charge the Unit Owner the actual cost of providing an electricity billing statement charged by the Managing Agent or a submetering company.

6.22.7 Nothing contained herein shall preclude the Condominium Board, on behalf of Unit Owners, from filing a complaint concerning electricity provided to the Property with the Public Service Commission.

6.23 **Utilities Serving the Common Elements.** Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, electricity and gas serving or benefiting any Common Element shall be considered part of the expense of maintaining such Common Element.

6.24 **Abatement and Enjoinment of Violations by Unit Owners.**

6.24.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Condominium Board the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Unit, Common Element or Limited Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach; and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.24.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant or its designee shall give to Declarant and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach.

6.25 **Reimbursement of Condominium Expenses.** A Unit Owner shall reimburse the Condominium for all expenses incurred by the Condominium (including but not limited to legal fees, disbursements and the cost of collection) as a result of the Unit Owner's failure to comply with the Declaration, these By-Laws or the Rules and Regulations.

6.26 **Use of Common Elements; Use of Adjacent Sidewalks.**

6.26.1 Except as otherwise provided herein or in the Declaration, Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.26.2 In no event shall any Unit Owner impair, restrict or impede the use of the Common Elements by any other Unit Owner or anyone claiming by, through or under any other Unit Owner.

6.26.3 The Owner or Owners of any one or more Residential Units, which Unit or Units are the only Unit or Units serviced or benefited by any Common Element adjacent or appurtenant thereto (for example, that portion at the end of any hallway which is directly adjacent to any such Units located on opposite sides of such hallway) and not affecting access in any material way or service (including, without limitation, heating, ventilating and air conditioning) to any other Unit or to any other portion of the Common Elements shall, to the extent permitted by applicable Law and subject to the consent of the Board (which consent may be granted or withheld in the Board's sole discretions and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), have the exclusive right to use that portion of the Common Elements as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made by reason thereof; provided, however, that notwithstanding the provisions of Subsection 6.1 hereof, such Unit Owner or Owners, at their sole cost and expense, shall (a) be responsible for the operation, maintenance and repair of that portion of the Common Elements for so long as such Unit Owner or Owners exercise such exclusive right of use, and (b) restore that portion of the Common Elements to its original condition, reasonable wear and tear excepted, after such Unit Owner or Owners cease to exercise such exclusive right of use. The owner of any such Units which are Unsold Residential Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board.

6.26.4 Notwithstanding the foregoing, elevator landings which serve fewer than three (3) Units may be decorated and/or furnished by the adjoining Residential Unit Owners as they desire, at their expense, provided that each such Unit Owner consents in writing thereto, and the Board gives its written consent to such decoration and/or furnishing, which consent of the Board may not be unreasonably withheld or delayed. After an elevator landing is decorated and/or furnished by the Residential Unit Owners serviced by the same, the Owners of such Units, and not the Board, will be responsible for keeping the decor and furnishings in a first class condition and state of repair and performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same

6.26.5 Notwithstanding anything to the contrary contained herein, Sponsor and its designees shall have the right, until the tenth (10th) Anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use portions of the General Common Elements, without charge, for exhibitions or for other promotional functions with respect to the sale and leasing of Unsold Residential Units.

6.27 **Licensing and Use of Storage Bins.**

6.27.2 Permitted Licensees; Transfer.

6.27.2.1 To help protect the security of the Building, the holder of a license to use a Storage Bin (a "Storage License") (other than Sponsor) must at all times be a Residential Unit Owner, provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee; or (ii) to the Board or its designees. If the Board terminates a Storage License or a Residential Unit Owner surrenders a Storage License without assigning such license to another Residential Unit Owner, the Board shall have the right to issue a new Storage License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion. If at any time the licensee of a Storage Bin sells its Residential Unit, it shall simultaneously assign its license of the Storage Bin to another owner of a Residential Unit (or the purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee.

6.27.2.2 Upon the issuance of a Storage License to a Residential Unit Owner, such Unit Owner may freely assign such license without the consent of the Board; provided such assignee is also a Residential Unit Owner; and provided further that the Board is provided written notice of such assignment. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage License.

6.27.2.3 The Board has the authority to promulgate additional rules regarding the use of and access to the Storage Bins and the procedures for assigning such Storage Licenses. If the Board terminates a Storage License or a Unit Owner surrenders a Storage License without assigning such license to another Unit Owner, the Board shall have the right to issue a new Storage License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion.

6.27.3 Use. The Storage Bins may be used only by occupants of the Units and only for storage of the personal effects of the owners or tenants thereof, provided that no article or material that shall pose a threat to the health or safety of the Unit Owners or other occupants of the Building, or that shall cause the dissemination of noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in any Storage Bin. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any lawful purpose or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration.

6.27.4 License Fee. Holders of Storage Licenses, excluding Sponsor with respect to unsold Storage Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the first closing. Further, the license fee is subject to change from time to time as the Board deems necessary.

6.27.5 Copy to Managing Agent. Upon the issuance of a Storage License to a Residential Unit Owner or the transfer of a Storage License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage License.

6.27.6 Issuance. Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to initially issue Storage Bin licenses for Storage Bins and to

retain the proceeds thereof. Thereafter, if the Board terminates a Storage Bin License or a Unit Owner surrenders a Storage Bin License without assigning such license to another Unit Owner, the Board shall have the right to issue a new Storage Bin License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion.

ARTICLE 7
MORTGAGES

7.1 **Notice to the Board.** A Unit Owner who mortgages his or her Unit, or the holder of any mortgage encumbering such Unit, shall notify the Condominium Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against his or her Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering his or her Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Board shall maintain such information in a book entitled "Mortgages of Units."

7.2 **Notice of Default and Unpaid Common Charges.** Whenever so requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws or the Rules and Regulations which may to the Board's knowledge then exist. The Board, when giving notice to a Unit Owner of any such default, shall, if requested, also send a copy of such notice to any Permitted Mortgagee thereof.

7.3 **Performance by Permitted Mortgagees.** The Board shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.4 **Examination of Books.** Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but the books shall not be examined more than twice a year.

7.5 **Representatives of Mortgagees.**

7.5.1 In the manner more particularly set forth in subsection 7.5.2, the holders of Institutional Mortgages (as hereinafter defined) may, at their election, designate one or more (but not more than three) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Institutional Mortgages, with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the Board, as appropriate, the act of any such Representative (or a majority of such Representatives if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages. As used herein, the term and "Institutional Mortgage" means an Institutional Mortgage (defined below) covering a Unit or Units. As used herein the terms "Permitted Mortgage" and "Institutional Mortgage" means any first mortgage covering a Unit or Units, the initial holder of which is (i)

Declarant or its designee, (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

7.5.2 Any designation of a Mortgage Representative made by the holders of Institutional Mortgages, constituting a majority in principal amount of all Institutional Mortgages, shall be binding upon the holders of all Institutional Mortgages. Any such designation of any Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the Board. Unless otherwise required by Law, all Permitted Mortgagees other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Mortgage Representatives, pursuant to the Declaration or these By-Laws.

7.6 **Consent of Mortgagees.** Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor.

ARTICLE 8
SELLING, LEASING AND MORTGAGING OF UNITS

8.1 **Selling and Leasing.** No Unit Owner, other than Declarant or its designee may sell or lease his or her Unit except by complying with the following provisions:

8.1.1 Any Unit Owner who receives a bona fide offer to (a) purchase his or her Unit together with its appurtenant Common Interest, or (b) lease his or her Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror" and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he or she has accepted, shall give notice by certified or registered mail, return receipt requested, to the Condominium Board of the receipt of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended closing date in the event of a purchase or intended occupancy date in the event of a lease) a copy of the fully executed contract of sale, lease or other transfer or occupancy agreement together with a completed copy of the Condominium's standard form of Purchase Application or Lease Application, as the case may be, and such other information as the Board may reasonably require. The giving of such notice to the Condominium Board, on behalf of all the Unit Owners represented by the Board, shall constitute an offer by such Unit Owner to sell his or her Unit together with its appurtenant Common Interest or to lease his or her Unit to the Board, or its designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Unit Owner who has received such Outside Offer to the Board acting on behalf of all Unit Owners that such Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, the Board may elect,

by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by hand delivery or by certified or registered mail, return receipt requested, to purchase such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners represented by the Board, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner. Notwithstanding anything contained herein to the contrary, the Board shall not be obligated to exercise the option herein contained and the sale or lease shall not proceed in the event the Board determines that the purchaser, lessee or anyone anticipated to be residing in the Unit has diplomatic immunity or has been convicted of a violent crime or child molestation without being required to exercise the right of first refusal.

8.1.2 In the event the Condominium Board shall timely elect to purchase a Unit together with its appurtenant Common Interest or to lease such Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Board, in accordance with the terms of the Outside Offer, within 45 days after the giving of notice by the Board of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Board elects to accept such offer. Notwithstanding the foregoing, in the event that the closing date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than 45 days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a downpayment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to the Board referred to in subsection 8.1.1 as the intended closing date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit together with its appurtenant Common Interest is to be sold, shall convey the same to the Condominium Board, or to its designee, corporate or otherwise, on behalf of all Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

8.1.3 In the event the Board or its designee shall fail to accept such offer within 20 days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an additional 60 days to accept the Outside Offer by executing and delivering a contract or lease, as the case may be. In the event the Offeree Unit Owner shall not, within such 60-day period, accept in writing

the Outside Offer, or if the Offeree Unit Owner shall accept the Outside Offer within such 60- day period but such sale or lease, as the case may be, shall not be consummated within an additional 60 days following the expiration of such 60-day period, then, should such Offeree Unit Owner thereafter elect to sell such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1. Notwithstanding the foregoing, the Condominium Board, in its discretion, may waive the Offeree Unit Owner's obligation to comply with either or both of the 60 day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

8.1.4 Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent with these By-Laws and shall provide that the lease may not be materially modified, amended or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign his or her interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board, if permitted by applicable Law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York. No lease of a Unit shall have a term of less than one (1) year.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Condominium Board or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Board which governs the Unit to be leased and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by the Board. Any lease executed by the Condominium Board as tenant shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units (including the lease of a Unit to Declarant or its designee). Declarant or its designee shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Units, as the case may be, without having to first offer the same for sale or lease to the Board.

8.1.8 On the closing of the transfer or sale of each Unit, the purchaser or transferee shall make a non-refundable contribution to the Condominium Working Capital Fund equal to one month's common charges (other than an Unsold Unit) and a non-refundable contribution to the Condominium Reserve Fund equal to one month's common charges (other than an Unsold Unit).

8.2 **Consent of Unit Owners to Purchase or Lease of Units by Condominium Board.** The Condominium Board shall not exercise any option hereinabove set forth to purchase

or lease any Unit without the prior approval of a Majority of Unit Owners, unless the Board is assigning its rights to a third party including another Unit Owner or a member of the Board and the Condominium will not incur any expense as a result, in which event Unit Owner consent shall not be required. The Condominium Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

8.3 **No Severance of Ownership.** No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 **Release by Condominium Board of Right of First Refusal.** The right of first refusal contained in 8.1 may be released or waived by the Condominium Board only in the manner provided in 8.5. In the event the Condominium Board shall release or waive its right of first refusal as to any Unit, such Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of subsection 8.1.1 and 8.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to 8.1.3.

8.5 **Certificate of Termination of Right of First Refusal.** A certificate executed by an officer of the Condominium stating that the provisions of subsection 8.1.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Condominium Board, and that as a result thereof the rights of the Board thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to subsection 8.1.3), shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith. The Condominium Board shall furnish such certificate upon request to any Unit Owner with respect to whom the provisions of subsection 8.1.1 have, in fact, terminated.

8.6 **Financing of Purchase of Units by Condominium Board.** The purchase of any Unit by the Condominium Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its (their) appurtenant Common Interest(s).

8.7 **Exceptions.** The provisions of Section 8.1 shall not apply with respect to any lease, sale or conveyance of any Unit together with its appurtenant Common Interest by (a) the Unit

Owner thereof to his or her spouse, adult children or grandchildren, parents, grandparents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof, (b) Declarant, its designee or the owner of an Unsold Unit, (c) the Condominium Board, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or (e) a Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article 8. The term "affiliate" shall be deemed to be an individual or entity which owns more than 50% of the legal and beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than 50% of the legal and beneficial interest.

8.8 **Gifts and Devises, etc.** Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will or have his or her Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit subject to, the provisions of this Article 8.

8.9 **Unauthorized Sales or Leases of Units.** Any purported sale or lease of a Unit consummated in violation of Section 8.1 or 8.3 shall be voidable at the election of the Condominium Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the owner or landlord, as the case may be. Said Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.10 **Charges Imposed on Sale or Lease of Units.** The Condominium Board shall be entitled to fix by resolution and collect, before any sale or lease of a Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Board, in connection with the sale or lease. If such charge is adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charge shall not apply to the lease of a Unit to or from Declarant or its designee, to the sale or lease of Unsold Units by Declarant or its designee, or to the sale or lease of Unsold Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Units. Upon the acquisition of a Unit, Purchasers of Units (that are not Unsold Units) shall also pay to the Condominium Board two months common charges as a non-refundable contribution to working capital.

8.11 **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 make arrangements for recording in the City Register's Office, the Unit Power of Attorney required by Article 17 of the Declaration, in the form set forth as Exhibit E to the Declaration.

8.12 **Notices Concerning Unit Occupancy.** Within five (5) days following acquisition of a Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or

occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent.

8.13 **Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common.** In the event that any Unit shall be acquired by the Condominium Board, or its respective designees, corporate or otherwise, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

8.14 **Payment of Assessments.** No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Unit unless and until he shall have paid in full to the Board all unpaid Common Charges theretofore assessed by the Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against his Unit other than Permitted Mortgages.

8.15 **Mortgage of Units.** Subject to Article 7 and Section 8.14, each Unit Owner shall have the right to mortgage his Unit without restriction, provided that, with respect to any mortgage covering a Unit, the Unit Owner making such mortgage shall notify in writing the Condominium Board of the making of such mortgage.

8.16 **Transfer of Units to Trusts and Other Entities.** No Unit shall be owned by or transferred to a trust or other entity unless the Condominium Board receives, prior to or at the closing in a form determined by the Board (a) a written designation of the state and federal courts in New York City as a jurisdiction for any dispute between the unit owner and the Condominium, (b) a written designation by the purchaser of an agent for service of process in New York City, (c) a guaranty of the Common Charges and assessments signed by an individual on behalf of the entity purchasing the unit and (d) an occupancy agreement identifying who will be residing in the Unit.

8.17 **Lease or Purchase of Unit or Other Apartment for Resident Manager's Residence.** The Condominium Board shall have the right to lease or purchase a Unit or other apartment for the Resident Manager's use and shall have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease without the approval of a Majority of Unit Owners.

8.18 **Transfer of Interests in Entities Owing Units.** In the event a Unit is owned by an entity, a transfer of interest in the entity shall be considered a transfer of the Unit and the Board shall have the same right of first refusal to purchase the interests in the entity.

8.19 **Limitations on Sale.** In order to facilitate the Sponsor's sale of the Residential Units, prior to (a) one (1) year after a Purchaser's closing on its Residential Unit from Sponsor, a Residential Unit Owner will not be permitted to sell or lease his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Residential Unit, the Purchaser may not (i) list the Residential Unit for resale or lease with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Residential Unit for sale or lease.

ARTICLE 9
CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the

Common Elements ("Taking"), then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements affected by such Taking. The award made for any such Taking shall be payable to the Board, provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Depositary and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments ("Award"). If the net proceeds of any such Award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be: (a) borne and shared by all Unit Owners with respect to any Taking of General Common Elements pro rata in accordance with their respective Common Interests percentages; and (b) borne and shared by all Residential Unit Owners with respect to any Taking of the Common Elements and/or Residential Limited Common Elements pro rata in accordance with their respective Common Interests percentages; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of the priority of such liens. Notwithstanding any provisions contained herein to the contrary, if seventy-five percent (75%) or more of the Residential Limited Common Elements and/or General Common Elements, in the aggregate, are so taken, such repairs or restorations shall not be made unless at least eighty percent (80%) in both number and aggregate Common Interests or more of all affected Unit Owners (including Sponsor or its designee, if they 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 repairs and restoration shall be performed as set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration 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 sale, and net proceeds of any condemnation Awards shall be divided among all Unit Owners by apportioning such proceeds in the aggregate among Unit pursuant to an appraisal of fair market values to be performed by a panel of three (3) independent appraisers, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" shall mean not more than 60 days after the date notice is given of such Taking. Any dispute between the Board and a Unit Owner under this Article 9 shall be settled by Arbitration (as provided in Article 11).

ARTICLE 10
RECORDS AND AUDITS

10.1 **Records.** The Board or the managing agent for the Board, if any, shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Condominium Board shall keep a separate account for each Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Condominium Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 **Audits.** Within four months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant

shall be submitted by the Condominium Board to all Unit Owners and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report submitted by the Board as a Common Expense.

10.3 **Availability of Documents.** Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

10.4 **Confidential Information.** Notwithstanding anything contained herein to the contrary, in order to maintain the Unit Owner's privacy, in the event a Unit Owner provides the Managing Agent with the Unit Owner's email address, telephone number or an address other than the Building, the Managing Agent shall not disclose such information without the written consent of the Unit Owner.

ARTICLE 11
ARBITRATION

11.1 Any dispute, claim or controversy arising out of or relating to the Declaration and By-Laws by the Unit Owners (individually, a "Party", collectively, the "Parties") shall be determined by arbitration in JAMS Headquarters, currently located at 620 Eighth Avenue, New York, New York, before one (1) arbitrator. Except as otherwise noted in the Declaration and By-Laws, the arbitration shall be administered by JAMS pursuant to JAMS' Streamlined Arbitration Rules and Procedure. Judgment on any award issued by the Arbitrator may be entered in any court having jurisdiction.

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

11.3 The Parties shall bear the costs of their own expenses and witness preparation. The Parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. The Arbitrator shall award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing Party shall be reimbursed for their share of the JAMS administrative expenses.

11.4 The Parties shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by Law or judicial decision.

ARTICLE 12

MISCELLANEOUS

12.1 **Waiver.** No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 **Captions.** The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 **Certain References.**

12.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.3.4 Unless otherwise expressly stated herein to the contrary all references herein to dollar amounts shall be adjusted from time to time, after the date this Declaration is entered into, to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor. The term "CPI Increase Factor" as used herein shall mean an increase proportionate to any increase in the cost of living from and after the First Closing, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefore reasonably selected by the Board.

12.4 **Severability.** Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 **Depository.** The Depository shall be a bank or trust company in The City of New York, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Depository resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Depositary. The Condominium Board shall pay the fees and disbursements of any Depository and such fees and disbursements shall constitute a Common Expense. The Depository shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Declarant's

construction or permanent lender, such lender shall be the Depository until its release of all Units from the lien of its mortgage.

12.6 **Successors and Assigns.** Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all of the Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant, and/or its designee, as the case may be, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 **Covenant of Further Assurances.**

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner, the Board or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Board, stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Board or other party is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

12.7.3 If any Unit Owner, the Board or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Board representing such Unit Owners stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, the Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, the Board or other party, as the case may be.

12.8 **Indemnity.** In the event Unit Owner requests that the Board's employees perform services for the Unit Owner, which are not the Board's obligation to perform, including but not limited to repairs and alterations to the Unit Owner's Unit, such request shall be deemed to include the Unit Owner's indemnification of the Board and shall save the Board harmless from any liability, loss, damage and expense arising from injury to any person (including the employee) or property when occurring while the employee is performing such work.

12.9 **Mold.** The prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he, she or they have taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. The Board will not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of the Board.

ARTICLE 13
AMENDMENT TO BY-LAWS

13.1 **Amendments by Unit Owners.**

13.1.1 Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee or any Unsold Units, any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these By-Laws, 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. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board, as attorney-in-fact for all Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its designee or any Unsold Units, no amendment, modification, addition or deletion pursuant to the provisions of clause (a) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any.

13.1.2 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee), any Unsold Residential Units, each duly adopted amendment, modification, addition or deletion to the Declaration and By-Laws, shall be executed by the Board, as attorney-in-fact, coupled with an interest, for the Residential Unit Owners, or all Unit Owners, as the case may be, and the Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact and shall be effectuated by an instrument recorded in the City Register's Office and the same shall not be effective until so recorded.

13.2 **Scrivener Errors.** Notwithstanding anything to the contrary contained herein or in the Declaration, the Condominium Board may amend these By-Laws without the consent of any Unit Owner or Recognized Mortgagee, but upon at least ten (10) days written notice to the Unit Owner and Recognized Mortgagee, to correct or supplement any patent mistakes, inconsistencies or scrivener errors.

ARTICLE 14
CERTAIN DAMAGES

14.1 **Self Help.** If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his or her Unit or its appurtenant Limited Common Elements, if any, 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 five day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

14.2 **Abatement and Enjoinment.**

14.2.1 In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at Law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges

14.2.2 The violation or breach of any of the terms of the By-Laws with respect to any rights, easements, privileges, or licenses granted to Declarant shall give to Declarant 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.

14.3 **Remedies Cumulative.** The remedies specifically granted to the Condominium Board or to Declarant in this Article 14 or elsewhere in the By-Laws shall be cumulative, shall be in addition to all other remedies obtainable at Law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Declarant 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.

14.4 **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 14.1 or Section 14.2 hereof shall be immediately payable by (a) such Unit Owner to the Condominium Board or (b) the offending party (i.e., the Condominium Board or the Unit Owner) to Declarant, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 14.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

14.5 **Liability for Litigation Costs.** If any Unit Owner, tenant, purchaser or an applicant to purchase or lease a Unit, institutes any arbitration, action or proceeding against the Condominium, its officers, Board Members, agents or employees, relating to the By-Laws, the Rules and Regulations or the affairs of the Condominium and if there is an adverse determination by the court against the Unit Owner, tenant, purchaser or applicant or the action or proceeding is dismissed, then on a determination by the court that such action or proceeding was not brought in good faith, (a) such Unit Owner, tenant, purchaser or applicant shall reimburse the Condominium for the attorneys' fees and disbursements incurred by the Condominium in such action or proceeding or in the enforcement of this provision, and (b) the Condominium shall have the right to collect the same as an assessment against the Unit Owner or rent against the subtenant. By applying to purchase or lease a Unit, an applicant to purchase or lease a Unit agrees to be bound by this provision. The effective date of this provision is the date that it is approved by two thirds of the Unit Owners and all actions and proceedings brought or new causes of action alleged in then existing actions or proceedings subsequent to such date shall be expressly subject to this provision.

SCHEDULE A
RULES AND REGULATIONS GOVERNING THE RESIDENTIAL UNIT OWNERS

The following Rules and Regulations are applicable to the Residential Unit Owners and their tenants and their guests.

(1) The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Condominium shall not be obstructed or used for any other purpose than ingress to and egress from the Condominium Units.

(2) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Condominium, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Condominium.

(3) Neither occupants nor their guests shall play in the entrances, passages, public hails, elevators, vestibules, corridors, stairways or fire towers of the Condominium.

(4) No public hall or public elevator vestibule of the Condominium shall be decorated or furnished by any Condominium Unit Owner in any manner.

(5) Each Unit Owner shall keep his or her Unit and any Limited Common Elements appurtenant thereto (including the surface of any terrace appurtenant to a Unit) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. Any determination as to what constitutes a good state of preservation and cleanliness for any Unit Owner's terrace shall be within the sole but reasonable discretion of the Condominium Board.

(6) No window guards or window decorations shall be used in or about any Unit, unless otherwise required by Law, except such as shall have been approved in writing by the Condominium Board or the managing agent of the Condominium, which approval shall not be unreasonably withheld or delayed. The portions of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance.

(7) No radio, television aerial, satellite or similar device shall be attached to or hung from the exterior of the Condominium and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Condominium except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Condominium Board or the managing agent of the Condominium, nor shall anything be projected from any door or window of the Condominium without similar approval.

(8) No ventilator or air conditioning device shall be installed in any Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

(9) All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and 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 in such Unit Owner's Unit.

(10) No bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Condominium Board or the managing agent of the Condominium for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Condominium.

(11) No Unit Owner shall make or permit any disturbing noises or activity in the Condominium, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Condominium. No Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph or radio or television set or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Condominium Board. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an Emergency or unless such work is performed by Declarant.

(12) No more than (2) pets shall be permitted, kept or harbored in a Unit without the same in each instance having been expressly permitted in writing by the Condominium Board or the managing agent of the Condominium and such consent, if given, shall be revocable by the Condominium Board or such managing agent in their sole discretion, at any time. Dogs may not be walked on the Property and all Unit Owners must clean-up after their pets. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Condominium, other than the elevators designated by the Condominium Board or the managing agent of the Condominium for that purpose, or in any of the public portions of the Condominium, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Condominium or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in his Unit shall be required to indemnify and hold harmless the Condominium, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet.

(13) Messengers and tradespeople visiting in the Condominium shall use the elevators designated by the Condominium Board or the managing agent of the Condominium for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses, caregivers, babysitters and cleaning personnel in the employ of Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Unit Owner may use any of the elevators freely, if authorized by such Unit Owner.

(14) All service and delivery persons will be required to use the service entrance. All packages, whenever feasible, will be required to be delivered by outside personnel to the package

room in the lobby where such packages will be held for pick-up by Unit Owners. Deliveries, if made, will be made from the package room to individual Units only by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Units after such service or delivery persons have received approval for such delivery from the Unit Owner.

(15) Trunks and heavy baggage shall be taken in or out of the Condominium by the elevators designated by the Condominium Board or the managing agent of the Condominium for that purpose, and through a designated entrance only.

(16) No refuse from the Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Condominium Board or the managing agent of the Condominium may direct.

(17) Water-closets and other water apparatus in the Condominium and in any common area shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the Owner of such Unit.

(18) No occupant of the Condominium shall send any employee of the Condominium or of the managing agent thereof out of the Building on any private business.

(19) The agents of the Condominium Board or the managing agent, and any contractor or worker authorized by the Condominium Board or the managing agent of the Condominium, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior written 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 manner so as not to unreasonably interfere with the use of such Condominium Unit for its permitted purposes.

(20) Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(21) The Condominium Board or the managing agent of the Condominium may retain a passkey to each Unit that has locks. If any lock is altered or a new lock is installed, the Condominium Board or the managing agent of the Condominium shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to the Board or such managing agent, then the Condominium Board or such managing agent or their agents (but, except in an Emergency, only when specifically authorized by an officer of the Board or an

officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

(22) No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

(23) Complaints regarding the services of the Condominium shall be made in writing to the Condominium Board or to the managing agent of the Condominium.

(24) Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Condominium Board, at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board, be conditional in nature.

(25) Unit Owners will faithfully observe the following procedures with respect to the use of the compactor; (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive nature therein.

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

(27) Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

(28) No Unit Owner or any of his agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

(29) If any key or keys are entrusted by a Unit Owner or by any member of his family or by his agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Condominium Board or the managing agent of the Condominium, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the managing agent of the Condominium shall (except as provided in paragraph 21 above) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(30) Nothing shall be done or kept in any Unit or in the Common Elements or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Unit Owner shall permit anything

to be done or kept in his Unit or in the Common Elements or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any Law. No waste shall be committed in the Common Elements or Limited Common Elements.

(31) The Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

(32) No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the prior consent of the Condominium Board or the managing agent of the Condominium.

(33) In the event that any Unit is used for home occupation purposes which are permitted by Law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

(34) Unless expressly authorized by the Condominium Board in each case, at least 80% of the floor area of each Unit (excepting only kitchens, pantries, bathrooms and closets) must be covered with rugs, carpeting or equally effective noise-reducing material.

(35) There will be no barbecuing in the Units, in their Limited Common Elements (including terraces), or the Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board.

(36) The Condominium Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Condominium Board, the Condominium Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or the operation or maintenance of the Condominium, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

(37) No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on terraces other than furniture of the kind usually maintained in outdoor areas. All personal property, furnishings, equipment and furniture left on the terraces or the roof of the Building shall be anchored. No plantings, structures or installations may be placed on the terraces without the prior written approval of the Condominium Board.

(38) No children may be left unattended in any common area of the Building, including but not limited to the hallways and lobby.

EXHIBIT "10"

INTERIM OCCUPANCY AGREEMENT

INTERIM OCCUPANCY AGREEMENT

SPONSOR: 157-161 East 28th Street LLC

PURCHASER:

UNIT:

DATE:

WHEREAS, Purchaser has agreed to purchase Unit (the "Unit") at the Hillrose 28 Condominium, located at 181 East 28th Street, New York, New York 10016 (the "Condominium") pursuant to a Purchase Agreement between Purchaser and Sponsor of even date herewith (the "Contract").

WHEREAS, Purchaser wishes to occupy the Unit prior to the closing of title to the Unit (the "Closing") and, subject to the terms and conditions set forth herein, Sponsor has agreed to such occupancy.

NOW, THEREFORE, Purchaser and Sponsor hereby agree as follows:

1. Purchaser may occupy the Unit subject to the terms of this Interim Occupancy Agreement (this "Agreement") commencing as of _____ (the "Possession Date"); provided, however, that such occupancy shall not commence until Sponsor or Escrow Agent (as defined in the Contract) either: (a) receives a wire transfer from Purchaser in an amount equal to the Payment (as defined in the Contract), or (b) receives a check from Purchaser in an amount equal to the Payment and such check clears.

2. The term of this Agreement shall continue until _____, the presently anticipated Closing Date. Purchaser has no other interest in the Unit except as expressly set forth herein or in the Contract.

3. Purchaser shall pay Sponsor a monthly use and occupancy fee at the address set forth above, or at such other address as Sponsor may direct, in the amount of $_____ per month, subject to the terms of Section 9 below; provided, however, that the first month's fee is due and payable as of the date hereof and shall be paid to Sponsor together with the delivery of this Agreement as executed by Purchaser, or as Sponsor may otherwise direct. Any additional monthly fee payment shall be due and payable on or before the first day of each subsequent month. At Closing, Sponsor and Purchaser shall make adjustments for fee payments on a per diem basis.

4. In the event that Purchaser defaults under the Contract, the same shall constitute a default hereunder, and Purchaser shall surrender the Unit to Sponsor in the condition s/he received

same within ten (10) days after Sponsor's notice of Purchaser's default under the Contract (the "Vacate Date"), TIME BEING OF THE ESSENCE with respect to such Vacate Date.

5. In the event Purchaser remains in possession of the Unit beyond the Vacate Date, then Purchaser shall be immediately obligated to pay to Sponsor an amount equal to $_____ per day (the "Per Diem Charge") beginning on the day after the Vacate Date through and including the date that Purchaser vacates and surrenders the Unit in the condition required herein. In no event shall any provision hereof be construed as permitting Purchaser to hold over in possession of the Unit after the Vacate Date or as limiting Sponsor's rights and remedies in respect of same, all of which are expressly reserved.

6. Without limiting any of Sponsor's rights contained herein, in the event that Purchaser shall fail to vacate the Unit on or before the Vacate Date, Sponsor shall have any and all rights at law, in equity or otherwise, to evict and/or remove Purchaser and recover possession of the Unit, and Purchaser hereby waives any and all rights to interpose any counterclaims, defenses, or offsets to such eviction action or proceeding or to seek a stay of the warrant of eviction issued therein.

7. If Sponsor brings an action or proceeding relating to this Agreement, at law or in equity, Sponsor shall be entitled to collect from Purchaser and Purchaser shall be liable to Sponsor for any and all actual third party costs and/or expenses (including, without limitation, reasonable attorneys' fees and disbursements and reasonable expert fees).

8. Purchaser shall be responsible for obtaining and paying directly for all utilities costs including, without limitation, all electric, gas, telephone and cable charges attributable to Purchaser's usage of such services in the Unit during the term, and Purchaser shall indemnify Sponsor for all such costs. The provisions of this paragraph shall survive the Closing and Vacate Date, as applicable.

9. As set forth in Paragraph 4 above, any default by Purchaser hereunder shall constitute a default by Purchaser under the Contract; provided, however, that with respect to a default in the payment of the use and occupancy fee following the initial payment, Purchaser's shall have the right to cure same within five (5) business days following the due date therefor. Notwithstanding anything to the contrary, this Agreement shall automatically terminate upon the sooner to occur of: (i) the Closing or (ii) Purchaser's default hereunder (subject, with respect to a default in the payment of the use and occupancy fee following the initial rent payment, to Purchaser's right to cure same within five (5) business days following the due date therefor).

10. Purchaser shall not make any alterations, additions, installations or improvements to the Unit during the term of this Agreement, provided that the foregoing shall not be deemed to prohibit Purchaser from placing Purchaser's furniture and other personal property in the Unit during the term hereof. Upon the termination of this Agreement for any reason other than the Closing. Purchaser shall remove all such furniture and personal property, shall repair all damage caused thereby, and shall vacate the Unit in broom-clean condition. Any personal property not removed may, at Sponsor's election, be retained by Sponsor without

compensation to Purchaser, or removed at Purchaser's expense. The provisions of this paragraph shall survive any termination of this Agreement.

11. Sponsor shall not be responsible for any damages arising from any bodily injury to Purchaser or Purchaser's guests or invitees or any damage to or loss of any of the property of Purchaser or of Purchaser's guests or invitees occurring in the Unit. Purchaser agrees to indemnify and to hold Sponsor harmless from and against any and all claims, suits, demands, judgments, and costs (including attorneys' fees) that may be made against Sponsor arising from or connected with Purchaser's occupancy of the Unit. The provisions of this paragraph shall survive the termination of this Agreement.

12. Purchaser agrees to maintain at Purchaser's sole expense personal liability, property and hazard insurance throughout the term hereof in amounts reasonably acceptable to Sponsor and naming Sponsor and the Condominium as an additional insured. During the term hereof, Purchaser shall comply with all laws, rules, regulations and requirements of governmental authorities and the Condominium pertaining to the Unit and Purchaser's use and occupancy thereof. Purchaser shall deliver insurance certificates evidencing such coverage to Sponsor prior to Purchaser's taking occupancy of the Unit.

13. Purchaser hereby agrees to accept possession of the Unit in its "as-is, where-is" condition for purposes of this Agreement; provided, however, that Sponsor agrees to deliver the Unit in broom-clean condition. Purchaser shall be liable for any and all damage caused to the Unit during Purchaser's possession thereof.

14. Smoking shall not be permitted anywhere on the property including in the Unit. The Condominium Board shall have the right to obtain a court order enjoining Purchaser from smoking in the Unit or the Common Elements and the Condominium Board shall have the right to seek the eviction of a tenant, who smokes in a Unit or the Common Elements. In addition to all other remedies available to the Condominium Board, violation of this policy shall subject Purchaser to (i) a fine in an amount to be determined from time to time by the Board and (ii) reimbursement of any fees or expenses incurred by the Condominium to cause the smoke infiltration into the Common Elements or another Unit to cease (including legal fees) in enforcing this provision.

15. Any notice hereunder shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, or by reputable overnight courier, with receipt confirmed, to Purchaser at the address given at the beginning of this Agreement, with a copy sent in like manner to _____ in the same manner as notice is given to Purchaser, and to Sponsor, addressed to Sponsor's Counsel at Holland & Knight LLP, 31 West 52nd Street, New York, New York 10019 Attention Stuart M. Saft, Esq. and Erin Goodman, Esq. or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication.

Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel) as Sponsor's agent 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.

16. Nothing in this Agreement shall be construed as creating a landlord/tenant relationship between Purchaser and Sponsor. Moreover, this Agreement is not subject to the New York City Rent Law (rent control), the Emergency Tenant Protection Act of 1974, the New York City Rent Stabilization Law, the New York City Rent Stabilization Code, any rent regulatory scheme or code, rule or regulation promulgated under any of the foregoing, or any other rental protection laws.

17. This Agreement may not be modified or its provisions waived except by a writing signed by the parties hereto.

18. Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Contract.

[NO FURTHER TEXT THIS PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PURCHASER:

_____

Name:
Title:

SPONSOR:

157-161 East 28th Street LLC

By: _____

Name:
Title:

EXHIBIT "11"

STORAGE BIN LICENSE PURCHASE AGREEMENT

STORAGE BIN LICENSE
PURCHASE AGREEMENT

This Storage Bin Purchase Agreement (this "Agreement") is made as of _____, 20___, between Sponsor and Purchaser.

Re: Unit No. ___("Unit")
Hillrose 28 Condominium (the "Condominium")
181 East 28th Street
New York, NY 10016

1. (a) Sponsor agrees to sell and grant, and Purchaser agrees to purchase the right to use a storage bin for a Purchase Price of $_____. At Closing, Sponsor shall designate, in its sole discretion, the storage bin which will be subject to such License(s). The License to use the storage bin shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan.

Choose (b) or (c) (*delete whichever is inapplicable*)

(b) Upon execution of this Agreement, Purchaser has delivered a check to Sponsor (subject to collection) in an amount $_____ [15% of the purchase price] representing the Deposit due in connection with the purchase of the Storage Bin License

-or-

(c) Within 15 days of receipt of notice that Sponsor has met the threshold percentages set forth in the Plan or upon closing of the Unit, whichever is earlier, Purchaser shall deliver to Sponsor a check (subject to collection) in the amount of $_____ [15% of the purchase price] representing the Deposit due in connection with the purchase of the Storage Bin License.

2. If there is a fire or other casualty to the area in which the Storage Bin is located and Sponsor does not elect to repair or restore such area(s) following such fire or casualty, then this Agreement shall be deemed modified to provide for the closing of title with respect to the Unit and any other unaffected License(s) only.

3. A default by Purchaser under this Agreement shall constitute a default under the Purchase Agreement for the Unit and any other default by Purchaser under the Purchase Agreement for the Unit shall constitute a default under this Agreement entitling Sponsor to those remedies as more fully described in the Purchase Agreement and the Plan. Notwithstanding an earlier closing of title with respect to the Unit, the provisions of the Purchase Agreement with respect to the delivery of the License shall survive.

4. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Agreement is annexed or in the Plan.

5. In the event of any inconsistency between the provisions of this Agreement and those contained in the Purchase Agreement to which this Agreement is annexed, the provisions of this Agreement shall govern and be binding.

6. Except as set forth in this Agreement, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written hereinbelow.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

157-161 EAST 28TH STREET, LLC

By: _____
Name: _____
Title: _____

EXHIBIT "12"

STORAGE BIN LICENSE AGREEMENT

STORAGE BIN LICENSE AGREEMENT

AGREEMENT made this ____ day of _____, 20___ (this "Agreement") by and between 157-161 EAST 28TH STREET, LLC ("Sponsor"), having an address at c/o Coral Realty, 400 Broome Street, 11th Floor, New York, New York 10013, and the Board of Managers of Hillrose 28 Condominium ("Board", and collectively with Sponsor, "Licensor") and _____ having an address at _____ ("Licensee");

WHEREAS, the Hillrose Condominium, located at 181 East 28th Street, New York, New York ("Condominium"), is governed by a certain Declaration of Condominium dated _____, 20___, recorded in the New York County Office of the Register of the City of New York on _____, 20___ in Reel ___, as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the "Declaration", the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents); and

WHEREAS, in the Condominium there are certain areas designated as the Storage Areas (collectively "Licensed Areas"); and

WHEREAS, in these Licensed Areas, storage bins have been installed for use by permitted Unit Owners; and

WHEREAS, Licensee, owns or simultaneously herewith is acquiring a Unit in the Condominium; and

WHEREAS, Licensee desires the right to the exclusive use of the storage bin designated as _____ (the "Storage Bin") for so long as Licensee owns a Unit in the Condominium;

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, a license for the exclusive use of the Storage Bin ("License") at a monthly License Fee of $1.00 per square foot in the Storage Bin adjusted by increases in the Consumer Price Index since 2019 and reasonable, discretionary increases by the Board, and Licensee hereby accepts such License from the Sponsor for a term commencing on the date hereof.

2. The Storage Bin may only be used for storage purposes, in compliance with law. No articles or material which pose a threat to the health or safety of the Units Owners or the Building, or that cause noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in the Storage Bin. The Storage Bin cannot be owned independently of a Unit.

3. Licensee shall not (a) store any property outside of the Storage Bin or (b) allow any other

person to use the License except in accordance with the terms hereof.

4. The License may be assigned by Licensee at any time provided that no outstanding money is owed to the Board or the Residential Board and provided that the assignee: (i) is a Unit Owner at the Condominium, (ii) assumes the obligations hereunder in the form annexed hereto, and (iii) delivers notice of the assignment, in writing to the Residential Board and Board in compliance with their requirements. The License shall automatically terminate at such time as the Licensee no longer owns a Unit in the Condominium unless this License is assigned to and assumed by another Unit Owner. In the event this License terminates without being assigned by the Licensee, the Residential Board shall have the right to designate the successor licensee and retain any payment made for the License.

5. Licensee represents that it accepts the Storage Bin in its condition "as is" as of the date of this Agreement. Licensee shall throughout the term of this Agreement, take good care of and maintain the Storage Bin. All repairs and replacements to the Storage Bin shall be performed by the Board and the cost and expense thereof shall be borne by the Licensee as a special assessment pursuant to the Condominium Documents.

6. Neither Sponsor nor the Condominium nor the Residential Board nor their respective agents or employees shall be liable for any theft or damage to any property stored in the Storage Bin.

7. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

8. If Licensee defaults in its obligations hereunder or under the Condominium Documents, Condominium may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of Storage Bin until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee.

9. Licensor or its agents shall have the right (but not the obligation) to open the Storage Bin in an emergency at any time, and, at the other reasonable times upon prior notice to Licensee, to inspect and examine the Storage Bin and to make such repairs, replacements and improvements as the Condominium shall deem necessary.

10. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of the Storage Bin or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Condominium or the Licensor and the Licensee with respect to this Agreement.

11. Licensee shall indemnify and hold the Condominium, the Sponsor of the Condominium, the Board and their officers, agents and employees, harmless from and against any and all liabilities, claims, penalties, and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family, servants, employees,

agents, guests and invitees in connection with the License.

12. Licensee shall be obligated to reimburse the Condominium and the Licensor for any legal fees and disbursements incurred by the Condominium or the Licensor in defending the rights of the Condominium or Licensor under this Agreement, or, in the event Licensee defaults under this Agreement beyond any applicable grace period, enforcing Licensee's obligations hereunder.

13. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

14. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

15. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

16. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to conform or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

17. Any failure by the Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and the Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

SPONSOR:
157-161 EAST 28TH STREET, LLC

By:_____
Name:_____
Title:_____

LICENSEE:

By:_____

CONDOMINIUM BOARD

By:_____
Name:_____
Title:_____

EXHIBIT "13"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS

July 15, 2019

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street, 21st Floor
New York, NY 10005

Re: Hillrose 28 Condominium
181 East 28th Street, New York, New York, 10016

The undersigned hereby certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of article 23-A of the General Business Law, the regulations promulgated by the Department of Law in 13 NYCRR Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification.

We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where I/we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

157-161 East 28th Street LLC

By: _____
Name: Alex Forkosh
Title: MANAGING MEMBER

SPONSOR'S PRINCIPAL

_____
Alex Forkosh

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 15th day in July the year 2019 before me personally appeared Alex Forkosh, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

_____
Notary Public

CRIS ALCAMO
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 02AL6120925
Qualified in New York County
Commission Expires Jan. 3, 2021

EXHIBIT "14"

CERTIFICATION OF SPONSOR'S ARCHITECT

CERTIFICATION BY ARCHITECT

December 19, 2019

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street – 21st Floor
New York, New York 10005

Re: Hillrose 28 Condominium
181 East 28th Street, New York, New York

Gentlemen:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We examined the building plans and specifications that were prepared by our firm and dated October 30, 2019 and November 14, 2019, and prepared the Report dated December 18, 2019, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

We are a registered architect in the State in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond the reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representations or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Very truly yours,

C3D Architecture PLLC



By: _____
Name: Damir Sehic AIA
Title: Principal

Sworn to before me this 19th
day of December, 2019

_____
Notary Public

ERIN SCHLAFF GOODMAN
Notary Public, State of New York
No. 02GO6260277
Qualified in New York County
Commission Expires April 23, 2020

EXHIBIT "15"

CERTIFICATION OF SPONSOR'S BUDGET EXPERT

PENMARK

PROPERTY ADVISORS, LLC

PART 20: CERTIFICATION BY EXPERT AS TO ADEQUACY OF CONDOMINIUM BUDGET

July 11, 2019

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street - 21st Floor
New York, New York 10005

Re: Condominium Offering Plan
Hillrose 28
181 East 28th Street
New York, NY 10016

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedules B and B-1 (together with the notes thereto, the "Schedule") containing projections of income and expenses for the first year of condominium operation. Penmark Property Advisors, LLC is licensed as a real estate broker in the State of New York. The undersigned Manager of the company has been engaged in the management of Residential real estate for over 40 years and has managed over 200 cooperative and condominium buildings during that period and is still active in management.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedules.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

PENMARK PROPERTY ADVISORS, LLC
250 EAST 87th STREET, STE 28G, NEW YORK, NY 10128
T: 212 702 8732 C: 516 316 8102 PENMARKPROPERTYADVISORS.COM

PENMARK

(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 I/we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

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.

PENMARK PROPERTY ADVISORS, LLC

By: _____
Name: Leslie Bogen Winkler
Title: Manager

Sworn to before me this
11 day of July, 2019

_____
Notary Public

STUART B. SHAPIRO
Notary Public, State of New York
No. 02SH6002248
Qualified in Suffolk County
Commission Expires Feb. 02, 2022